

# Classifying export goods accurately

By Nadine Brohan

Customs has two more initiatives to help exporters improve the accuracy of goods classification - the Australian Harmonized Export Commodity Classification (AHECC) Guide and the AHECC Advisory Service. Both are directly linked to Customs *Information for Exporters* campaign and *Project 8*.

The Information for Exporters campaign assists Australian businesses to provide accurate export entry information to Customs. Project 8 is directly linked with this campaign and illustrates eight fields on export entries that require particular care as identified by Customs, permit-issuing authorities and the Australian Bureau of Statistics.

One of the eight fields within Project 8 is the AHECC code. To assist industry improve compliance in respect of this field, Customs has developed the AHECC Guide and AHECC Advisory Service.

## AHECC Guide

The AHECC Guide is a CD-based learning tool developed for export industry personnel with no knowledge of goods classification. It progresses through five levels of classification skill, providing users with a basic knowledge of how to classify goods for export. The program takes approximately five hours to complete but it can be completed over a number of sessions using a bookmarking facility.

Free copies are available from the Customs Information Centre - 1300 363 263 or [information@customs.gov.au](mailto:information@customs.gov.au).

## The AHECC Advisory Service

This service was developed for clients who require assistance with the classification of goods for export.

Clients may complete an advice request proforma available on the Customs Internet at [www.customs.gov.au](http://www.customs.gov.au). They may then

## Customs Compliance Continuum

### CLIENT CATEGORIES—BEHAVIOURS AND MOTIVATION

Self regulation	Assisted self regulation	Directed regulation	Enforced regulation
<ul style="list-style-type: none"> <li>Informed self assessment</li> <li>Management is compliance orientated</li> <li>Includes accredited clients</li> </ul>	<ul style="list-style-type: none"> <li>Not yet compliant</li> <li>Attempting compliance</li> <li>Developing internal control systems</li> </ul>	<ul style="list-style-type: none"> <li>Resistance to compliance</li> <li>Lack of compliance</li> <li>Limited / poor systems</li> </ul>	<ul style="list-style-type: none"> <li>Deliberate non compliance</li> <li>Criminal intent</li> <li>Illegal activity</li> </ul>

### CUSTOMS OPERATIONAL RESPONSE

<ul style="list-style-type: none"> <li>Education and training</li> <li>Maximum pre-arrival / departure clearance</li> <li>Minimum real time pre-clearance intervention</li> <li>Some compliance verification:                             <ul style="list-style-type: none"> <li>x-ray</li> <li>checks of documents and goods</li> </ul> </li> <li>Sanctions may be imposed</li> </ul>	<ul style="list-style-type: none"> <li>Education and training</li> <li>Some real time pre-clearance intervention</li> <li>Some post clearance checking</li> <li>Compliance verification:                             <ul style="list-style-type: none"> <li>x-ray</li> <li>checks of documents and goods</li> </ul> </li> <li>Sanctions may be imposed</li> </ul>	<ul style="list-style-type: none"> <li>Pre and post clearance intervention</li> <li>Post clearance comprehensive audit</li> <li>Pre-clearance major examination</li> <li>Sanctions may be imposed</li> </ul>	<ul style="list-style-type: none"> <li>Pre and post clearance intervention</li> <li>Comprehensive audits</li> <li>Cargo searches (may be covert)</li> <li>Surveillance</li> <li>Investigation by multi disciplined teams</li> <li>Sanctions imposed</li> </ul>
--	---	--	--





email it to [aheccadvice@customs.gov.au](mailto:aheccadvice@customs.gov.au) or fax it to a dedicated fax number listed on the form. Alternatively, they may call the Customs Information Centre on 1300 326 263 and ask to have the proforma faxed or sent to them.

Please refer to Australian Customs Notice (ACN) No. 2002/27, which provides a comprehensive outline of the services available. This ACN may be accessed via the Customs website at [www.customs.gov.au](http://www.customs.gov.au).

Why is accurate classification so important?

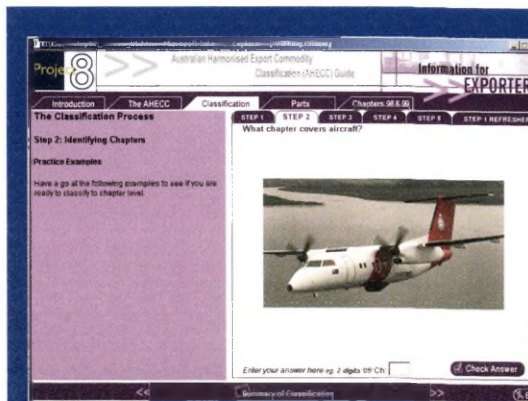
Customs uses this information to assess risks surrounding outbound cargo and to maintain Customs border controls. It is also critical that export entry information, including AHECC codes, is accurate because it provides essential information on Australia's trading status within the global environment. This data is a valuable decision-making tool for businesses competing in export markets, as well as for government in relation to industry and trade policy.

How will accurate classification directly assist exporting businesses?

Accurately classifying goods for export facilitates the improvement of exports management by assisting in the smooth operation of the exports-regulation process.

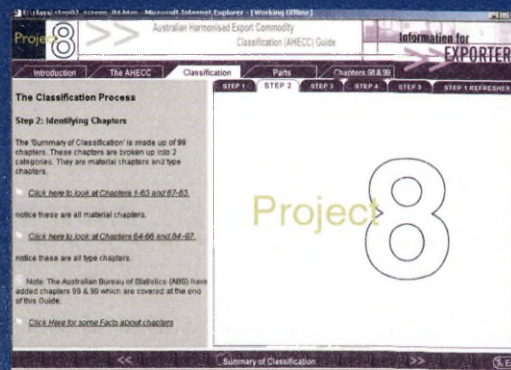
Customs encourages self-regulation by importers and exporters. Where companies are non-compliant, the response is determined by the Customs Compliance Continuum (previous page).

Obtain assistance from Customs to get you on track for the future. Contact the Customs Information Centre on 1300 363 263, visit the website at [www.customs.gov.au](http://www.customs.gov.au) or email [information@customs.gov.au](mailto:information@customs.gov.au).



### AHECC Guide practice exercises

A key feature of the AHECC Guide is the use of practical exercises. These include easily identifiable illustrations of products and mock invoices.



### What is Project 8?

It is most important that accurate information be declared on both manifests and export entries. Project 8 identifies and encourages industry to complete a selection of eight export entry fields with particular care. One of the eight identified fields is the AHECC code.



### Easy navigation

Navigation within the AHECC Guide is designed to be simple and easy to follow. There are clearly labelled diagrams throughout as well as handy hints to follow.

### Do you have an AHECC manual?

In order to complete the AHECC Guide, you require a current version of the AHECC. A copy can be obtained by accessing the Australian Bureau of Statistics website [www.abs.gov.au](http://www.abs.gov.au) then select Themes, International Trade and then scroll down to AHECC link.