



The Global Language of Business

GS1 Global Product Classification

Potential use in cross border trade

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The most common control and enforcement issues stem from lack of quality information

L 1 day delay
= 1% loss
in export value
or US\$157 billion

Data absence and lack of quality data means errors and slow clearance processes

International Finance Corporation

How can we bridge the gap between Industry and Government needs?



PRIVATE SECTOR



PUBLIC SECTOR



COMPLEXITY



TIME



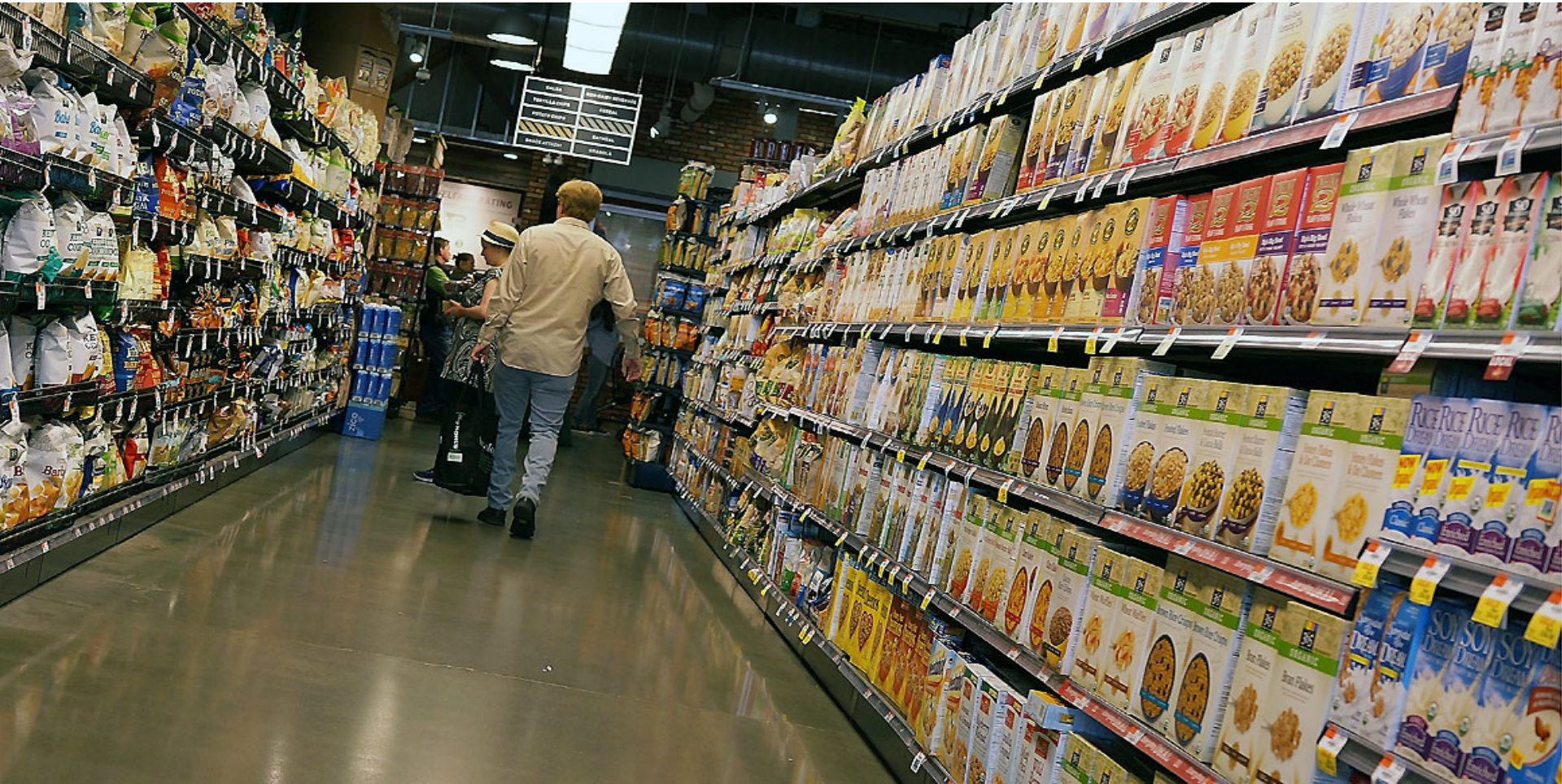
SOLUTION

Industry Needs

- **Certainty** making forecasting and planning easier
- **Efficiency** lowering time delays and cost
- **Simplification** through automation and less cumbersome processes

Government Needs

- **Accuracy** with cost effective tariff verification, and automatic identification of goods
- **Enhanced trade facilitation**, with safety in international supply chains
- **Efficient customs** clearance and expedited cargo movement
- **Smarter** work in risk prevention and control with improved **regulatory compliance**



GS1 standards help brand owners and retailers meet consumer demand for trusted product info — no matter how or where they shop.



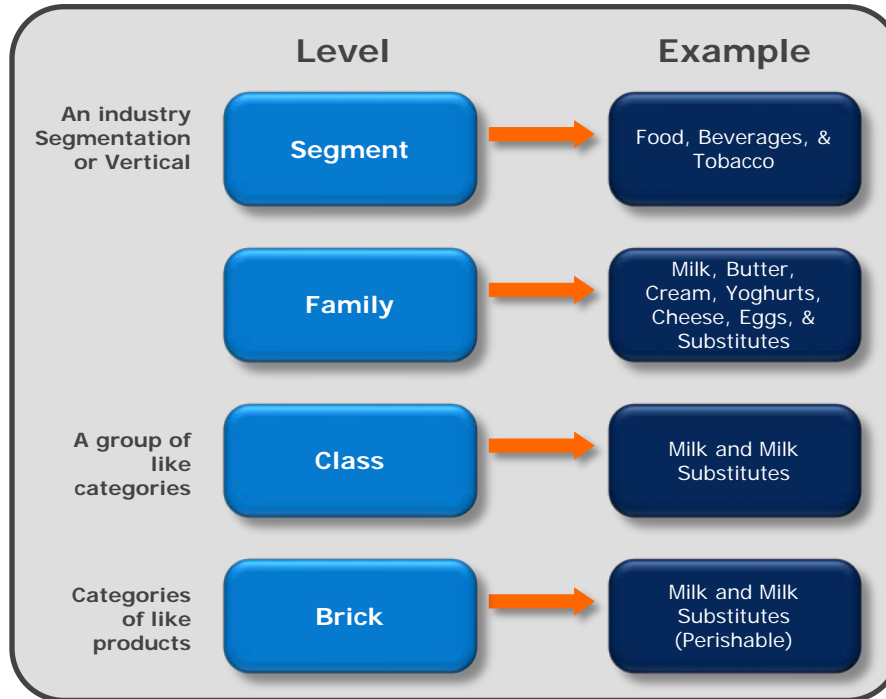
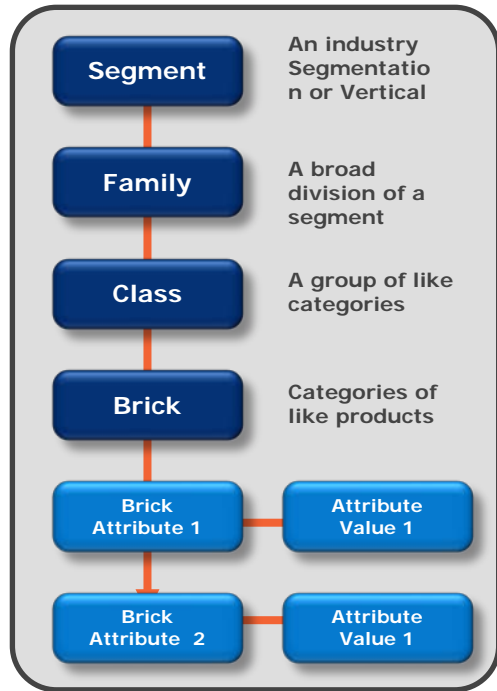
Physical
identification

Digital
identification



Identification + Data = Identity

GS1 Classification



Milk and Milk Substitutes (Perishable)

GPC and HS classification – what is the issue?

Two separate worlds that don't connect:

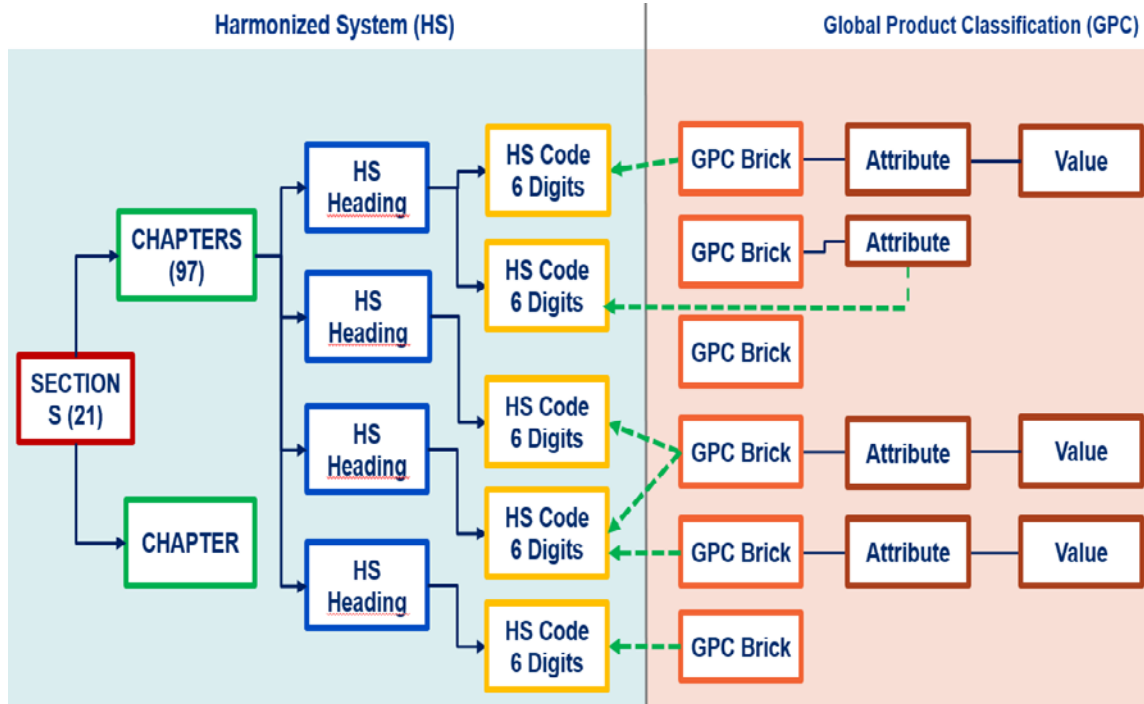
- Millions of product data records globally exchanged using GS1 standards
- Border agencies require HS – limiting ability of business to use existing systems without incurring extra cost
- **GS1 members could automatically** access HS code for their product
- **Customs** see the **greater product detail**

Mapping HS and GPC opens opportunities for governments and businesses

- Simple vision (1) GTIN, (2) Retrieves GPC, (3) Obtains HS (via scan of physical product, operator selected or machine to machine)
- Businesses using Global Data Pools could input data to single trade windows
- Border agencies gain extensively tested and trusted market data – rather than one-off entry leading to data errors and wasted interventions
- Border agencies get richer information for risk management

HS code 9503.00 Children's Toys	Toys – Ride on (Non-Powered) GPC code 10005187
	Dolls/Soft (Powered) GPC code 10005143
	Dolls/Soft Toys (Non-powered) GPC code 10005142

But there are significant mapping challenges



Not always one to one
match HS level 6 # brick

Below HS level six often
specific country codes

Dynamic - updating for
changes – not a static
map

New GS1 registry
platform not complete yet
but well on the way

Approach – At the concept design stage

- Dynamic code “guesser” that offers suggestions where there is no one-to-one match (systems are in place in GPC codes and drilldowns for HS)
- It would use smart algorithm to query (product description):
 - existing classification HS/GPC model coding
 - an initial map HS-GPC (updatable by ingestion of code changes)
 - real world data (Customs/GDSNs/GS1 registry) on user choices
- Next stage: pilot development and testing (May – November 2019)

Governance

There is interest from Government seeing the value of the mapping

- Strategic Cooperation Agreement including GPC-HS mapping Signed with China Customs
- In China a limited mapping of 20 product categories has been initiated, and pilot projects with customs are planned to test the functionality of the mapping
- Also interest from Customs in South America, North America, and Asia-Pacific
- A Project Group to be set up that would target engagement with a **wider stakeholder group** with an interest in the project including
- **Stakeholder group** could include World Customs Organisation, China Customs, US Customs etc.

www.gs1.org

