

Global Data Standards and GTIN reporting speeds customs clearance of goods into mainland China

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Australian importers and exporters have a clear opportunity to improve their trade competitiveness, with Australia currently languishing at 106th out of 190 economies for ease and cost of cross border trade.

The World Bank 'Doing Business Report 2020', provides a comparative analysis of business regulation for 190 economies, revealing that Australia has the highest export compliance cost of all APEC economies and is more than double the APEC average cost.

APEC leaders recognise that more extensive use of Global Data Standards (GDS) can improve supply chain performance, modernise trading systems and improve trading competitiveness.

GS1, the global not-for-profit standards body best known for barcode usage by industry and supply chains, is working closely with APEC and governments in

the region to implement GDS in order to improve data quality and modernise global trade systems.

Trade between Australia and China is being streamlined thanks to a resolution last August by Chinese customs to use a Global Trade Item Number (GTIN), and standardised product master data, in the reporting function for its single window declaration system.

This marks an important step towards adopting GS1 standards in customs clearance and comes at a time of rapid growth in cross-border trade, both in type and volume.

In December 2019, GS1 Australia began sharing GTIN master data with GS1 China to support Chinese customs import clearance systems. This means Australian exporters providing GTIN data, and with trade history, may enjoy streamlined customs clearance processes.

China customs adopts GTIN

Customs agencies in China have implemented GTIN declaration for the single window system, and as noted on the General Administration of Customs website 'enterprises can enjoy an intelligent auto-fill feature by using GTIN'. This simplifies and speeds up the declaration process and improves accuracy.

'Declaration by GTIN' provides a convenient and fast method for enterprises to complete the declaration form within a fraction of the time through intelligent autofill, instead of the conventional manual entry previously required by China customs.

This is a significant benefit when importing and exporting through China.

Improving the efficiency of supervision and customs clearance has become a considerable challenge for customs agencies around the world and GTIN can play a vital role in achieving this.

Following the resolution by Chinese customs, other customs agencies in the region now have the opportunity to replicate the same process to improve trade clearance through regulatory automation and other data-driven innovation.

Vietnam Customs is working to improve supervision of exported goods, and as part of this programme the verification of barcodes is done in order to strengthen the integrity of the product identification, and help in verifying the origin and information of exported goods. The rule applies to products produced, processed, packaged and/or divided in Vietnam.

GS1 is actively engaged through its 115-country global member network to address industry-driven requirements for unambiguous identification of trade items.

This is being achieved via universal barcoding and on-pack data-carriers, open data sharing, product authentication, traceability, and the provision of information from a neutral source.

Global Trade Item Numbers are the numbers used to create barcodes within the GS1 system that is used on consumer products globally.

Based on the recently established GTIN information exchange, an imported or exported product can have its admission history be verified, and its declaration elements such as classification, country of origin and specification can



automatically appear in the single window system. The GTIN database includes multi-dimensional commodity information, including brand, specification, country of origin, uses and other critical business information.

This is great news for all GS1 Australia members managing master data via GS1 Australia repositories and trading with China, who can now gain faster clearance and shorter cycles.

GTIN improves efficiency for milk powder exporter

According to a customs specialist at Taicang TuoHai Customs Clearance Co Ltd, an experienced customs broker of infant formula milk powder, it has been very difficult for traders to complete the required trade clearance documents. This is due to the complexity and terminology of ingredients which amount to six or seven on average, and sometimes more than ten in a single product.

Now, once a GTIN has been entered and confirmed, all its ingredient information will enter the system immediately. In addition, the system has a batch import function

for product series, which greatly improves efficiency.

GS1 standards should not be considered an alternative to, or replacement for, existing HS Codes, which are used globally by customs to classify goods for reporting and tariff/tax collection.

GTIN is a globally unique product identifier that is applied to the majority of FMCG goods. Access to the GTIN unlocks the ability to verify, identify and attain associated product data for better granularity and more effective admission decisions and opportunities to automate regulatory processes. It also helps to

address illicit trade and counterfeiting and organised crime.

GS1 data standards are increasingly being adopted to ensure that relevant information is provided in a common format that is easily understood and shareable by all parties.



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