A spotlight on industry challenges for “greener” technology

5th WCO HS Symposium | 23 January 2023, Brussels (hybrid)

Martina Kavanagh, Co-Chair ICC Working Group on Circular Economy (IBM)
1. Scope: What is “green technology”?
2. I - Examples for issues
3. Practice case
4. II- Examples for issues
5. CE law in Mexico
What is “green technology”?

Technology that enables sustainability through more efficient processes

The hardware itself (materials, life-cycle)
Reusing raw materials leads to Sustainability
which enables a Circular Economy
• Remove paper
• Increase efficiency
• Reduce wait times

Need to make the best use of available resources while preserving and reducing environment impacts

Circular Economy

(Design)
• Remanufacturing
• Reusing
• Recycling

Technology to enable sustainability Hardware
I – Examples of issues

What is the status of goods?

Examples are:

- New
- Used
- Available for repair
- Remanufactured
- Waste
- ......................others?
I – Examples of issues

When moving parts or goods across borders

WCO defines 6-digit tariff codes; based on those, countries develop their tariff code tables with subsequent digits

The digits after 6 are not always (rarely) the same country to country

The addition of a new HS code for the status of goods could be very complex to implement in a number of countries

Will a new chapter be added to identify the status of goods?

or

Will current chapters be developed to capture the status of goods?
Practice case

Classification of hardware, HS 8517.62 – looking at different countries

• Indonesia has 15 different options for classifying hardware under 8517.62
• the US has three different options
• the EU only one

The EU and US could more easily add additional classifications in their respective nomenclature to accommodate refurbished network equipment, but it would be very complicated to do the same under each of the 15 tariff codes in Indonesia.
II – Examples for issues

Mechanisms at borders

• Complexity of new processes using HS revisions will require education at the front and back end
• A standard definition must be determined, e.g., remanufactured
• Fragmentation of regulations and requirements:
  o across countries, e.g., rules of origin
  o between domestic agencies, e.g., consumer protection, environmental laws
• How can the status of goods be best identified and verified at borders?
Joined up thinking:

Circular Economy Law & General Law for the Prevention and Integral Management of Waste in MEXICO
Creation of Mexico’s General Law of Circular Economy Initiative in 2021

On November 17 2021, the Mexican Senate unanimously approved the general terms for the new Circular Economy Law (Ley General de Economía Circular – LGEC). The new legislation promotes improved waste management rules and advocates for recycling techniques and protection arrangements for collectors.

In order to achieve a full and successful implementation of the CE scheme, it is necessary to involve different sectors of production, legislators and regulatory institutions.
Thank you!

For any questions, please contact:

Florence Binta Diao-Gueye
Global Policy Manager, Trade & Customs
E florence.diao-gueye@iccwbo.org