



HARMONIZED SYSTEM
COMMITTEE

-
26th Session
-

NC0316E1

O. Eng.

Brussels, 4 October 2000.

STUDY WITH A VIEW TO DETERMINING THE LINE OF DEMARCATION
BETWEEN THE UNITS OF HEADING 84.71 AND THE ACCESSORIES

OF HEADING 84.73

(Item VIII.1 on Agenda)

Reference documents :

NC0250E2, Annex H/2, paragraph 9 (HSC/25 – Report)
NC0305E1 (HSC/26)

I. BACKGROUND

1. After the preparation of Doc. NC0305E1, the Secretariat received further comments from the Customs Administrations of Poland and Peru. These comments are reproduced below.

II. NOTE BY POLAND

2. The Polish Administration considers that it might be difficult to create a clear demarcation line between the units of heading 84.71 on the one hand and the accessories of heading 84.73 on the other hand. It suggests, however, creating a legal Note to Chapter 84, defining, in an unmistakable manner, the minimum of elements of which a unit should be composed in order to be classifiable in heading 84.71.

III. NOTE BY PERU

3. "Analysis
4. The automatic data processing machines of heading 84.71 are defined by legal Note 5 (A) to Chapter 84.

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5. The conditions required for certain units to be considered as units of automatic data processing machines when presented separately, are provided for in Note 5 (B) to Chapter 84, with three conditions all of which must be fulfilled.
6. Subject to the exclusions referred to in Note 1 to Section XVI and Note 1 to Chapters 84 and 85, parts of heading 84.73 are classified in accordance with Note 2 to Section XVI. Classification of accessories should follow the same principles.
7. If the Harmonized System Committee decided to classify the "Fast Ethernet Adapter" in heading 84.71 as a "unit", it is our understanding that this is based on the conditions set out in Note 5 (B) to Chapter 84, although its use or operation characteristics might fall within the terms of other headings.

Conclusion

8. The Harmonized System Committee should set some criteria for the classification of "accessories" which are not of general use, because Note 2 to Section XVI only refers to the classification of "parts". Therefore, the classification of "accessories" should follow the same classification principles as those for "parts". In this context it should be noted that some texts refer to "parts" only, whereas others refer to "parts and accessories".

IV. SECRETARIAT COMMENTS

9. Given the late arrival of the observations the Secretariat would simply like to refer to its comments in paragraphs 2 to 27 of Doc. NC0305E1, in particular paragraph 7.

V. CONCLUSION

10. The Committee is invited to take into consideration the comments received from Poland and Peru, as set out in paragraphs 2 to 8 above.
