

China Import and Export codes – what are they and how to use them?

How are Products Coded in China trade statistics? What are HS Codes?

When products are exported or imported their trade is measured in terms of HS codes. All products have a HS code. The HS codes are an international hierarchical system of coding from 2-digits down to 8 or 10-digits. To demonstrate how the coding system works, the table below shows China Import and Export codes for “Oranges”.

At the 2-digit level all Fruits and Nuts are coded under the 2-digit Code 08. Under Code 08 there are 14 different 4-digit codes of which one is 0805 Citrus Fruit. Under the 4-digit code 0805, there are 5 different 6-digit citrus fruit codes representing different types of citrus fruit. Oranges is found under code 080510 - Fresh or Dried Oranges.

At the 6-digit level all countries use the same codes as it is an international standard that they adhere to. All countries will classify oranges under code 080510. However, countries can choose to further subdivide to an 8 to 10-digit level if they wish. These 8 to 10-digit codes will comprise the original 6-digit codes (the first 6 digits) and any further digits the country chooses. These 8 or 10-digit codes are then unique to each country. International standardization is only available to the 6-digit level.

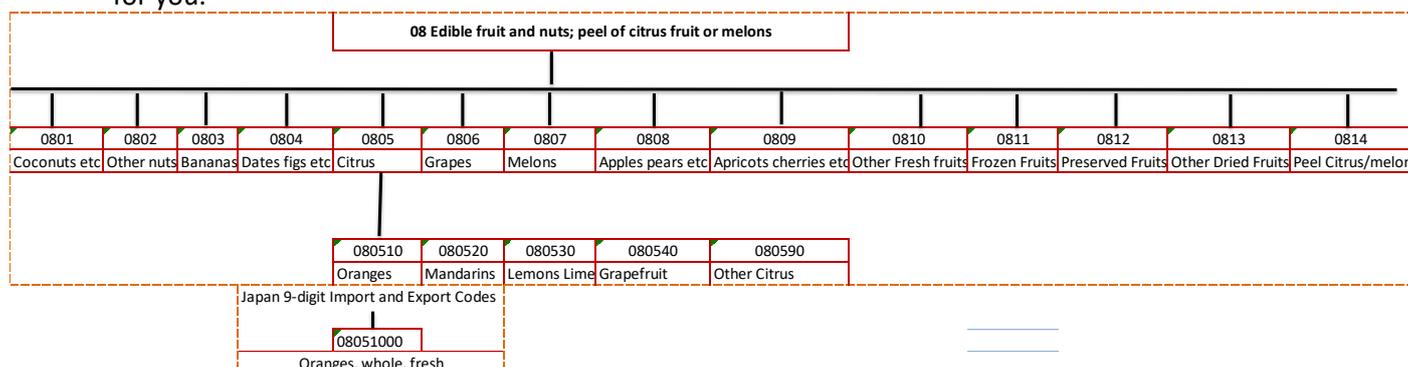
In the example below, China does not subdivide the import or export code for Oranges.

HS Coding System – an example - Oranges

How to Select the Correct HS code?

The first step in any trade analysis is to select the correct HS code for your product. At TradeData we offer:

- a Free online tool to assist; or
- we are happy to assist - please send us an email describing your product(s) and we will find the correct code for you.



Does the HS code accurately represent my product to enable accurate analysis?

It is an important initial step to judge how well the chosen HS code represents your product. The best HS codes are those that represent homogeneous products – that is codes that represent products that are similar. An example is the China import code of Oranges, fresh or chilled. If it is an Orange, it is not a lemon and so on.

Other HS codes may have several product segments within them. However, if the different segments are quite distinctive in terms of their characteristics, a meaningful analysis can usually be undertaken. An example is China imports of Waste and scrap aluminum thus far in 2020. Imports are purchased across a wide range of prices and different volumes at each price from different countries. Large volumes are imported from the USA at \$US 1,100 and \$US 1,350 per tonne, from Hong Kong at \$US 1,250 and \$US 1,400 per tonne, and from Malaysia at \$US 1,300 per tonne. Smaller volumes are imported from a wide range of countries at a range of different prices.

Obviously, the higher and lower priced aluminum are quite different products. If you were knowledgeable in this industry, you would be able to relate these higher/lower priced imports to individual product segments and it would be sensible to analyze them separately.

Dividing import or export statistics into discrete market segments is one of the more important analyses that can be undertaken using trade statistics. TradeData can assist you to undertake these analyses.

The last HS code example is one where the code does not well represent an individual product and is China export code 84439900 Other Parts And Accessories Of Printing Machinery; Other Printers; Copying Machines And Other Facsimile Machines; Other Than Those Of Printing Machinery Used For Printing By Means Of Plates; Cylinders And Other Printing Components of Heading 84.42. This code will have a wide range of different parts included within it. In this instance, other than very general information on the total value of imports, little meaningful analysis can be undertaken with this data.

Once you have selected the correct code it is important then to assess how accurately the code(s) represents your product(s) and will this then enable accurate analysis. TradeData are happy to assist in this.