



SCIENTIFIC SUB-COMMITTEE

NS0023E1

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16th Session

O. Eng.

Brussels, 11 December 2000.

PROPOSAL BY THE JAPANESE ADMINISTRATION TO AMEND
SUBHEADING 3004.32
(Item II.8 on Agenda)

Reference documents :

42.197 (SSC/14)
42.484 (SSC/14)
42.824 (SSC/14)

42.850, Annexes A/7 and C/4 (SSC/14-Report)
NC0016E1 (HSC/23)
NC0090E2, Annexes E and M/3 (HSC/23-Report)

I. BACKGROUND

1. On 12 October 2000 the Secretariat received a proposal from the Japanese Administration to amend the text of new subheading 3004.32 (HS 2002) (both in English and French). That note is set out below.

II. NOTE FROM THE JAPANESE ADMINISTRATION

2. "The text of new subheading 3004.32 reads "Containing corticosteroid hormones, their derivatives and structural analogues". However, the word "or" would be appropriate instead of "and" because "or" is used in the manner of "and/or" and the scope of new subheading 3004.32 includes not only corticosteroid hormones but also their derivatives or structural analogues or both."

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III. SECRETARIAT COMMENTS

3. The Secretariat considers that the proposal should be examined by the Scientific Sub-Committee first because of its chemical nature.
4. The Secretariat would invite the Sub-Committee's attention to the fact that new subheading 3004.32 was created as a corresponding amendment when heading 29.37 was restructured.
5. In the new structured nomenclature of heading 29.37, the connecting word "and" has been used consistently in the texts of the 4-digit heading and at 5-digit level (i.e., 2937.1, 2937.2 and 2937.3).
6. By virtue of the 2002 HS amendments, the scope of heading 29.37 has been expanded to cover hormones, prostaglandins, thromboxanes and leukotrienes, natural or reproduced by synthesis; derivatives and structural analogues thereof, including chain modified polypeptides, used primarily as hormones.
7. This same format has simply been carried over to new subheading 3004.32 and the text of subheading 3004.32 has been amended to be consistent with the amendments to heading 29.37. Present subheading 3004.32 covers medicaments containing natural adrenal cortical hormones only, and medicaments containing only derivatives or analogues of the natural product would seem to fall in subheading 3004.39. The Secretariat believes that by virtue of the amendments, the present scope of subheading 3004.32 was expanded to include natural hormones, as well as their derivatives and structural analogues (see paragraphs 8 to 10 of Doc. 42.197).
8. The Secretariat however considers that while, for example, subheading 3004.10 covers products containing penicillins or containing penicillin derivatives or both by virtue of the use of "or", the use of "and" in subheading 3004.32 could be read to mean that each product classified therein must contain all of the following : corticosteroid hormones, derivatives of corticosteroids and structural analogues of corticosteroid hormones.
9. Furthermore, in subheadings 3004.30, 3004.40 and 3004.50 the word "or" is used in the same manner as in subheading 3004.10. The new text of subheading 3004.32 is not consistent with these subheadings.
10. For the reasons mentioned above, the Secretariat would consider that it would be more appropriate to use the word "or" rather than "and" in this particular case in order to avoid uncertainty in the interpretation of subheading 3004.32 (HS 2002).

IV. CONCLUSION

11. The Sub-Committee is invited to express its views with regard to the Japanese proposal, taking the Secretariat's comments into account.
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