



Asia Pacific Trade & Customs Update

JANUARY 2017

Implementation Status of New Customs Classification nomenclature in Asia

The Harmonized System (HS) of tariff nomenclature is an international standardised system for the classification of products for international trade, maintained by the World Customs Organisation. The HS nomenclature undergoes changes in the classification of products every four to six years with the latest revision effectuated on 1 January 2017.

Companies are advised to review the HS classification of their goods to identify any potential opportunities/implications that may arise from the new HS 2017 version. It is also important for companies to ensure that the import and export declarations are compliant to the new HS 2017 where it is effective.

Below is an overview of the implementation of the 2017 Harmonised Tariff Nomenclature (HS2017) and the Most-Favoured-Nation rates (MFN rates) in various countries in the Asia Pacific region:

Country	Expected Effective Date	Status (as of 3rd January 2017)
Australia	1st Jan 2017	HS2017 and the MFN rates have been published in English.
China	1st Jan 2017	HS2017 and the MFN rates have been published in both Chinese and English.
India	1st Jan 2017	HS2017 and the MFN rates have been published in English.
Indonesia	No official confirmation yet	No Decree issued by Ministry of Finance yet.
Japan	1st Jan 2017	HS2017 and the MFN rates have been published in Japanese and English.
Korea	1st Jan 2017	HS2017 and the MFN rates have been published in Korean.
Malaysia	1st Jan 2017	No official notice or publication has been issued yet. Based on our verbal discussion with customs, the order for the HS2017 is planned to be released to the public in January (no exact date given).
New Zealand	1st Jan 2017	HS2017 and the MFN rates have been published in English.
Pakistan	No official confirmation yet	No official notice or publication has been issued yet.
Philippines	No official confirmation yet	Draft of the HS and the MFN rates have been published in English.
Singapore	In the year of 2018	Official notice has been published on the Singapore Customs website stating the estimated year of implementation is 2018 (no exact month given).
Taiwan	No official confirmation yet	No official notice of the implementation has been issued yet, although the draft of HS2017 and MFN rates for Taiwan have been published. Based on a verbal discussion with customs, the expected date of publication will be released to the public in March 2017 (no exact date given). The publication will be in Chinese, and likely in English as well based on experience.
Thailand	1st Jan 2017	HS2017 and the MFN rates have been published in Thai.
Vietnam	No official confirmation yet	No official notice or publication yet. Based on our understanding, customs is still at the stage of internal discussion.

How we can help

We are a team experienced in aspects of international trade and customs matters across the Asia Pacific region. We are relied upon by clients and regulatory bodies alike for specialized, independent assessments and monitoring of global trade compliance programs, processes and their effectiveness. Our goal is to offer you practical and sustainable industry solutions that your business can relate to and apply in your specific trade and customs issues.

Given the international nature of trade and customs issues involving typically in two or more countries, KPMG strongly believes in providing an international and holistic perspective for your business. What you do in a country may have an impact in another. The KPMG Asia Pacific Tax Centre is able to provide this value proposition to you.

About Asia Pacific Trade & Customs Update

KPMG's Asia Pacific Trade & Customs Update highlight the latest trade and customs developments, impending change to laws or regulations, current practices and potential problem areas that may impact your company.

KPMG Asia Pacific Tax Centre's network of tax professionals brings together a wealth of local and regional experience relevant to you and your business. The Centre will help you succeed in operating and growing in this dynamic and diverse region, while identifying the opportunities for your tax function to add significant business value.

As certain issues discussed herein are time sensitive it is advisable to make plans accordingly. "Asia Pacific Trade & Customs Update" is issued exclusively for the information of clients and staff of KPMG Services Pte. Ltd. and should not be used or relied upon as a substitute for detailed advice or a basis for formulating business decisions.

Contact us

Chiu Wu Hong

Head of Tax

T: +65 6213 2569

E: wchiu@kpmg.com.sg

Angelia Chew

Partner, Indirect Tax

Asia Pacific Trade & Customs Leader

T: +65 6213 3768

E: angeliachew@kpmg.com.sg

Eugene Jang

Senior Manager, Trade & Customs

Indirect Tax

T: +65 6213 2818

E: eugenejang@kpmg.com.sg

KPMG

16 Raffles Quay

#22-00 Hong Leong Building

Singapore 048581

T: +65 6213 3388

F: +65 6227 1297

E: tax@kpmg.com.sg

Find out more about our services at kpmg.com.sg

Asia Tax Firm of the Year; Asia International Tax Firm; Asia Indirect Tax Firm; Asia Global Executive Mobility Firm and National Firm for Transfer Pricing in Singapore – ITR Asia Tax Awards 2016.

Ranked Tier 1 Firm in Singapore – World Tax 2017, International Tax Review.

For more details of our Tax services, please click [here](#).

kpmg.com.sg/socialmedia



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2017 KPMG Services Pte. Ltd. (Registration No: 200003956G), a Singapore incorporated company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.