



HARMONIZED SYSTEM
REVIEW SUB-COMMITTEE

-
25th Session
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NR0253E1
(+ Annex)
O. Eng.

Brussels, 29 January 2002.

POSSIBLE AMENDMENT OF HEADING 85.28 TO PROVIDE SEPARATELY FOR
SATELLITE TELEVISION RECEIVERS

(PROPOSAL BY THE EGYPTIAN ADMINISTRATION)

(Item III.A.13 on Agenda)

Reference documents :

NR0185E1 (RSC/24)
NR0205E2, Annex D/3 (RSC/24 – Report)
NR0223E1 (RSC/25)

I. INTRODUCTION

1. The Secretariat received, on 11 January 2002, a proposal from the **Canadian** Administration regarding the possible amendment of HS heading 85.28 to provide for satellite receivers. The proposal is reproduced below.

NOTE FROM THE **CANADIAN** ADMINISTRATION

“Proposed amendments to heading 85.28

Satellite television receivers

2. Following a suggestion by the **Egyptian** Customs Administration during a Harmonized System seminar, the Secretariat proposed amending heading 85.28 to include a subheading for satellite television receivers (Doc. NR0185E1).

Note : Shaded parts will be removed when documents are placed on the WCO documentation database available to the public.

File No. 2858

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3. A satellite television receiver (STR) is a component of a satellite television reception system (see Classification Opinion 8528.12/1/vi). Connected directly to the television, STRs allow the user to select which channel to watch and also function as a demodulator, decoder and audio/video converter.
4. In Doc. NR0185E1, the Secretariat provided two proposals to amend heading 85.28. One created a new one-dash subheading (8528.40 - Satellite receivers) while the alternative created a new two-dash breakout within the existing 8528.1 subheading structure (8528.11 - Satellite television receivers) and renumbered the existing provisions; **Canada** supports the former.
5. Classification Opinion 8528.12/2 covers STRs. **Canada** agrees that 85.28 is the correct heading. Further, as STRs are clearly not video monitors or video projectors (one dash subheadings 8528.2 and 8528.3 respectively) then 8528.1 best describes the goods. However, having to then designate a satellite television receiver as a “**colour** (reception apparatus for television...)” is inappropriate given the nature of the goods (*emphasis added*). Whether satellite television signals produce a colour or monochrome image depends on the source programming and the television/monitor, not the STR. The need to designate a STR as “colour” or “black and white or other monochrome” indicates there is not a two-dash subheading that properly describes such goods.
6. At the 24th Session of the Review Sub-Committee (RSC) it was noted that cable receivers performed the same function as satellite television receivers, the difference being the source of the signal. It was suggested cable receivers should be included with any provision for satellite television receivers. It was further noted that most satellite receivers are capable of also receiving cable and local antenna (or “off-air”) signals.
7. Canada has confirmed that it is common for satellite receivers to accept signals from cable or an “off-air” antenna (see Annex) in a variety of formats (e.g., standard analogue, digital and HDTV¹ signal formats. Further, we agree that digital cable television receivers perform essentially the same function as a satellite television receiver.
8. However, in addition to satellite, cable and standard “off-air” television signals **Canada** is aware of a television distribution technology commercially described as “wireless cable”; it is a digital, microwave transmission system (refer to internet site : <http://www.look.ca/e/welcome.asp> for further details).
9. Therefore, while **Canada** supports the Secretariat’s proposal for the creation of a one-dash subheading (8528.40) to provide for “Satellite receivers”, we propose the text should read “digital receivers”. This would provide for all types of digital receivers, regardless of the source of the signal.

¹ – HDTV : High Definition Television; it is the highest resolution format of the new digital television (DTV) standards.

Satellite television reception systems

10. The principles presented in paragraph 5 (above) also apply to satellite television reception systems (STRS), which have been classified by the Harmonized System Committee under subheading 8528.12 (Classification Opinion 8528.12/1).
11. For the same reasons as with STRs, it is inappropriate that an STRS must be designated as being either “colour” or “black and white or other monochrome”. Therefore, Canada proposes that a one-dash subheading (8528.50) also be created for “Satellite television reception systems”.

Television reception apparatus

12. The current structure of the two-dash subheadings within 8528.1 presents difficulties for the classification of a STR or STRS because the characteristics they describe are present only in the final image. Of the goods covered by heading 85.28, only television sets and video monitors can be described in terms of being “colour” or “black and white or other monochrome”. As video monitors are specifically provided for under one-dash subheading 8528.2, Canada considers 8528.1 best describes actual television sets.
13. If the amendments proposed above are adopted, Canada suggests that in one-dash subheading 8528.1 “Reception apparatus for television” be replaced by “Televisions”.
14. Further, as 8528.1 has been the subheading under which all television reception apparatus other than video monitors (8528.2) and video projectors (8528.3) have classified and the amendment in paragraph 13 above restricts the scope of that subheading, Canada would propose a residual one-dash subheading be created.

Proposed text of the amended heading 85.28

15. Incorporating all the amendments proposed above, heading 85.28 would read as follows (the changes are emphasized in bold text and placed in square brackets) :
- "85.28 Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors.
- **[Televisions]**, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus :
- 8528.12 -- Colour
 - 8528.13 -- Black and white or other monochrome
 - Video monitors :
 - 8528.21 -- Colour
 - 8528.22 -- Black and white or other monochrome
 - 8528.30 - Video projectors

[8528.40 - Digital receivers]

[8528.50 - Satellite television reception systems]

[8528.90 - Other]””

III. CONCLUSION

16. The Sub-Committee is invited to examine the proposal of the **Canadian** Administration, taking into account the comments by the Secretariat in Doc. NR0223E1.

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SONY DIGITAL SATELLITE RECEIVERS

	SAT-B55	SAT-A55	SAT-HD100
Receives DIRECTTV High Definition Services ³			X
RF Input for Cable or Local Antenna	X	X	X

* Local television stations are now building Digital TV transmission towers and rolling out Digital TV broadcasting. But digital high definition is already available across all 48 contiguous states. Thanks to the **DIRECTV HD** satellite service,* high definition really hits home!

Source: <http://www.videodirect.com/sony/digsat/satellite.html>

MITSUBISHI DIGITAL SATELLITE RECEIVER SYSTEMS

	SR-HD400	SR-HD500
DIRECTV® HD-Enabled Satellite Receiver	X	X
HDTV Off-Air (ATSC) Receiver	X	X
Analog Off-Air (NTSC) Receiver	X	X
Dish Included	No	Multi-Satellite 18" x 24" Oval

Source: <http://www.mitsubishi-tv.com/PDFs/srhdspecs.pdf>