



Visualising a Greener HS

A series of symposia on enhancing the HS to support environmentally sustainable trade

Symposium 4: Reflecting the lifecycle of the basic materials - plastics, metals, wood and other sustainable alternatives

Thursday 1st December 2022

TIME	ACTIVITY
	Opening
12:00 -12:10	Mr. Konstantinos Kaiopoulos Director Tariff and Trade Affairs Directorate World Customs Organization (WCO)
12:10 -12:20	Introduction by Ms. Gael Grooby Deputy Director Tariff and Trade Affairs Directorate World Customs Organization (WCO)
12:20 -14:55	Panel Discussion and Q&A <i>Moderator : Ms. Gael Grooby</i>
Individual presentations followed by panel discussion and Q&A	Dr. Carolyn Deere Birkbeck Director, Forum on Trade, Environment & the SDGs (TESS) <i>“The HS and plastic pollution: Opportunities and options to improve transparency of trade flows across the life cycle of plastics”</i>

TIME	ACTIVITY
<p>(Note: a small coffee break will be taken after the first three presentations.)</p>	<p>Mr. Arturo de la Fuente Head of Unit E2, Environmental statistics and accounts, sustainable development EUROSTAT <i>“Circular economy statistics based on HS codes”</i></p> <p>Mrs. Arkhipova, Iana Forestry Division, NFO Statistician, Food and Agriculture Organization of the United Nations <i>“The Lifecycle of Wood Products: Challenges and Opportunities in the Harmonized System”</i></p> <p>Mr. Chaim Waibel Public Affairs Manager Plastics Recyclers Europe <i>“Plastic waste codes: reporting the transition to the circular economy”</i></p> <p>Mr. Ross Bartley Trade and Environment Director Bureau of International Recycling <i>“Recycled metals contribution to circular economy and climate change mitigation”</i></p>
<p>14:55 -15:00</p>	<p>Conclusion of the symposia Ms. Gael Grooby Deputy Director Tariff and Trade Affairs Directorate World Customs Organization (WCO)</p>

The Concept

Background

In September 2015, world leaders adopted the **2030 Agenda for Sustainable Development** and its 17 goals (SDG) that cut across disciplines, sectors and institutional mandates, acknowledging the integrated nature of the many challenges that humanity faces.

In the preamble to the 2030 Agenda, world leaders affirmed that they are: “Determined to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations.”

Following the adoption of the 2030 Agenda for Sustainable Development by the UN General Assembly, Customs Administrations acknowledge the part they play in meeting the challenge of ensuring that globalization becomes a positive force for all people across the world.

For the year 2020, the WCO Secretariat chose “sustainability” as its theme for the year, with the slogan “**Customs fostering Sustainability for People, Prosperity and the Planet**”. In announcing this, Dr. Mikuriya remarked that “this theme is more topical than ever before” and “2019 was the year when public debate was dominated by sustainability issues and problems linked to climate change”. Fast forward to 2022 and these statements still apply today.

The inclusion of the SDG perspective in all WCO tools and instruments that focus on issues related to facilitation and Customs procedures may also make it necessary to review the existing strategies to make them more responsive to the SDGs and ensure that they also fully support the accomplishment of the relevant SDGs. It is vital to identify sensitive products at the border, both to combat fraud and to achieve the SDGs. The key tool for the identification and classification of goods at the global level is the **Harmonized System (HS)**.

The 2022 edition of the HS, which entered into force on 1 January 2022, takes account of – among other things – environmental issues and certain goods which are subject to specific controls under various conventions. The task of examining the HS in the light of the SDGs is continuing, with the aim of satisfying international requirements where the trade in goods is concerned; **the 7th HS Review Cycle**, which is under discussion in the bodies responsible for managing the HS, constitutes **a historic opportunity to make the 2027 edition of the HS increasingly green**.

Customs plays a pivotal role working with other agencies at the border contributing to the fight against climate change and to ensuring greater environmental sustainability by supporting effective implementation of various **Multilateral Environmental Agreements (MEAs)**, whose objectives include among others, addressing the illicit trade in hazardous waste and ozone-depleting substances, combating the illicit trade in endangered species, etc.

The world in facing transformations and production is organized into global value chains trying to produce more sustainable goods not only for today, but for tomorrow. Trade and trade policy can effectively support a circular economy transition extending the product life cycle, repairing, recycling and/or reusing products at different stages of the value chain.

The HS is called to help trade by identifying these environmental goods for statistical purposes, for establishing specific trade policies, to help countries restrict trade in products that can harm the environment or conversely, to facilitate trade in environmentally friendly goods. Given the role of trade in facilitating a circular economy transition, the HS does not actually distinguish used, recycled or refurbished goods.

The HS has been successful in identifying trade in environmentally harmful products, however the Secretariat has not received proposals to identify environmentally friendly goods or sustainably produced products to facilitate trade in them.

Future Possibilities

As the key tool for the identification and classification of goods worldwide, **the HS has a vital role** in the implementation of green policies, including global policies such as under the United Nations Environment Programme. Trade promotes development and economic growth; however indiscriminate trade without effective environmental policies in place may lead to environmental degradation. By facilitating trade in environmental goods, countries and their Customs administrations can contribute to achieving sustainable development.

However, for Customs administrations, identifying the priorities of environmentally focused administrations within their government and converting these into HS proposals is a complex matter.

Involving Customs administrations, HS stakeholders and users in a series of symposia gives another way for the HSC and the WCO Secretariat to engage in the necessary conversations to support this work. The stakes are high as the need for HS support of green policy measures is being increasingly identified by Members and other Intergovernmental Organisations.

Greening the HS, using a carefully framed method for separately identifying goods which are of environmental significance, will make it possible to bring more transparency and predictability to commercial operations involving these types of goods, and support policy measures to **reduce the impact of trade on the environment**. The effective application of environmental regulations protects people, the planet, and everything that lives on it.

Another objective of monitoring such goods would be to **combat threats to sustainable development**, the illicit trade in wild fauna and **flora**, the illicit exploitation of **forestry, fisheries and mining resources**, and **waste which threatens international safety as well as economic growth and development**.

Format: Hybrid. The Symposium will be held in person at the WCO Headquarters in Brussels. An online link will also be provided allowing the possibility for participants who are unable to travel to observe the Symposium remotely via an online Zoom platform.

Participants: The Conference is a multi-stakeholder event that brings together not only Customs administrations but also, representatives of OIs, trade negotiators and environmental policy makers, academia, private sector, civil society, NGOs, and international experts. Free of charge, **open to all**.

Language: EN, FR and SP

Session 4

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The circular economy is another possible focus area for a sustainable development strategy. The circular economy is an economic model based on a systemic approach encompassing notions including the green economy, the usage (or functional) economy, the performance economy and industrial ecology. This type of economy operates as a loop, thus doing away with the concept of “waste”. Its objective is to produce goods and services while strictly limiting the consumption and waste of raw materials, and of non-renewable energy sources. However, among the various issues for the HS in relation to the circular economy concept, one of the issues is that, for the majority of goods, it does not have divisions that relate to whether materials are virgin or recycled, or whether or not wastes are suitable for recovery operations. In addition, it is focused largely on a small set of basic materials. While it has expanded in terms of bamboo and rattan, there is still

scope for considering adding more emerging environmentally preferable materials in order to enable monitoring and support for such trade.