



**Request for Proposals –
HS Code Analysis and Harmonization for Pulses**

Organization: USA Dry Pea and Lentil Council (USADPLC)

Project Brief: The USADPLC seeks to analyze and harmonize the current HS codes related to pulses and pulse ingredients. Existing HS codes may include other commodities or fail to capture the full scope of pulses and pulse ingredients. Pulse ingredients are an important and growing part of the business portfolio. The success of future market expansion is dependent on the ability to accurately track the pulse ingredient trade.

Project Delivery and Rights: The Council requires this project to be delivered with full publication and use rights transferred to Council.

Project Budget and Terms: The total budget for this project is \$50,000. This project is funded in part by the USDA Regional Agricultural Promotion Program and is subject to USDA regulations and review by the USDA Foreign Agricultural Service. The Council has grant approval for the project in its entirety.

Activity Period: January 1 to December 31, 2025

Activity Code: A24GXUS005 – “Expanding Export Access for Pulse Ingredients”. For government accountability compliance, please include this activity code on all proposals and correspondence.

Commodity: US grown dry peas, lentils and chickpeas known collectively as USA pulses.

Organization Description: The USADPLC is a trade group serving the entire pulse (dry peas, lentils and chickpeas) value chain; from producers, processors, exporters and food manufacturers and finally to consumers. The Council formed in 1965. The areas of activity include domestic marketing, agronomic and food innovation research, foreign market development, grower communications and government relations.

<https://www.usapulses.org/>

Background:

The main objectives of this project are to verify the integrity of the HS Codes currently used by the council, identify equivalent pulse import and global trade codes, verify export values on GATS, improve the current HS Code definitions, add HS Codes for exports and imports, create a pulse ingredient HS Code plan, and assist the Council on petitioning for 10-digit codes specific to pulses.



Detailed Project Description: See attached. **HS Code Analysis and Harmonization for Pulses.**

Approach and Skills: The successful agency is expected to work very closely with the USADPLC during the planning and performance of the project.

Estimated Proposal and Agency Selection Time Frame

Issue RFP	November 4, 2024
Question & answer period	until November 21, 2024
Proposals due	November 22, 2024
Proposal evaluation	December 2, 2024
Conduct oral interviews with finalists, if required	December 3-6, 2024
Announce “Apparent Successful Contractor” and send notification via fax or e-mail to unsuccessful proposers	December 9, 2024
Hold debriefing conferences (if requested)	
Negotiate contract	
Begin contract work	January 1, 2025

Contracting Agent

The contract will be between the USADPLC signed by the CEO and the contracted group.

Submission

Attention: Jeff Rumney – VP of Marketing
Email Subject Line - Pulse HS Code Analysis - A24GXUS005
Email: jrumney@usapulses.org
Mobile/WhatsApp: 208 596 5035 - You may text to verify receipt of proposal

Review of Proposals

A selection committee consisting of Council staff, board members and relevant support team will review all submissions in an initial screening. The basis of the review will include work experience, proposed program, and budget analysis.

Additional consideration of the proposal may include background and reference checks, presentations to the selection committee and personal interviews.

A24GXUS005

HS Code Analysis and Harmonization for Pulses

Executive Summary:

The USADPLC seeks to analyze and harmonize the current HS codes related to pulses and pulse ingredients. Existing HS codes may include other commodities or fail to capture the full scope of pulses and pulse ingredients. Pulse ingredients are an important and growing part of the business portfolio. The success of future market expansion is dependent on the ability to accurately track the pulse ingredient trade.

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Details for proposal:

Components of Response to Proposal

1. An outline of the proposed project to demonstrate your understanding of the project
2. Experience and background of agency key contacts for the project
3. Work approach and strategy
4. Detailed description of deliverable
5. Proposed Budget and work plan
6. List of references

The USADPLC, with the support of FAS funding, has been a leader in promoting the use of pulse ingredients in food manufacturing. The US industry has reached a point where the export of pulse ingredients is an important and growing part of the business portfolio. The success of this market expansion is dependent on the ability to accurately track the pulse ingredient trade with accurate HS Codes or other market research methods.

The main objectives of this project are:

1. To verify the integrity of the HS Codes currently used by the USADPLC to track pulse exports
2. To identify equivalent import and global trade codes for pulse ingredients
3. Using market research, to verify export values on GATS as cross referenced to in country trade information from exporters and importers.
4. To improve the current HS Code definitions, giving clarity to what commodities are present
5. To add HS Codes for both export and import.

6. To coordinate with international pulse trade associations in the effort to achieve harmonized HS Codes.
7. To provide recommendations to the US industry for a pulse ingredient HS code plan.
8. And finally, the USADPLC may seek to petition the Committee for Statistical Annotation of Tariff Schedules within the United States International Trade Commission to expand both the Harmonized Tariff Schedule and Schedule B to include 10-digit codes specific to pulses. This project will provide the Council with the language needed to apply for trade code expansion and the data to support the request. If the HS code expansion project should fall short of the objective, then data models will be created to account for the suspected data disparities in the current systems.

Implementation Plan:

Subcontractor Selection: The USADPLC is recruiting a subcontractor with expertise in HS Code, global trade, and market research to manage and execute the program. The selected contractor will need to work closely with USADPLC staff and members to make sure that suggestions meet the needs of the US pulse industry.

Initial HS Code and Trade Analysis Report: The USADPLC will create a “current status” report that presents the existing HS Codes and trade data. This report will identify apparent weaknesses or disparities in trade data and document general progress for developing harmonized HS Codes.

Validation and Collaboration: The USADPLC will seek input from industry, regulatory authorities, consultants, and data analysts from the initial reports and market research. The USADPLC will compile the input to create a HS code improvement plan.

Industry Interview: The US ITC requests that each application include the names of importers and manufacturers that are associated with the articles in question and the countries from which the articles are being imported. The independent contractor will contact USADPLC members to explain the process, with the goal of finding at least three companies to support each change to the tariff schedules.

Craft Language: The application for trade code expansion must include the exact proposed language to be inserted or deleted, including any relevant units of quantity. Based on the findings in the first phases, the independent contractor will provide the proposed language.

Write Letter: The contractor will draft the letter required for trade code expansion that must be sent to the 484(f) committee within the US International Trade Commission. The letter will include the proposed language, the reason for the request and the contact information of three companies that support the change.

Verification, Monitoring and Feedback: The USADPLC will provide feedback to FAS and the industry on the updates to the HS Codes. Trade data will be tracked under these codes to verify the use and accuracy.

Background:

The ability for US exporters to capture the growing pulse ingredient market is determined by how well market research, trade data, and trade rules accurately reflect the true market and how accurate predictive models are. This project is key to defining new markets for pulse ingredients, track existing trade, manage risk by our exporters and expand our product offerings for pulse

ingredients. Without accurate data, faulty decisions will be made. Without accurate data, our exporters and industry are placed at a disadvantage and subject to unfair trade practices.

The USADPLC conducted two previous projects related to and identifying the weakness of the current HS Codes. In 2019 and 2020 a market research project that characterized the supply and demand of pulse ingredients in 15 markets plus the US was conducted. Also, an analysis of the existing HS Codes and potential for trade code expansion was conducted in 2022. This project identified the complexity and potential impacts of HS Code expansion. The US pulse industry has not reached a consensus on the HS Code plan.

Select HS Codes for review

Flour and meal of dried legumes (1106)
Starches (1108)
Protein concentrates (2106)
Fiber - Bran, sharps, and middling of legumes (2302)
Protein isolates (3504)

Expected Results

The expected results from this project are primarily information based, i.e. decision tools to help business processes.

The project could yield 4 to 5 new HS codes, assuming support of the US pulse industry.