

On the 30th July the USA federal government decided to place tariffs on goods entering the USA of any value, from every country in the world - commencing August 29th. Previously, goods valued under \$800 were not taxed. As a result, most delivery companies worldwide have stopped sending goods to the USA.

We continued sending parcels, as our delivery service Asendia rapidly set up an emergency procedure that would allow our parcels to enter into the USA and be delivered - at an extra cost. For parcels to be allowed to enter the tariff/tax had to be prepaid. What is occurring, is the world's delivery companies are being forced to be tax collectors for the USA government. Many delivery companies could not set up systems quickly enough to allow the collection of the tariff on each parcel and to have these funds prepaid before entry into the USA.

What occurred at the same time the new tariff commenced, the USA federal government changed the category HS Codes on hundreds of items. Each item entering the USA has an HS Code that identifies what category that item sits in for allowable entry into the country and could be processed under exemptions without prior notification or additional data being provided.

Huge amounts of chaos has occurred, as the federal government did not let the shipping companies know about the changes in the categories. The products we send sit in category FD4 #30, which have been affected by the changes by the federal government. As a result, all our parcels have been rejected at the border and are being sent back to us.

Below are examples of goods entering the USA , now deemed to be "restricted" and cannot enter the USA without additional data being provided.

FD2 — Cosmetics / Personal Care

(FDA Facility registration & ingredient declaration required)

3303 – Perfumes and toilet waters 3304 – Beauty/make-up, skin care, manicure/pedicure preparations 3305 – Hair preparations (shampoos, hair sprays, dyes, etc.)

3306 – Oral/dental hygiene (toothpaste, mouthwash, etc.) 3307 – Shaving products, deodorants, bath preps, room deodorizers (cosmetic)

FD3 — Food & Dietary Supplements

(Prior Notice required for human consumption items)

04 – Dairy products (milk, cream, butter, cheese, etc.) 07 – Edible vegetables 08 – Edible fruits and nuts 09 – Coffee, tea, spices 10 – Cereals 11 – Milled grain products, malt, starches 12 – Oil seeds, misc. grains, nuts, plants (incl. soy, flax, etc.) 15 – Animal/vegetable fats and oils 16 – Prepared meat, fish, crustaceans

17 – Sugars and confectionery 18 – Cocoa and cocoa preparations 19 Prepared cereals, flour, pastry, bread 20 – Preserved vegetables, fruits, nuts, etc. 21 – Misc. edible preparations (soups, sauces, condiments, protein powders, etc.) 22 – Beverages (water, soft drinks, alcohol) 23 – Food industry residues, pet food 24 – Tobacco (some overlaps with FDA)

FD4 — Medical Devices & Radiation-Emitting Electronics

30 – Pharmaceuticals (some overlap, but medicaments are mostly FD2/FD3 when ingestible) 90 – Instruments, appliances, optical/medical equipment 9004 – Spectacles, goggles, sunglasses 9018 – Medical/surgical instruments 9021 – Orthopaedic appliances, hearing aids, pacemakers 9022 – X-ray/CT equipment, radiation-emitting devices

What happens now?

The shipping companies are in ongoing detailed discussions with custom brokers to establish a process that will allow them to provide the required additional data to allow entry of the affected goods. Once this process is in place, they will share the requirements with us..

The shipping companies are also engaging with the custom brokers to assess whether adjustments can be made to this extensive list. They have also requested urgent discussions to clarify and potentially reduce the blocked HS Codes.

We sincerely apologize for this occurring. We have ceased taking orders until the situation with the "restricted" HS Codes as been sorted out and we can again commence to send orders that can enter the USA with no drama.