

EXECUTIVE SUMMARY OF THE 29TH SESSION OF THE HS COMMITTEE (HSC)

The HSC held its 29th Session from 22 to 31 May 2002. Mr. J. Hindsdal (Denmark) chaired. 63 HS Members (including the EC) were represented. Eight WCO Members and four international organisations were represented as observers.

1. Report by the Secretariat

- 1.1 **HS position as of 31 May 2002** : There are now 106 CPs, Bahrain and Yugoslavia being new CPs; HS is used by more than 180 countries for tariff and statistical purposes. (paras. 9 to 16)
- 1.2 **Progress report on the implementation of the HS 2002** : 61 CPs implemented the HS 2002 by the end of May 2002, including 51 CPs which implemented in January 2002. 30 to 40 CPs do not yet have firm plans for implementation. (paras. 17 and 18)
- 1.3 **Report of the PC/46 (Dec. 2001)** : HSC took note of the recent developments, including the Australian proposal concerning the innovative approach to the HS. (paras. 19 to 25)
- 1.4 **Approval of HSC/28 decisions** : HSC took note of the fact that the decisions taken were deemed approved by the Council except for the classification of bakers' wares (waffles), re which the US entered a reservation. (paras. 26 to 27)
- 1.5 **C-operation with other international organisations** : HSC took note of WCO's close co-operation with WTO, UNSD, UNEP (Ozone, hazardous wastes) and ICC. (paras. 33 to 38)

2. General questions

- 2.1 **Insertion of pictures or drawings in the COs** : HSC agreed to examine a disclaimer (pictures, etc. are provided for illustrative purpose only) and the first set of pictures to be inserted in Nov. 2002. (C/1)
- 2.2 **Use of references to specific administrations in the HSC report** : HSC agreed that as a general principle no references to specific administrations should be made in the report. (C/2)
- 2.3 **Correlation between the HS and WTO instruments** : HSC accepted the correlation between the HS and the WTO Civil Aircraft Agreement; HSC agreed to work on a correlation between the HS and the WTO instrument on Pharmaceutical Products. (C/3)
- 2.4 **How to deal with the classification of products that are no longer manufactured/traded** : HSC preferred the status-quo limiting, as a general rule, the examination of the classification to products that are still manufactured and traded. (C/4)
- 2.5 **Draft terms of reference** : HSC approved, in principle, the draft terms of reference and work plans for the HSC. (C/5)

3. WCO Council Recommendation : HSC approved the draft Recommendation concerning firearms covered by the UN Convention against transnational organized crime for adoption by the Council in June 2002.

4. Technical questions

4.1 Classification decisions (1,111 decisions were taken)

- 4.1.1 **157 INN products**
 - 8 products (E/1, para. 2 and L/10)
 - 53 products (E/1, para. 12 and L/12)
 - 96 products (E/2 and L/15)
- 4.1.2 **926 products relating to the Chemical Weapons Convention (L/13)**
- 4.1.3 **Thymostimulin in subheading 3001.20 (E/1, para.11)**
- 4.1.4 **Sucralose in subheading 2932.19 (E/1, para. 20)**
- 4.1.5 **Thiamphenicol and florfenicol in subheading 2941.40 (E/1, para. 21)**
- 4.1.6 **Prasterone and tibolone in subheading 2937.29 (E/1, para. 25)**
- 4.1.7 **Application of Note 3 to Chapter 29 at the subheading level (H/1)**
- 4.1.8 **A concentrated milk with added sugar product in subheading 0402.99 (GIRs 1 and 6) (H/2)**
- 4.1.9 **A medicated bone graft substitute called "OSTEOSET® T" in subheading 3004.20 (GIRs 1 and 6) (H/4)**
- 4.1.10 **Three acid-added clay products in subheading 3802.90 (GIRs 1 and 6) (H/6)**
- 4.1.11 **Palm V™ presented as a set with cradle and installation software in subheading 8471.30 (GIRs 3(b) and 6) (H/9)**
- 4.1.12 **DVD drives in subheading 8471.70 (GIRs 1 (Note 5 (B) to Chap. 84) and 6). (H/10)**
- 4.1.13 **DVD players in subheading 8521.90 (GIRs 1 and 6) (H/10)**

- 4.1.14 PS2 in subheading 9504.10 (GIRs 1 (Note 1(p) to Sec. XVI) and 6) (H/10)
- 4.1.15 Flash electronic storage cards in subheading 8523.90 (H/13)
- 4.1.16 Eight types of MP3 players and apparatus capable of reproducing MP3 files in subheading 8520.90, 8527.13, 8521.90 or 8519.00 (H/14)
- 4.1.17 Two types of milk substitutes for coffee in subheading 2106.90 (IJ/12)
- 4.1.18 Banknote substrate of plastics in subheading 3920.20 (IJ/18)

4.2. EN amendments

The following 5 sets were adopted.

- 4.2.1 Corrigendum to the third edition (2002) of the ENs (para. 59, L/1)
- 4.2.2 EN to heading 29.41 (E/1, para. 22, L/14)
- 4.2.3 EN to heading 40.16 (F, para. 51, L/16)
- 4.2.4 ENs to Chaps. 2, 3, 7 and 8 in connection with preservation by means of a protective gas (G/1, L/2)
- 4.2.5 EN to heading 84.71 in connection with repeaters used in LAN systems (G/5, L/6)

4.3. Classification Opinions (COs)

The following 9 COs were adopted.

- 4.3.1 CO with regard to a mixed grease product in subheading 1517.90. (G/2, L/3)
- 4.3.2 CO with regard to a vitamin preparation in subheading 2106.90. (G/3, L/4)
- 4.3.3 CO with regard to a reinforcement grid called "Fortac, 35/35-40" in subheading 3926.90. (G/4, L/5)
- 4.3.4 COs (two cases) with regard to repeaters used in LAN systems in subheading 8471.80 (G/5, L/6)
- 4.3.5 CO with regard to a radio equipment (transmitter/receiver) in subheading 8525.20 (G/6, L/7)
- 4.3.6 CO with regard to a passenger motor vehicle with a "hybrid" power system in subheading 8703.22 (G/7, L/8)
- 4.3.7 COs (two cases) with regard to two-wheeled foot-propelled scooters in subheading 9501.00 (G/8, L/9)

5. Technical questions (HS 2007)

The following amendments were provisionally adopted.

- 5.1 Creation of new Note in Chap. 29 with regard to co-ordination compounds and relevant ENs (N/1, O/1)
- 5.2 Amendments to subheadings of heading 87.08, including a creation of a new subheading for safety airbags with inflater system. (N/2)
- 5.3 Amendments to heading 26.20 and relevant ENs to insert the term "slag" (N/3, O/2)
- 5.4 Amendments to Chap. 39 and relevant ENs regarding silicones (N/4, O/3)
- 5.5 Amendments to subheadings 0805.40 and 2009.2 with regard to "pomelos" and "grapefruit" (N/5) (English only)
- 5.6 Deletion of subheadings 4823.12 and 4823.19 (N/6, O/4)
- 5.7 Amendment of heading 84.18 (N/7)
- 5.8 Creation of new subheading 0802.60 for macadamia nuts (N/8)
- 5.9 Amendment of subheading 8413.20 (N/9)

6. Election of Chairmen and Vice-Chairmen

HSC

- Chairman : Mr. C. E. de Jong (Netherlands)
- Vice-Chairmen : Mr. J. F. Jauregui (Mexico) (re-elected)
Mr. S. Gaikwad (UK)

RSC

- Chairman : Mr. D. Beck (US) (re-elected)
- Vice-Chairman : Mr. G. Tebbutt (Canada)

WP

- Chairman : Mr. P. Joffre (France)