

PREPARING FOR CUSTOMS

Workshop on Exporting Shea to International Markets

Presented by
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THE PRODUCT CLASSIFICATION

- ◆ The shea nut is found among the oil seed families. The nut is also known as the karite nut. The seed is mostly grown in the savana regions of West Africa. It takes 20 years to mature. The shea butter is classified under chapter 1207 of the HTS. The shea butter is derived from the shea nut.

THE SHEA NUT

- ◆ The shea nut is a zero rated tariff product under NTR (Normal Trade Relation duty rate)
- ◆ Shea Butter is classified under 159020
- ◆ See also 3304, 3401 and 3305 for preparations with shea as ingredient.
 - ◆ Eg soap, shampoo, cosmetics and lotions

STANDARDS

- ◆ The American Shea Butter Institute (ASBI) determines the following:
 - Types of Grades
 - Clinical properties of the grades
 - Determines the pricing
 - Certification

HOME COUNTRY CUSTOMS

- ◆ Documentation
 - Entry/declaration
 - Commercial invoice
 - Bill of lading/Airway Bill
 - Certificate of Origin
 - Packing list (state samples if included)
 - Inspection
 - Standards certificate

Engaging Customs

- ◆ Speak to Customs about possibilities of expedited clearance
 1. Cooperatives
 2. Free zones
 3. In bond Manufacturing
 4. Outward Processing zones
 5. Warehousing

US CUSTOMS

◆ U.S. Import Requirements

All merchandise entering the United States must clear Customs and is subject to a Customs duty, unless specifically exempted by law.

Clearance involves a number of steps:

- **ENTRY,**
- **INSPECTION,**
- **APPRAISEMENT,**
- **CLASSIFICATION**
- **LIQUIDATION**

In most instances, the services of import / export agents are utilised to assist in ensuring compliance with the relevant regulations.

ENFORCEMENT - PUBLIC SECTOR

- ◆ Preferential tariff treatment is conditioned on enforcement measures against illegal transshipment or breach of rules of Origin.
 - Verification
 - Reporting
 - Record keeping and data collection
- ◆ At least 30% value addition in GSP
- ◆ Country of Origin documentation
- ◆ Certificate of Origin
- ◆ Penalties for Violation by Exporters
- ◆ US/EU Customs Monitoring and Reporting Congress.

ENFORCEMENT - PRIVATE SECTOR

- ◆ Adopt best management practices
 - Good organization structure
 - Hire appropriate staff
 - Training

- ◆ Record Keeping

- ◆ Co-operate with Customs as partners in business

Questions

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