

WORLD CUSTOMS ORGANIZATION ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM REVIEW SUB-COMMITTEE

NR0340E1

27th Session

O. Eng.

Brussels, 7 February 2003.

DECISIONS TAKEN BY THE HARMONIZED SYSTEM COMMITTEE AT ITS 30TH SESSION AFFECTING THE WORK OF THE REVIEW SUB-COMMITTEE (Item II.1 on Agenda)

Reference documents:

NR0332E3 (RSC/26 - Report) NC0655E2 (HSC/30 - Report)

I. SECRETARIAT COMMENTS

1. To facilitate the work of the Review Sub-Committee, the Secretariat, in this document, presents a brief account of the decisions taken by the HS Committee at its 30th Session and pending questions and other issues, affecting the work of the Review Sub-Committee.

II. DECISIONS OF THE HS COMMITTEE (HSC/30)

2. The conclusions reached by the HS Committee at its 30th Session, as set out in the Annexes E, L/16 to L/20, M/2 to M/7 and N/1 to N/3 to Doc. NC0655E2, are as follows:

Possible amendment of heading 21.06 to specifically mention "food supplements"

3. The Committee took note of the fact that the Sub-Committee had reached a consensus not to pursue the study of this issue during this review cycle.

Possible amendments to the Nomenclature and Explanatory Notes to Chapter 24

4. The Committee took note of the fact that the Sub-Committee had reached a consensus not to pursue the study of this issue during this review cycle.

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Possible amendment of Part (C) of the Explanatory Note to heading 28.04

- 5. The Committee adopted the texts approved by the Sub-Committee.
- 6. As a consequence, on the basis of a suggestion made by the Chairperson, the Committee agreed to delete the first part of the amendments to the Explanatory Notes to Chapter 28 (Article 16 Procedure) on page 1 of Annex O/3 to Doc. NC0590B2 since the relevant text was adopted by the Corrigendum procedure because the text was within the framework of the present Nomenclature.

Proposal by the US Administration to amend the Nomenclature to Chapter 41

7. The Committee examined the proposal to insert a reference to "leather", in parentheses in headings 41.04 to 41.06. After an exchange of views, it agreed to postpone a final decision on this issue to its next session.

Possible amendments to the structured nomenclature to heading 84.18

8. The Committee provisionally adopted the texts approved by the Sub-Committee and agreed that the new wording of this text did not entail any transfer of goods.

<u>Possible amendments to the Nomenclature and Explanatory Note to heading 84.42 and related provisions</u>

9. The Committee provisionally adopted the texts approved by the Sub-Committee and agreed that the new wording of these texts did not entail any transfer of goods.

Proposal by the US Administration to amend the structured nomenclature to heading 84.82

10. The Committee took note of the fact that the Sub-Committee had decided not to continue examining this question.

Possible amendment of the text of subheading 9504.20 (Proposal by the Australian Administration)

11. The Committee provisionally adopted the texts approved by the Sub-Committee and agreed that the new wording of this text did not entail any transfer of goods.

<u>Possible amendments to the Nomenclature and the Explanatory Notes to correct certain</u> texts and to align the English and French versions (Proposal by the Secretariat)

12. The Committee provisionally adopted the texts approved by the Sub-Committee and agreed that the new wording of these texts did not entail any transfer of goods.

Possible amendments to subheadings 2306.10 to 2306.30 (Proposal by the EC)

13. The Committee provisionally adopted the texts approved by the Sub-Committee and agreed that the alignment of these texts did not entail any transfer of goods.

Possible deletion of certain references to "whales" in the Explanatory Notes

- 14. The Committee agreed to retain the Type I references and to delete the Type III references from the Explanatory Notes.
- 15. After discussion, the Committee adopted the proposed amendments to the Explanatory Notes (Type II references), subject to certain editorial modifications.

Possible amendment of the Explanatory Notes to Chapter 44

16. The Committee adopted the texts approved by the Sub-Committee.

Possible amendment to the Explanatory Note to heading 70.17

17. The Committee adopted the texts approved by the Sub-Committee.

Amendments to the Explanatory Notes to correct shortcomings and to align the English and French versions

18. The Committee adopted the texts approved by the Sub-Committee.

III. PENDING QUESTIONS

19. The Committee's observations with regard to the pending questions arising from the Report of the 26th Session of the Review Sub-Committee, as set out in Annex E to Doc. NC0655E2, are as follows:

Possible deletion of headings/subheadings with a small volume of trade

20. The Committee took note of the fact that this matter would be re-examined at a future session of the Sub-Committee on the basis of an updated version of the working document containing new information from administrations. See Item II.2 on the Agenda.

Possible amendments to the Nomenclature regarding the classification of waffles

21. The Committee took note of the fact that this matter would be re-examined by the Sub-Committee at its next Session, after having once more consulted the industry with regard to the proposed subheadings for waffles with a water content not exceeding [20] percent and waffles with a water content exceeding [20] percent. See Item III.A.2 on the Agenda.

Possible amendments to the Nomenclature regarding the classification of sauces

22. The Committee took note of the fact that this matter would be re-examined by the Sub-Committee at its next Session on the basis of new ideas to be submitted to the Secretariat. In this connection, the EC Delegate pointed out that the EC had not promised to submit a new proposal in this regard, meaning that the EC would continue to support its existing proposal. See Item III.A.3 on the Agenda.

Proposal by the US Administration to amend the Nomenclature and Explanatory Note to heading 38.21

23. The Committee took note of the fact that the Review Sub-Committee had decided to ask the Scientific Sub-Committee to examine what kind of products would be transferred to new heading 38.21 from other headings under the proposed three options. See Item III.A.4 on the Agenda.

Possible amendments to the structured nomenclature to heading 39.20 to provide for banknote substrates of plastics (Proposal by the Australian Administration)

24. The Committee took note of the fact that this matter would be re-examined by the Sub-Committee at its next Session on the basis of further information and proposals, if any, from the Australian Administration. See Item III.A.5 on the Agenda.

Possible amendments to the structured nomenclature to headings 73.04 and 73.06 (Proposal by the EC)

25. The Committee took note of the fact that this matter would be re-examined by the Sub-Committee at its next Session on the basis of the EC proposal, as well as the Canadian proposal discussed during the last RSC meeting. See Item III.A.10 on the Agenda.

Amendment of the Explanatory Notes to clarify the classification of DVD drives, standalone DVD players and game players

26. The Committee took note of the fact that the Sub-Committee had decided to postpone the discussion of this item until its next session. See Item III.A.11 on the Agenda.

<u>Possible amendments to the Nomenclature in order to update the terminology of certain products and to delete obsolete items</u>

27. The Committee took note of the fact that the Sub-Committee had decided to reexamine this question at its next session. See Item III.A.1 on the Agenda.

Proposal by the US Administration to amend the Nomenclature to heading 85.19

28. The Committee took note of the fact that the Sub-Committee had decided to reexamine this question at its next session on the basis of a new document. See Item III.A.1 on the Agenda.

Possible amendments to the Nomenclature regarding the classification of cameras

29. The Committee took note of the fact that the Sub-Committee had agreed to first discuss the revision of the information technology Chapters before continuing its study of the regrouping of all cameras in one heading. See Item III.A.1 on the Agenda.

Possible amendment of heading 85.28 to provide separately for satellite television receivers (Proposal by the Egyptian Administration)

30. The Committee took note of the fact that the Sub-Committee had agreed to return to this question at its next session. See Item III.A.1 on the Agenda.

Study of possible amendments to the Nomenclature with regard to the classification of multifunctional digital copiers

31. The Committee took note of the fact that the Sub-Committee had agreed to continue to examine this issue at its next session, and that the Working Group would also examine these proposals in February 2003. See Item III.A.1 on the Agenda.

Possible amendments to the structured nomenclature to heading 90.30 (Proposal by the US Administration)

32. The Committee took note of the fact that the Sub-Committee had agreed that the US Administration would reconsider its proposal for the next session of the RSC. See Item III.A.1 on the Agenda.

Proposal by the US Administration to merge headings 95.01 to 95.03 into a single heading for toys

33. The Committee took note of the fact that the Sub-Committee had agreed to re-examine to this question at its next session. See Item III.A.12 on the Agenda.

Possible amendments to the structured nomenclature to heading 29.41 and the Explanatory Notes to Chapter 29 (Proposal by the Mexican Administration)

34. The Committee took note of the fact that several questions had been addressed to the Scientific Sub-Committee to assist the Review Sub-Committee in its further consideration of this issue. See Item III.A.13 on the Agenda.

<u>Possible amendments to the Nomenclature and the Explanatory Notes regarding the classification of flash electronic storage cards</u>

35. The Committee took note of the fact that the Sub-Committee had agreed to re-examine this question in the light of subsequent developments concerning the revision of Chapter 85. See Item III.A.1 on the Agenda.

Possible amendments to the Nomenclature and the Explanatory Notes regarding the classification of controller units for anti-lock braking systems (ABS) (Proposal by the Australian Administration)

36. The Committee took note of the fact that the Sub-Committee had suggested that the Australian Administration should re-examine its proposal during the intersession. See Item III.A.16 on the Agenda.

Possible amendments to the structured nomenclature to heading 38.24 (Proposal by UNEP)

37. The Committee took note of the fact that the Sub-Committee had agreed to send the proposal to the Scientific Sub-Committee for examination together with several questions. See Item III.A.14 on the Agenda.

Possible amendments to Chapters 84, 85, 90 and 95 concerning information technology products (Proposal by the EC)

38. The Committee took note of the fact that the Sub-Committee had agreed that the Working Group would study this question in February 2003 ¹⁾ and that the Secretariat would prepare a comprehensive document, setting up an outline for the discussions. See Item III.A.1 on the Agenda.

<u>Possible amendments to the Nomenclature and the Explanatory Notes to correct certain texts and to align the English and French versions (Proposal by the Secretariat)</u>

39. The Committee took note of the fact that the proposed Explanatory Note amendments set out in Annex F/18 were still under discussion by the Sub-Committee. See Item III.A.8 on the Agenda.

¹⁾ Postponed till 19 to 21 March 2003.

Possible amendments to the Nomenclature with regard to the classification of apparatus for transmission or reception of voice, data or images (Proposal by the US Administration)

40. The Committee took note of the fact that the **US** Administration might put forward a new, revised proposal, for examination by the Working Group. See Item III.A.1 on the Agenda.

Possible modification of heading 85.42 and Note 5 (B) to Chapter 85 (Proposal by the US Administration)

41. The Committee took note of the fact that the Sub-Committee had agreed to place the entire proposal in square brackets and to forward it to the Working Group. See Item III.A.1 on the Agenda.

Possible alignment of the French and English texts of Note 9 to Chapter 71 (Proposal by the EC)

42. The Committee took note of the fact that the Sub-Committee had agreed to defer this matter to its next session. See Item III.A.9 on the Agenda.

Possible amendment of the Explanatory Note to heading 29.37

43. The Committee took note of the fact that the Review Sub-Committee had agreed to refer this question to the Scientific Sub-Committee, asking it to examine whether the proposed amendments were technically correct. See Item III.C.12 on the Agenda.

Possible amendment of the Explanatory Note to heading 29.35

44. The Committee took note of the fact that the Sub-Committee had agreed to postpone a full examination of this agenda item until its next session. See Item III.C.11 on the Agenda.

Possible amendment of the Explanatory Note to heading 29.41

45. The Committee took note of the fact that the Sub-Committee had agreed to submit this matter to the Scientific Sub-Committee for examination. See Item III.C.13 on the Agenda.

Possible amendment of the Explanatory Note to heading 30.02

46. The Committee took note of the fact that the Sub-Committee had agreed to ask the Scientific Sub-Committee, whether it could recommend any other substance suitable to be used as an example in connection with the proposed text, in addition to leridistim. See Item III.C.14 on the Agenda.

Possible amendment of the Explanatory Notes to headings 61.03 and 61.04

47. The Committee took note of the fact that the Sub-Committee had agreed to return to this question at its next session. See Item III.A.7 on the Agenda.

Possible amendment of the Explanatory Note to heading 84.71

48. The Committee took note of the fact that the Sub-Committee had agreed to maintain this issue on its agenda, subject to the receipt of written comments.

Possible amendments to the Explanatory Notes to headings 84.01 to 84.31

49. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Items III.C.1 and III.C.2 on the Agenda.

Possible amendments to the Explanatory Notes to headings 84.32 to 84.73

50. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Items III.C.2 to III.C.4 on the Agenda.

Possible amendments to the Explanatory Notes to headings 84.74 to 84.85

51. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Item III.C.4 on the Agenda.

Possible amendments to the Explanatory Notes to headings 85.01 to 85.09

52. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Item III.C.5 on the Agenda.

Possible amendments to the Explanatory Notes to headings 85.10 to 85.22

53. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Items III.C.5 and III.C.6 on the Agenda.

Possible amendments to the Explanatory Notes to headings 85.23 to 85.48

54. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Item III.C.7 on the Agenda.

Possible amendments to the Explanatory Notes to Chapter 87

55. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Item III.C.8 on the Agenda.

Possible amendments to the Explanatory Notes to headings 90.01 to 90.10

56. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Item III.C.9 on the Agenda.

Possible amendments to the Explanatory Notes to headings 90.11 to 90.33

57. The Committee took note of the fact that the Sub-Committee had agreed to continue discussions with regard to this agenda item at its next session on basis of the comments made during the discussions at its last session and any further comments from administrations. See Item III.C.10 on the Agenda.

IV. CONCLUSIONS

58. The Sub-Committee is invited to take note of the decisions taken by the HSC at its 30th Session and pending questions affecting the work of the Review Sub-Committee.