



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM
COMMITTEE

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(+Annexes I-II)
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H3-1
H9-3

Brussels, 21 April 1999.

CLASSIFICATION OF HANDS-FREE RADIOTELEPHONY DEVICES AND POSSIBLE
AMENDMENTS TO HEADING 85.18 AND SUBHEADING 8518.30 AND TO THE
EXPLANATORY NOTE CONCERNED

(Item IX.27 on Agenda)

Reference documents :

41.580, Annexes B/11 and D/14 (RSC/16 – Report)
41 341, paragraph 55 (HSC/20)
41.600, Annex D, paragraph 71, K/8 (HSC/20 – Report)
42.243 (RSC/18)
42.500, Annex B/11 (RSC/18 – Report)

I. BACKGROUND

1. At its 20th Session, the HSC approved draft amendments to the texts of heading 85.18 and subheading 8518.30, namely inserting the words "casques d'écoute" (in the French version) and the expression "apparatus consisting of a microphone and a loudspeaker fitted together to form a whole" in place of "combined microphone/speaker sets". It also adopted draft amendments to the corresponding Explanatory Note. Consequently, the new texts of heading 85.18 and subheading 8518.30, provisionally adopted, read as follows :

"85.18 Microphones and stands therefor; loudspeakers, whether or not mounted in their enclosures; headphones and earphones, whether or not combined with a microphone, and apparatus consisting of a microphone and a loudspeaker fitted

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together to form a whole; audiofrequency electric amplifiers; electric sound amplifier sets.

8518.30 Headphones and earphones, whether or not combined with a microphone, and apparatus consisting of a microphone and a loudspeaker fitted together to form a whole."

2. At the Review Sub-Committee's 18th Session in September 1998, the Secretariat pointed out that the origin of this matter was a classification request by Israel concerning certain apparatus consisting of a microphone and a loudspeaker, designed to permit car drivers to use radiotelephony devices without using their hands (see Annex I). The Secretariat had originally argued for classification in subheading 8518.30, while Israel preferred subheading 8518.50 (electric sound amplifier sets). Given this difference of opinion as to the relevant subheading, the Secretariat wished to re-examine the classification of this product. In this connection, the Secretariat pointed out that if this product was classifiable in subheading 8518.50 it saw no reason to amend subheading 8518.30.
3. The Delegate of the United States, however, noted that his Administration was in favour of using the expression "sets consisting of a microphone and a loudspeaker" in lieu of "apparatus consisting of a microphone and a loudspeaker fitted together to form a whole", considering that this expression covered not only the product at issue, but also products mentioned in the new text already accepted by the Committee.
4. Consequently, the RSC left it to the Secretariat to study the classification question and decided to postpone further examination of the texts in question.

II. SECRETARIAT COMMENTS

5. As concerns the classification of the device at issue, the Secretariat has determined that the apparatus includes a built-in amplifier and, accordingly, now agrees with Israel that the apparatus should be classified in subheading 8518.50.
6. The question remains however as to the amendment to the texts of heading 85.18 and subheading 8518.30. As noted above, the Committee has provisionally adopted revised texts. The Secretariat has questioned the need for the expression "apparatus consisting of a microphone and a loudspeaker fitted together to form a whole" if "hands free car kits for cellular telephones" are covered by the expression "electric sound amplifier sets". Finally, the US Administration would apparently prefer the text to read "sets consisting of a microphone and a loudspeaker".
7. The Secretariat leaves it to the Committee to decide which of these options it prefers and has placed all three in square brackets in Annex II to this document.

III. CONCLUSION

8. The Committee is invited :
 - to rule on the classification of "hands free" radiotelephony apparatus;

- to choose between the options set out in Annex II and provisionally adopt amendments to the texts of heading 85.18 and subheading 8518.30 and the corresponding Explanatory Note.

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(CSH/23/mai 99)
(HSC/23/May 99)

ANNEXE II

REMANIEMENTS A APPORTER EVENTUELLEMENT AUX N°s 85.18 ET 8518.30
ET A LA NOTE EXPLICATIVE Y AFFERENTE
(Point IX.27 de l'ordre du jour)

ANNEX II

POSSIBLE AMENDMENTS TO HEADING 85.18 AND SUBHEADING 8518.30
AND TO THE EXPLANATORY NOTE CONCERNED
(Item IX.27 on Agenda)

PROCEDURE DE L'ARTICLE 16

I. AMENDEMENT DE LA NOMENCLATURE

N° 85.18.

Libellé :

Remplacer "écouteurs, même combinés avec un microphone;" par "**casques d'écoute et écouteurs, même combinés avec un microphone, et appareils constitués d'un microphone et d'un haut-parleur formant un seul corps; combinaisons constituées d'un microphone et d'un ou plusieurs haut-parleurs;**".

N° 8518.30.

Remplacer "Ecouteurs, même combinés avec un microphone;" par "Casques d'écoute et écouteurs, même combinés avec un microphone, et appareils constitués d'un microphone et d'un haut-parleur formant un seul corps; combinaisons constituées d'un microphone et d'un ou plusieurs haut-parleurs".

II. MODIFICATIONS DES NOTES EXPLICATIVES

Page 1476. N° 85.18.

1. Libellé.

Remplacer "ECOUTEURS, MEME COMBINES AVEC UN MICROPHONE" par "**CASQUES D'ECOUTE ET ECOUTEURS, MEME COMBINES AVEC UN MICROPHONE, ET APPAREILS CONSTITUES D'UN MICROPHONE ET D'UN HAUT-PARLEUR FORMANT UN SEUL CORPS[; COMBINAISONS CONSTITUEES D'UN MICROPHONE ET D'UN OU PLUSIEURS HAUT-PARLEURS]**".

2. N° 8518.30.

Remplacer "Ecouteurs, même combinés avec un microphone" par "**Casques d'écoute et écouteurs, même combinés avec un microphone, et appareils constitués d'un microphone et d'un haut-parleur formant un seul corps; combinaisons constituées d'un microphone et d'un ou plusieurs haut-parleurs]**".

Page 1477. N° 85.18. Partie C).

1. Libellé.

Remplacer "**ECOUTEURS, MEME COMBINES AVEC UN MICROPHONE**" par "**CASQUES D'ECOUTE ET ECOUTEURS, MEME COMBINES AVEC UN MICROPHONE, ET APPAREILS CONSTITUES D'UN MICROPHONE ET D'UN HAUT-PARLEUR FORMANT UN SEUL CORPS[; COMBINAISONS CONSTITUEES D'UN MICROPHONE ET D'UN OU PLUSIEURS HAUT-PARLEURS]**".

2. Nouveau troisième paragraphe.

"Les appareils constitués d'un microphone et d'un haut-parleur formant un seul corps, reliés à une unité centrale ou à un système central incorporant un amplificateur, sont conçus de manière à servir aux besoins individuels des divers participants à des conférences, tels les délégués, le président, les interprètes, etc.; en conséquence, le haut-parleur ne diffuse que des signaux sonores peu intenses."

ARTICLE 16 PROCEDURE

I. AMENDMENTS TO THE NOMENCLATURE

Heading 85.18. Heading text.

Delete and substitute :

“Microphones and stands therefor; loudspeakers, whether or not mounted in their enclosures; headphones and earphones, whether or not combined with a microphone, and [apparatus consisting of a microphone and a loudspeaker fitted together to form a whole] [sets consisting of a microphone and a loudspeaker] [combined microphone/speaker sets]; audio-frequency electric amplifiers; electric sound amplifier sets.”

Subheading 8518.30.

Delete and substitute :

“8518.30 - Headphones and earphones, whether or not combined with a microphone, and [apparatus consisting of a microphone and a loudspeaker fitted together to form a whole] [sets consisting of a microphone and a loudspeaker] [combined microphone/speaker sets]”.

II. AMENDMENTS TO THE EXPLANATORY NOTES

Page 1476. Heading 85.18.

1. Heading text.

Delete and substitute :

"MICROPHONES AND STANDS THEREFOR; LOUDSPEAKERS, WHETHER OR NOT MOUNTED IN THEIR ENCLOSURES; HEADPHONES AND EARPHONES, WHETHER OR NOT COMBINED WITH A MICROPHONE; AND [APPARATUS CONSISTING OF A MICROPHONE AND A LOUDSPEAKER FITTED TOGETHER TO FORM A WHOLE] [SETS CONSISTING OF A MICROPHONE AND A LOUDSPEAKER] [COMBINED MICROPHONE/SPEAKER SETS]; AUDIO-FREQUENCY ELECTRIC AMPLIFIERS; ELECTRIC SOUND AMPLIFIER SETS."

2. Subheading 8518.30.

Delete and substitute :

"8518.30 - Headphones and earphones, whether or not combined with a microphone; and [apparatus consisting of a microphone and a loudspeaker fitted together to form a whole] [sets consisting of a microphone and a loudspeaker] [combined microphone/speaker sets]".

Page 1477. Heading 85.18. Part (C).

1. Title.

Delete and substitute :

"(C) HEADPHONES AND EARPHONES, WHETHER OR NOT COMBINED WITH A MICROPHONE; AND [APPARATUS CONSISTING OF A MICROPHONE AND A LOUDSPEAKER FITTED TOGETHER TO FORM A WHOLE] [SETS CONSISTING OF A MICROPHONE AND A LOUDSPEAKER] [COMBINED MICROPHONE/SPEAKER SETS]".

2. New third paragraph.

"[Apparatus consisting of a microphone and a loudspeaker fitted together to form a whole] [Sets consisting of a microphone and a loudspeaker] [Combined microphone/speaker sets], connected to a central unit or a central system including an amplifier, are designed to meet the individual needs of the various participants at conferences (e.g., the delegates, the chairman, the interpreters, etc.); the loudspeaker therefore delivers only low-intensity sound signals."
