



HARMONIZED SYSTEM  
COMMITTEE

-  
27<sup>th</sup> Session  
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NC0392E1  
(+ Annex)  
O. Eng.

Brussels, 9 April 2001.

POSSIBLE AMENDMENTS OF THE EXPLANATORY NOTE TO HEADING 84.71  
TO CLARIFY THE LINE OF DEMARCATION BETWEEN THE UNITS OF HEADING 84.71  
AND ACCESSORIES OF HEADING 84.73

(Item VIII.9 on Agenda)

Reference documents :

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

NC0316E1 (HSC/26)  
NC0340E2, Annex H/1 (HSC/26 – Report)

I. BACKGROUND

1. At its 26<sup>th</sup> Session, the Committee concluded, that, for the purposes of determining whether an article was a unit of an automatic data processing (ADP) machine or an accessory for an ADP machine :
  - (i) There was no definition in the Harmonized System of the term “accessories”;
  - (ii) To be classified in heading 84.71 as a unit for an automatic data processing (ADP) machine, the unit should perform a data processing function, should meet the criteria set out in Note 5 (B) to Chapter 84, including the introductory paragraph, and should not be excluded by the provisions of Note 5 (E) to that Chapter;
  - (iii) If a unit did not meet the criteria set out in Note 5 (B) to Chapter 84, or was not performing a data processing function, it should be classified according to its characteristics by application of General Interpretative Rule (GIR) 1, if necessary in combination with GIR 3 (a); and
  - (iv) A possible inconsistency, as indicated by the Secretariat in paragraph 23 of Doc. NC0305E1, might exist between Note 5 (B) and Subheading Note 1 to Chapter 84.
2. To reflect these decisions, the Committee instructed the Secretariat :

File No. 2820

- (i) To prepare a new document, containing (minor) draft amendments to the Explanatory Note to heading 84.71, to be dealt with by the Committee at its next session; and
  - (ii) To include, in a document to be submitted to the Review Sub-Committee, further amendments to the Explanatory Note to heading 84.71 in the context of an overhaul of these Notes, and possible amendments to the legal text, with emphasis on Note 5 and Subheading Note 1 to Chapter 84.
3. The Chairman invited delegations to submit their proposals in this respect as soon as possible.

## II. SECRETARIAT COMMENTS

4. The Secretariat would like to point out first, that, at the time of preparing this document, it had not received proposals from administrations.
5. Second, following the instructions of the Committee, the Secretariat has prepared draft amendments to the Explanatory Notes to headings 84.71 and 84.73. They are set out in the Annex to this document, taking into account the new lay-out of the Explanatory Note to heading 84.71, as reproduced in Doc. NR0165E2, Annex E/1 (RSC/23 – Report). The Secretariat has refrained from referring to page numbering, pending the publication of the HS 2002 Explanatory Notes.
6. Finally, a document including possible amendments to the legal text, with emphasis on Note 5 and Subheading Note 1 to Chapter 84 (see paragraph 2 (ii) above), will be submitted to the Review Sub-Committee in due time.

## III. CONCLUSIONS

7. The Committee is invited to examine the proposed amendments to the Explanatory Notes to headings 84.71 and 84.73, as set out in the Annex to this document, taking into account the observations of the Secretariat in paragraphs 4 to 6 above.

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