



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

Established in 1952 as the Customs Co-operation Council
Créée en 1952 sous le nom de Conseil de coopération douanière

HARMONIZED SYSTEM
COMMITTEE

-
32nd Session
-

NC0796E2
(HSC/32/Nov. 2003)

O. Eng./Fr.

Brussels, 28 November 2003.

REPORT TO THE CUSTOMS CO-OPERATION COUNCIL
ON THE 32nd SESSION OF THE HARMONIZED SYSTEM COMMITTEE

Note :	This Report has been divided into four parts : Part I : Body of the Report and Annexes A to IJ Part II : Annexes K to L/21 Part III : Annexes L/22 to N/4 Part IV : Annexes O and P
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1. The Harmonized System Committee (HSC) held its 32nd Session from 17 to 28 November 2003 at the Headquarters of the World Customs Organization in Brussels. The meeting was chaired by Mr. C.E. (Ed) DE JONG (The Netherlands).
2. The following 83 Members (82 Countries and one Customs and Economic Union) were represented :

Countries :

ARGENTINA	ICELAND	PORTUGAL
AUSTRALIA	INDIA	ROMANIA
AUSTRIA	INDONESIA	RUSSIA
AZERBAIJAN	IRAN	RWANDA
BAHRAIN	ISRAEL	SENEGAL
BANGLADESH	JAPAN	SERBIA AND MONTENEGRO
BELGIUM	KOREA (Rep.)	SLOVAKIA
BRAZIL	KUWAIT	SLOVENIA
BULGARIA	LATVIA	SOUTH AFRICA
BURKINA FASO	LEBANON	SPAIN
CAMEROON	LITHUANIA	SRI LANKA
CANADA	MADAGASCAR	SWAZILAND
CHINA	MALAYSIA	SWEDEN
COLOMBIA	MALTA	SWITZERLAND
CONGO (Dem. Rep.)	MAURITANIA	THAILAND
CÔTE D'IVOIRE	MAURITIUS	TOGO
CROATIA	MEXICO	TUNISIA
CUBA	MONGOLIA	TURKEY
CYPRUS	NETHERLANDS	UGANDA
CZECH REPUBLIC	NEW ZEALAND	UKRAINE

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

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DENMARK
EGYPT
ESTONIA
ETHIOPIA
FINLAND
FRANCE
GERMANY
HUNGARY

NIGERIA
NORWAY
PAKISTAN
PANAMA
PERU
PHILIPPINES
POLAND

UNITED KINGDOM
UNITED STATES
UZBEKISTAN
VIETNAM
YEMEN
ZAMBIA
ZIMBABWE

Customs and Economic Union

EUROPEAN COMMUNITY (EC).

3. The following **eight** Members of the Council and five international organisations were represented by observers :

ARMENIA
BARBADOS
DOMINICAN REPUBLIC
ECUADOR
GAMBIA
MOLDOVA
SYRIAN ARAB REPUBLIC
TAJIKISTAN

CO-OPERATION COUNCIL FOR THE ARAB STATES OF THE GULF (GCC)
INTERNATIONAL CHAMBER OF COMMERCE (ICC)
ORGANIZATION FOR THE PROHIBITION OF CHEMICAL WEAPONS (OPCW)
SECRETARIAT OF THE BASEL CONVENTION (**UNEP**)
UNITED NATION STATISTICS DIVISION (UNSD)

4. A list of delegates and observers is reproduced at Annex P to this Report.

I. ADOPTION OF THE AGENDA (Docs. NC0732E5 and NC0729E1)

5. The Committee decided to hold a preliminary discussion only on Agenda Item VIII.3.
6. Following the request of the **US** Administration in Doc. NC0792E1, the Committee agreed to receive the presentation on the "**Media Composer 1000**", outside the working hours of the Committee.
7. Subject to the foregoing, the Committee adopted the Agenda reproduced in Annex A to this Report. This Annex also serves as the Table of Contents.

II.1. POSITION REGARDING CONTRACTING PARTIES TO THE HS CONVENTION
AND RELATED MATTERS

(Doc. NC0734E1)

8. Mr. H. KAPPLER, the Director of Tariff and Trade Affairs, informed the Committee that Bolivia and Kuwait had become the 113th and 114th Contracting Parties to the HS Convention, respectively. He took the opportunity to congratulate the Bolivian and Kuwait Administrations and to welcome them to the Harmonized System Committee.
9. Describing the present position regarding the application of the various HS instruments, he noted that the working document contained information about the HS Recommendations and Secretariat publications. In that connection, the Secretariat's report referred to acceptances received during the intersession in respect of several Recommendations, including in particular the Recommendation on the Use of Standard Units of Quantity. In this regard, he took the opportunity to thank the EC and Lithuania, and urged Customs administrations to take the lead where these Recommendations were concerned, in order to encourage their governments to accept them. He informed the Committee of the introduction of a new Annex II to the document, which was intended to provide information about Customs tariffs and the Web sites on which they could be found. This information would be updated regularly, with the assistance of Members.
10. The Director went on to explain that since the publication of the working document, Mongolia had informed the Secretariat of its acceptance of the Recommendation on Pre-entry Classification Information, while Canada had become the first administration to accept the Recommendation on Firearms. He took the opportunity to congratulate these two administrations, and invited the Committee to also take note of the other information contained in Doc. NC0734E1.
11. On the subject of the implementation of the 2002 version of the Harmonized System, the Director highlighted the fact that, to date, only 87 Contracting Parties had notified the Secretariat that they had implemented this version, meaning that there were still 27 Contracting Parties which had not fulfilled their obligations. In this connection he recalled that the Council had expressly emphasised the importance of formal acceptance by the Contracting Parties, and he invited the Chairperson to ask those Members present who had not yet implemented the 2002 version to report on the reasons for the delay.
12. At the Chairperson's request, several delegates reported on the implementation of the 2002 version in their respective countries. The information they provided is summarised in the following table.

Burkina Faso	Application anticipated for 01/01/2004
Cameroon	Acceptance work in progress under the leadership of CEMAC
Côte d'Ivoire	Application begun on 01/08/2003, but certain national tariff problems remain
Ethiopia	01/01/2003
Egypt	No information
Nigeria	Work on the draft tariff has been completed
Swaziland	Work in progress under the leadership of COMESA
Togo	Application anticipated for 01/01/2004
Ukraine	Application anticipated for early 2004, but could now be delayed until early 2005 in connection with WTO membership negotiations.

13. The Committee was also informed that the Co-operation Council for the Arab States of the Gulf (GCC) had recently established a Customs Union, which had come into force earlier this year (January 2003), and that the Member States of the Customs Union had applied, since then, an external common Customs tariff based on the latest version of the Harmonized System (i.e., the 2002 version). This followed the obligation laid down in Article 29 of the GCC Common Customs Law, stipulating that Member States of the GCC Customs Union should apply an HS-based common Customs tariff for the classification of goods.
14. The Delegate of the **Congo (Dem. Rep.)** stated that his administration would provide the Secretariat with a copy of its 2003 tariff (HS 2002 version) very shortly (A copy was deposited with the Secretariat during the session).
15. The Delegate of the **EC** expressed concern over Contracting Parties' lack of enthusiasm for the Recommendation concerning the Application of HSC Decisions. He pointed out that apart from the **EC and its Member States**, only nine administrations had accepted this Recommendation. The Recommendation, which was intended to ensure the transparency of the Committee's decisions, appeared to have been neglected. He hoped that the Committee and the Secretariat would encourage the Contracting Parties to consider the possibility of accepting all its Recommendations (and particularly the one concerning the Application of HSC Decisions) as soon as possible, and notifying the Secretariat accordingly, in accordance with the conclusions of the High-Level Working Group on HS Matters.
16. In this connection, the Committee was further informed that Cyprus had accepted the Recommendation on the Reporting of Trade Data to the UNSD and the Recommendation on the Application of HSC Decisions.
17. Continuing the discussion, the Observer for the UNSD stated that the implementation of the 2002 version of the Harmonized System and the acceptance of the Recommendations concerning the Use of Standard Units of Quantity and the Reporting of Trade Data were very important to his organisation. He expressed the hope that all the Recommendations would be accepted as rapidly as possible.
18. The Committee took note of the information set out in the working document as well as the observations recorded above. The Committee also encouraged all Contracting Parties that had not yet done so to strongly consider the acceptance of all of the HS Recommendations and, in particular, the Recommendation on the Application of HSC Decisions.
19. The lists of Contracting Parties to the HS Convention and of non-contracting parties applying an HS-based tariff or statistical nomenclature as of 28 November 2003, are reproduced at Annexes B/1 and B/2 to this Report, respectively. The lists with regard to the acceptance of the HS Recommendations and the HS based Tariffs available on the Internet and in the Secretariat are reproduced at Annexes B/3 and B/4 to this Report, respectively.

II.2. REPORT ON THE LAST MEETINGS OF THE POLICY COMMISSION

(49th Session) AND THE COUNCIL (101st /102nd Sessions)

(Doc. NC0735E1)

20. In his oral report on the developments at the last Policy Commission and Council sessions, the Director touched upon some of the more important matters as they related to the Harmonized System.
21. With respect to the use of Spanish by the HS Committee, he informed the Committee that the Secretary General had explained in his reports to both the Policy Commission and the Council, that the introduction of Spanish as a working language for the HS Committee had been effected in accordance with the past decisions of the Council and with no impact on the WCO budget. The Policy Commission and Council had taken note of the developments with regard to the introduction of working languages. The Director noted that there was a separate agenda item (Item III.1) on the issue of the Committee's working languages.
22. Moving on to the Interim Report of the High-Level Working Group on HS Matters, the Policy Commission and the Council in June, had merely taken note of the then on-going discussions at the High-Level Group and the fact that the Secretariat would be presenting a final report to the Policy Commission in December. The Director noted that there was also a separate agenda item (Item II.7) on the work of the High-Level Group and that he would be making an oral report on the status of that work.
23. With regard to decisions taken by the Council, on the basis of the Reports of the 30th and 31st Sessions of the HS Committee presented by the Chairperson of the HSC, the Council had :
- adopted the draft Recommendation concerning ozone-layer depleting substances;
 - at the request of the Delegations of **Cameroon**, **Greece** (on behalf of the **EC**), the **United States** and **Japan**, referred back to the HS Committee, for re-examination, the following classification questions in respect of which reservations had been entered and which had been referred to the Council in accordance with Article 8.3 of the HS Convention :
 - (1) Classification of concentrated milk with added sugar (requested by **Cameroon**).
 - (2) Classification of the "**Palm V**" presented as a set with cradle and installation software (requested by **Greece** on behalf of the **EC**).
 - (3) Classification of the "**PlayStation 2**" (requested by **Japan**).
 - (4) Classification of the "**Media Composer 1000**" (requested by the **United States**).
 - (5) The decision that "photocopying" is not limited to the projection of an image onto a photosensitive surface and that present heading 90.09 covers digital copying (requested by the **United States** and **Japan**).

- approved the Reports of the 30th and 31st Sessions of the Harmonized System Committee; and
- taken note of the various HS-related developments referred to in the written report of the Chairperson of the Harmonized System Committee.

24. Turning to comments made at the Council meeting by delegates and observers, the Observer for the World Trade Organization (WTO) had provided information on WTO developments relating to the Harmonized System. Among other things, she had informed the Council that, in the tariff negotiations under the Doha Development Agenda, the Chair of the Negotiating Group on Market Access had proposed negotiations be conducted based on HS 1996 and that the result be scheduled on the basis of HS 2002. Members wishing to conduct negotiations on the basis of HS 2002 should submit correlation tables between HS 1996 and HS 2002.
25. In response, the Director had acknowledged that changes to the HS sometimes complicated the negotiations that were ongoing. At the same time, in looking at the overall situation, there were already more than 80 Contracting Parties and a number of additional countries that were using HS 2002, bringing the total number of countries using HS 2002 close to 100. Therefore it was important for the WTO negotiations to reflect that reality and the fact that the results of the negotiations would have to be implemented in terms of HS 2002 for the vast majority of countries.
26. The Observer for the Common Market for Eastern and Southern Africa (COMESA) had informed delegates about its progress with regard to the implementation of HS 2002. COMESA had been urging all its Members to use HS 2002 and the COMESA common tariff, when adopted next year, would be based entirely on HS 2002.
27. The Director had asked for clarification regarding whether the adoption of the COMESA common tariff placed an obligation on its Member administrations to also implement HS 2002 in their national tariffs. He had been informed that COMESA Members would still have to take action to adopt HS 2002 nationally.
28. Finally the Director reported that the Council, in addition to re-electing Mr. Michel DANET as Secretary General, had elected a new Director of Tariff and Trade Affairs – Mr. Chriticles MWANSA of Zambia. He wished Mr. Mwansa great success as the new Director.
29. The Committee took note of the report on the last meetings of the Policy Commission and the Council as set out in the working document and the Director's oral report.

II.3. APPROVAL OF DECISIONS TAKEN BY THE HARMONIZED SYSTEM COMMITTEE

AT ITS 31st SESSION

(Docs. NG0068E1 and NC0736E1)

30. The Chairperson was delighted to report that no reservations had been entered in respect of the decisions taken by the Committee at its previous session.

31. In the light of the foregoing, and of the information contained in the working document, the Committee took note of the Secretariat's report that the decisions taken by the Committee at its 31st Session had been deemed approved by the Council, in accordance with Article 8.2 of the HS Convention.

II.4. CAPACITY BUILDING ACTIVITIES OF THE NOMENCLATURE AND CLASSIFICATION SUB-DIRECTORATE

(Doc. NC0737E1)

32. The Director informed the Committee that the Secretariat was continuing to provide technical assistance to Member administrations in the form of regional and national seminars with respect to the implementation and uniform application of the Harmonized System, the establishment of Customs laboratories, and the improvement of tariff classification work infrastructure. He regretted that the technical assistance activities during the intersession were limited due to human resource and financial constraints.
33. He further pointed out that shortly after the end of current session of the Committee, the Secretariat would be organising a regional HS seminar for the North African, Near and Middle East Region in Cairo, Egypt. He noted that through the generosity of the Japanese Administration, the Secretariat was planning national seminars in China and Kenya and regional ones in Vietnam and Costa Rica. He indicated that these seminars would be carried out over the first part of 2004 and would be publicised on the WCO Web-site.
34. Referring to the capacity building efforts of the Secretariat, he explained that these were not limited to the previously mentioned seminars but also encompassed : the many HS publications and databases that had been developed over the years and were maintained by the Committee and the Secretariat, an e-learning programme that would be demonstrated to the delegates during the current session and the development of a diagnostic tool to allow Member administrations to determine what their capacity building needs are.
35. The Committee took note.

II.5. CO-OPERATION WITH OTHER INTERNATIONAL ORGANISATIONS

(Doc. NC0738E1)

36. The Director briefly informed the Committee about the important activities which had occurred during the intersession in respect of co-operation with other international organisations. He highlighted the co-operation with UNEP, OPCW, UNSD, INBAR (FAO) and ICC that was reported in the working document and the contributions made by those organisations to many documents on the agenda of this Committee as well as the Review Sub-Committee.
37. The representative of the ICC, on behalf of his organisation, expressed the ICC's sincere thanks to the Director for his efforts in developing an excellent partnership with the ICC on HS issues and conveyed the ICC's appreciation for his patience, understanding and guidance during his term as Director of Tariff and Trade Affairs. The ICC was extremely appreciative of the Director's assistance in establishing the ICC Technical Advisory

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Committee which had arranged for many presentations on complicated technical issues. ICC also appreciated his open-door policy for ICC staff working on matters of Valuation and Origin as well as the Harmonized System.

38. He stated that the ICC looked forward to continuing its partnership with the new Director, Mr. Mwansa, and to building upon the foundation established with Mr. KAPPLER.
39. The representative of UNSD, on behalf of all UN statisticians, expressed his gratitude to the Director for the excellent co-operation extended to the UNSD over the years of his service at the WCO and assured the Committee that UNSD would continue its close co-operation on issues of mutual interest to both organisations in the future.
40. He further noted that within the framework of that co-operation, WCO experts had participated in various statistical workshops and UNSD had participated in training seminars conducted by the WCO. With a view to assisting the HS Review Sub-Committee in its deliberations, UNSD had provided WCO with data on world trade and the next update of that data would be submitted to the WCO in December 2003.
41. The Committee was also informed that in June 2003, UNSD had opened a Web site providing access to the UN COMTRADE database. The Web site allowed visitors to view data in terms of the Harmonized System and the Standard International Trade Classification, thus emphasising the importance of the Harmonized System and promoting its use. For large downloads of data a subscription and registration were required. The system enabled all current data to be downloaded free of charge by UN COMTRADE (mostly by national statistical offices). The UNSD representative was pleased to inform the Committee that the same access to this database had been given to Customs administrations as to national statistical offices.

II.6. NEW INFORMATION ON THE WCO WEB SITE

(Doc. NC0739E1)

42. The Director informed the Committee of the latest developments with regard to the public and Members Web sites. He stressed that delegations should check the information provided in the annex to the working document for accuracy and currency. The Committee was also informed that the lay-out of the public Web site was currently being reviewed. The revised lay-out was expected to be available early in 2004.
43. The Committee took note of the information provided in the working document.

II.7. PROGRESS OF THE HIGH-LEVEL WORKING GROUP ON HS MATTERS

(Doc. NG0086E3)

44. The Director gave an oral report on the progress of the work of the High-Level Working Group on HS Matters.
45. He recalled that the High-Level Group had been created by the Policy Commission about a year and a half ago in order to examine HS procedural issues with a view to ensuring that the HS remained the relevant and vibrant international trade instrument that it had

always been. He informed the Committee that the Group had finished its work in September and was making a substantial number of recommendations to the Policy Commission in December with regard to "HS procedures". He stressed that the term "HS procedures" was being used in its broadest sense.

46. The Working Group had covered a wide number of issues, including :

- Speeding up the HS Committee decision making process and possible establishment of dispute settlement panels;
- Streamlining the HS reservation procedures;
- Improving transparency with regard to the implementation of HS Committee decisions;
- Improving compliance with the terms of the HS Convention and the recognition of the importance of the Harmonized System as a trade facilitation instrument;
- The need for greater flexibility and speed with regard to amendments to the HS Nomenclature;
- Improving acceptance of HS Recommendations by our Members;
- Increasing participation by the developing world with regard to HS activities;
- Possible regional approaches to HS matters;
- Increasing the number of HS Contracting Parties; and
- Further simplification of the Harmonized System.

47. The Director went on to report that the recommendations of the High-Level Group ranged from small procedural changes to amendments to the HS Convention. The recommendations were to be carried out by the Secretariat, the Secretary General, the HS Committee, Member Customs administrations, the Council and even other international organisations.

48. The Director pointed out that of particular interest to the Committee **should be** the recommendations to amend the HS Convention. In this connection, the High-Level Group had recommended that Article 8 of the Convention be amended :

- to remove the Council from its purely administrative role with regard to HS reservations and to make the fast-track procedure the default reservation procedure – with the further option to allowing administrations to ask for reservations to be reconsidered after 12 months, and
- to apply a two reservations limit on reservations with respect to any one issue.

49. The Director noted that the Committee would be encouraged to immediately observe this limit, even before the Convention had been amended. With a view to immediately accelerating the reservation procedures, the High-Level Group further suggested that the schedules of the HSC and RSC be interchanged so that the Committee would meet in September/October and in March and the RSC in November and May. This would allow

reservations from the Spring session of the HSC to be considered by the immediately following Council meeting.

50. The Director reported that the High-Level Group had also recommended that Article 16 of the HS Convention be amended to shorten the notice period with regard to Article 16 Recommendations to 3 months.
51. With regard to legal text amendments to the **Harmonized System** the Working Group had also asked the HS Committee to consider the possibility of adopting such amendments outside of the Review Cycle framework on an exceptional basis – provided the Committee agreed to such amendments by consensus and there was an urgent need for their implementation.
52. Finally the Group had recommended against the establishment of dispute settlement or other expert panels, since they would result in duplication of effort and, consequently, would not speed up the HS decision making process.
53. The Director then explained how the Secretariat envisioned the next steps with regard to these recommendations. First the recommendations would go to the Policy Commission in December. Once the Policy Commission had approved the recommendations, implementation work could already begin, although the Policy Commission's work was always reviewed and approved by the Council.
54. While implementation of the recommendations involved many parties, clearly the recommendations to amend the HS Convention would have to be examined in detail by the HS Committee and would have to be drafted for approval by the Council. In this regard, the Director indicated that, although he hoped that some of the actions could already be presented to the Committee at its May 2004 Session, he was aware of the fact that that session would have to be largely devoted to finalising the 2007 HS amendments and that it might be optimistic to schedule other matters for that session. That decision would need to be made by the Secretariat in consultation with the Chairperson of the Committee early next year. He observed that if the Committee could not tackle the recommended amendments to Articles 8 and 16 of the HS Convention earlier they could certainly be finalised in time for the 2005 Council meetings – these amendments could clearly be examined outside the next Review Cycle.
55. Finally the Director thanked all of the members of the High-Level Group, and, in particular, the Chairperson of that Group – Mr. Eugene ROSENGARDEN of the United States – for their excellent work.
56. One delegate drew the attention of the Committee to the question of the role of the High-Level Group and the Policy Commission vis-à-vis the role of the HS Committee as provided for in the HS Convention, which had been of concern for a number of delegates. He stressed that the creation of the High-Level Group had not been intended to replace the HS Committee. All of the proposals made by the High-Level Group were only ideas which, after examination by the Policy Commission, would have to be examined and implemented by the HS Committee. He remarked that the decisions regarding many of those recommendations lay with the HS Committee, which had an important role to play in accordance with the HS Convention.

57. Another delegate added that his administration's experience with the High-Level Group also demonstrated the need to avoid taking the HS Convention for granted. He emphasised that there was a need to constantly remind Directors General that it required a great deal of effort at both the international and domestic level to maintain and review the Harmonized System so that it could continue to be successful as an international trade instrument, for example, in respect of trade agreement negotiations and trade statistics.
58. The Director confirmed that it had not been the intention behind the creation of the High-Level Group to take responsibilities away from the HS Committee that it should perform as provided in the HS Convention, and the authority of the HS Committee had in no way been infringed by the High-Level Group. He explained that the purpose in creating the High-Level Group was to bring together people with broader views regarding international trade and the Harmonized System, and to obtain a fresh perspective on the procedural issues confronting the Harmonized System. While many of the Group's recommendations would only affect the Secretariat and not the responsibilities of the HS Committee, a number of them would have to be considered and approved by the Committee.
59. The Committee took note of the Director's oral report on the work of the High-Level Working Group on HS Matters and the comments made.

II.8. SECRETARIAT PRESENTATION ON THE WCO E-LEARNING PROGRAMME

60. The Committee received a presentation on the WCO e-learning programme (an interactive, multimedia online learning facility) which has, as its objectives, to enhance the WCO's training capabilities, make optimum use of the WCO's technical assistance and training budget and make the WCO's e-learning facility available to our partners. One of the modules in the e-learning programme will be devoted to HS classification and will be developed in 2004.
61. Access to the e-learning programme will be free for WCO members and is being designed as an open platform which should allow for national modifications and translation by interested administrations into third languages.
62. In response to a question by one delegate, the presenter indicated that the WCO was still considering its position on access to the e-learning programme with regard to non-members and, in particular, Customs unions such as the EC.

II.9. OTHER BUSINESS

STAFF CHANGES

63. The Director informed the Committee that Mr. T. NAGASE (Japan) and Mr. H. KAIDA, (Japan) had both returned to the Japanese Administration. Mr. Nagase, who had served as Deputy Director and had taken up a senior position in the Japanese Administration, had been replaced by Mr. I. WIND (Netherlands). Mr. Kaida, who had served as a Technical Attaché, would be replaced by Ms. Y. KAWANAKA (Japan) as of January 2004. The Director thanked the Japanese Administration for its generosity in seconding Ms. Kawanaka to the WCO.

64. Mr. A. GLEMMING (Norway) and Mr. J. JOHANNES (Madagascar) had also returned to their home administrations. Mr. Glemming had been replaced by Mr. A. SHCHEGLOV (Russia) who had been serving as a Technical Attaché seconded by the Russian Administration to co-ordinate the use of Russian as a working language for the Harmonized System. The Director highly appreciated the fact that the Russian Administration would be seconding another Technical Attaché, to take over Mr. Shcheglov's previous responsibilities, in the near future.
65. As a new addition to the staff, the Secretariat welcomed Mr. JULIAN SANTOS (Spain), co-ordinator for the use of Spanish as an HS working language. Furthermore, it was pointed out that two Technical Officer positions in the Nomenclature and Classification Sub-Directorate had been advertised and would be filled in the near future.
66. The Director also informed the Committee that Mr. G. VESSAH (Cameroon) would soon return to his home administration. He thanked him for his outstanding service and wished him all the best in his future endeavours.
67. Finally, Mr. M. DANET, Secretary General, informed the Committee that Mr. Kappler would be leaving the Secretariat after a five-year term as Director of the Tariff and Trade Affairs Directorate. He stressed that the Harmonized System had always been an important tool of international trade and that the Harmonized System Convention was the biggest international convention administered by the WCO and was applied not only by its signatories but also by 80 non-contracting parties. The Harmonized System Committee as the heart of the World Customs Organization and one of its biggest Committees, discussed highly technical issues often having major economic and political consequences. He stated that Mr. Kappler had carried out his mission in this important and complex field of the Harmonized System, as well as in valuation and origin, with great professionalism, competence and efficiency and had always been a pillar of the Secretariat. He thanked him for his extraordinary performance and his personal qualities and wished him, on behalf of all the delegates, all the best for the future.
68. The Committee endorsed the words of Mr. Danet and thanked Mr. Kappler profusely for his contributions to the Committee and the international acceptance of the Harmonized System over the years.
69. Mr. Kappler thanked the Secretary General, the Chairperson, all the delegates and the staff of the Secretariat for the kindness, co-operation and friendship which had been extended to him over the past five years and stated that it had been a real privilege to work with all of them. He mentioned how the important task of the completion of the Third HS Review Cycle was and expressed his firm belief that it would be successfully accomplished next year. He wished his successor, Mr. Mwansa, all his staff and all the delegates great success in the future.

III. GENERAL QUESTIONS

70. The Committee's conclusions concerning Agenda Item III are reproduced in Annexes C/1, C/2 and K to this Report.

IV. REPORT OF THE REVIEW SUB-COMMITTEE
(28th Session)

71. The Harmonized System Committee examined the conclusions reached by the Review Sub-Committee (RSC) at its 28th Session.
72. The results of this examination are set out in Annexes D/1, D/2, L/12 to L/23, M/4 to M/22, N/3 and N/4 to this Report.
73. On behalf of the Committee, the Chairperson thanked the Review Sub-Committee and its Chairperson for the excellent work accomplished at the 28th Session of the Sub-Committee.

V. REPORT OF THE WORKING PARTY

74. The Harmonized System Committee examined the conclusions reached at the Working Party's pre-session meeting. The conclusions of the Committee in this connection are reproduced in Annexes E/1 to E/9 to this Report.
75. The texts finalised by the Working Party and adopted by the Committee are set out in Annexes L/1 to L/9 to this Report.
76. The Chairperson congratulated the Chairperson of the Working Party and its members on their work.

VI. FURTHER STUDIES

77. The Committee's conclusions concerning Agenda Item VI are reproduced in Annexes F/1 to F/19, L/10, L/11, L/24, M/1 to M/3, N/1 and N/2 to this Report.

VII. NEW QUESTIONS

78. The Committee's conclusions concerning Agenda Item VII are reproduced in Annexes G/1 to G/12, L/25 to L/27 and M/23 to this Report.

VIII. ADDITIONAL LIST

79. The Committee's conclusions concerning Agenda Item VIII are reproduced in Annexes H/1 to H/3, L/28 and M/24 to this Report.

IX. OTHER BUSINESS

LIST OF QUESTIONS WHICH MIGHT BE EXAMINED
AT A FUTURE SESSION

80. The Committee's conclusions concerning Agenda Item IX.1 (the list of questions which might be examined at a future session) are reproduced in Annexes IJ and O to this Report.

X. DATES OF NEXT SESSIONS

81. The provisional dates of the next meetings of the Scientific Sub-Committee, the Review Sub-Committee, the Working Party and the Harmonized System Committee are as follows :

(a) Scientific Sub-Committee (19th Session)

Monday, 19 January 2004 (10:00 a.m.) to
Wednesday, 21 January 2004

(b) Review Sub-Committee (29th Session)

Monday, 8 March 2004 (10:00 a.m.) to
Friday, 19 March 2004

(c) Working Party

Monday, 3 May 2004 (10:00 a.m.) to
Wednesday, 5 May 2004

(d) Harmonized System Committee (33rd Session)

Thursday, 6 May 2004 (11:30 a.m.) to
Wednesday, 19 May 2004.

C.E. (Ed) DE JONG,
Chairperson

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**LIST OF CONTRACTING PARTIES
TO THE HARMONIZED SYSTEM CONVENTION**

Situation as of 28 November 2003

(113 countries and 1 Customs and Economic Union)

Algeria	Guinea	Norway
Argentina	Haiti	Pakistan
Australia	Hungary	Panama
Austria	Iceland	Peru
Azerbaijan	India	Philippines
Bahrain	Indonesia	Poland
Bangladesh	Iran	Portugal
Belarus	Ireland	Romania
Belgium	Israel	Russia
Bolivia	Italy	Rwanda
Botswana	Japan	Saudi Arabia
Brazil	Jordan	Senegal
Bulgaria	Kenya	Serbia and Montenegro
Burkina Faso	Korea (Rep.)	Slovakia
Cambodia	Kuwait	Slovenia
Cameroon	Latvia	South Africa
Canada	Lebanon	Spain
Central African Republic	Lesotho	Sri Lanka
Chad	Libyan Arab Jamahiriya	Sudan
China	Lithuania	Swaziland
Colombia	Luxembourg	Sweden
Congo (Dem. Rep.)	The Former Yugoslav	Switzerland
Côte d'Ivoire	Republic of Macedonia	Thailand
Croatia	Madagascar	Togo
Cuba	Malawi	Tunisia
Cyprus	Malaysia	Turkey
Czech Republic	Maldives	Uganda
Denmark	Mali	Ukraine
Egypt	Malta	United Arab Emirates
Eritrea	Mauritania	United Kingdom
Estonia	Mauritius	United States
Ethiopia	Mexico	Uzbekistan
Fiji	Mongolia	Venezuela
Finland	Morocco	Vietnam
France	Myanmar	Yemen
Gabon	Netherlands	Zambia
Germany	New Zealand	Zimbabwe
Greece	Niger	EC
	Nigeria	

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**LIST OF COUNTRIES, TERRITORIES AND CUSTOMS OR ECONOMIC
UNIONS USING THE HARMONIZED SYSTEM**

Situation as of 28 November 2003

(Total 196)

Albania	X	Guyana	X	Rwanda	+
Algeria	+	Haiti	+	Saint Kitts and Nevis	x
Andorra	X	Honduras	X	Saint Lucia	X
Angola	X	Hong Kong, China	X	Saint Pierre and Miquelon (French Terr.)	X
Antigua & Barbuda	X	Hungary	+	Saint Vincent and the Grenadines	X
Argentina	+	Iceland	+	Samoa	X
Armenia	X	India	+	Saudi Arabia	+
Australia	+	Indonesia	+	Senegal	+
Austria	+	Iran	+	Serbia and Montenegro	+
Azerbaijan	+	Ireland	+	Sierra Leone	X
Bahamas	X	Israel	+	Singapore	X
Bahrain	+	Italy	X	Slovakia	+
Bangladesh	+	Jamaica	X	Slovenia	+
Barbados	X	Japan	+	Solomon Islands	X
Belarus	+	Jordan	+	South Africa	+
Belgium	+	Kazakhstan	X	Spain	+
Belize	X	Kenya	+	Sri Lanka	+
Benin	X	Kiribati	X	Sudan	+
Bermuda	X	Korea (Rep.)	+	Suriname	X
Bhutan	X	Kuwait	+	Swaziland	+
Bolivia	+	Kyrgyzstan	X	Sweden	+
Botswana	+	Latvia	+	Switzerland	+
Brazil	+	Lebanon	+	Syrian Arab Republic	X
Brunei Darussalam	X	Lesotho	+	Tajikistan	X
Bulgaria	+	Liberia	X	Tanzania	X
Burkina Faso	+	Libyan Arab Jamahiriya	+	Thailand	X
Cambodia	+	Liechtenstein	X	The Former Yugoslav Republic of Macedonia	+
Cameroon	+	Lithuania	+	Togo	+
Canada	+	Luxembourg	+	Tonga	X
Cape Verde	X	Macau, China	X	Trinidad and Tobago	X
Central African Republic	+	Madagascar	+	Tunisia	+
Chad	+	Malawi	+	Turkey	+
Chile	X	Malaysia	+	Turkmenistan	X
China	+	Maldives	+	Tuvalu	X
Colombia	+	Mali	+	Uganda	+
Comoros	X	Malta	+	Ukraine	+
Congo (Dem. Rep.)	+	Marshall Islands	X	United Arab Emirates	+
Congo (Rep.)	X	Mauritius	+	United Kingdom	+
Cook Islands	X	Mauritania	+	United States	+
Costa Rica	X	Mexico	+	Uruguay	X
Côte d'Ivoire	+	Micronesia	X	Uzbekistan	+
Croatia	+	Mongolia	+	Vanuatu	X
Cuba	+	Morocco	+	Venezuela	+
Cyprus	+	Mozambique	X	Viet Nam	+
Czech Republic	+	Myanmar	+	Wallis and Futuna (French Terr.)	X
Denmark	+	Namibia	X	Yemen	+
Djibouti	X	Netherlands	+	Zambia	+
Dominica	X	Nepal	X	Zimbabwe	+
Dominican Republic	X	New Caledonia (French Terr.) ..	X	EC	+
Ecuador	X	New Zealand	+	Andean Community (CAN)	+X
Egypt	+	Nicaragua	X	Caribbean Community (CARICOM)	+X
El Salvador	X	Niger	+	Commonwealth of the Independent States (CIS)	+X
Equatorial Guinea	X	Nigeria	+	Economic and Monetary Community of Central Africa (CEMAC)	+X
Eritrea	+	Niue	X	Economic Community of Western African States (ECOWAS)	+X
Estonia	+	Norway	+	Gulf Co-operation Council (GCC) ..	+X
Ethiopia	+	Oman	X	Latin American Integration Association (LAIA)	+X
Fiji	+	Pakistan	+	Southern Cone Common Market (MERCOSUR)	+X
Finland	+	Palau	X	West African Economic and Monetary Union (UEMOA)	+X
France	+	Panama	+		
Gabon	+	Papua New Guinea	X		
Gambia	X	Paraguay	X		
Georgia	X	Peru	+		
Germany	+	Philippines	+		
Ghana	X	Poland	+		
Greece	+	Polynesia (French Terr.)	X		
Grenada	X	Portugal	+		
Guatemala	X	Qatar	X		
Guinea	+	Romania	+		
Guinea Bissau	X	Russia	+		

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Notes :

- + Acceptance (i.e., Contracting Party to the Harmonized System Convention).
- x Indicates application only.
- +x Some Members are Contracting Parties to the Harmonized System Convention.

B/2/Rev.

HS POSITION as of 28-11-2003
(Contracting Parties)

Annex B/3 to Doc. NC0796E2
(HSC/32/Nov. 2003)

Country / Customs Union	HS Contracting Parties		HS 2002 Implementation	Acceptance of Recommendations (by date of receipt of the notifications)								
	Date of Accession	Date of entry into force		Date of Implementation	Pre-entry Classification 1996	UNSD Trade Data 1997	Good Classification Work Model 1998	Ozone 1995 1999* 2003	Chemical Weapons 1996 (Amend. 99)	Hand-made Products 2000	Units of Quantity 2001	Application of HSC Decisions 2001
Algeria	24-10-1991	01-01-1992	01-01-2002									
Argentina	11-01-1994	11-01-1994	03-05-2002	18-03-1997			17-09-1996	14-08-1998		09-05-2003		
Australia	22-09-1987	01-01-1988	01-01-2002	06-08-2002		06-08-2002		05-03-2003			27-02-2003	
Austria	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
Azerbaijan	07-07-2000	07-07-2000	01-01-2002							16-01-2002	16-01-2002	
Bahrain	14-12-2001	01-01-2002	01-01-2002									
Bangladesh	22-09-1987	01-01-1988	07-06-2002									
Belarus	21-10-1998	01-01-2000	01-07-2002									
Belgium	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
Bolivia	08-09-2003	01-01-2005*	08-09-2003		10-10-2000							
Botswana	13-02-1987	01-01-1988	01-04-2002									
Brazil	08-11-1988	01-01-1989	01-01-2002	12-07-1996			19-06-1996	24-04-1998				
Bulgaria	30-10-1990	01-01-1992	01-01-2002				20-02-1996					
Burkina Faso	25-09-1990	01-01-1992										
Cambodia	27-06-2002	01-01-2003	[01-01-2004]									
Cameroon	16-05-1988	01-07-1989			25-03-1998							
Canada	14-12-1987	01-01-1988	01-01-2002	18-09-1996	29-09-1998	05-05-1999	23-03-1998	23-03-1998	14-02-2001			10-11-2003
Central African Republic	11-06-1998	18-05-1998										
Chad	05-09-1990	01-01-1992										
China	23-06-1992	01-01-1993	01-01-2002							27-06-2002	27-06-2002	
Colombia	21-10-2002	21-10-2002	01-01-2002	29-11-2002			29-11-2002*	29-11-2002		29-11-2002		

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Congo (Dem. Rep.)	10-11-1987	01-01-1988	28-04-2003									
Côte d'Ivoire	25-01-1990	01-01-1991	01-08-2003									
Croatia	29-09-1994	29-09-1994	01-01-2002									
Cuba	03-11-1995	01-01-1997	01-01-2003	09-02-1998			23-07-1996	09-02-1998				
Cyprus	21-03-1994	21-03-1994	01-01-2002	22-01-2002	20-11-2003		22-01-2002				20-11-2003	
Czech Rep.	16-11-1993	16-11-1993	01-01-2002		07-08-2001							
Denmark	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
Egypt	27-05-1999	01-01-2001										
Eritrea	17-01-2003	17-01-2003										
Estonia	26-05-1993	01-01-1995	01-01-2002		08-12-1997		13-11-1995					
Ethiopia	01-03-1995	01-03-1995	01-01-2003									
Fiji	23-12-1997	01-01-1998	01-03-2002									
Finland	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
France	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
Gabon	07-07-2000	01-01-2002										
Germany	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
Greece	15-07-1988	01-01-1990	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
Guinea	23-09-1997	01-01-1998										
Haiti	17-01-2000	17-01-2000										
Hungary	27-08-1990	01-01-1991	01-01-2002	03-09-2002	13-01-1998		16-11-1999*	16-11-1999		18-03-2002		
Iceland	28-10-1987	01-01-1988	01-01-2002									
India	23-06-1986	01-01-1988	01-01-2002									

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(HSC/32/Nov. 2003)

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Indonesia	05-07-1993	01-01-1995	01-05-2003				30-10-1998					
Iran	28-02-1995	01-01-1997	10-03-2003			10-03-1999				19-01-2002		
Ireland	22-12-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
Israel	05-08-1987	01-01-1988	01-01-2002									
Italy	31-05-1989	01-01-1991	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
Japan	22-06-1987	01-01-1988	01-01-2002	24-03-1997								
Jordan	10-06-1985	01-01-1988	01-03-2002									
Kenya	29-07-1988	01-07-1989	13-06-2002									
Korea (Rep. of)	27-11-1987	01-01-1988	01-01-2002	07-08-1996	26-10-1998		26-10-1998	07-08-1996				
Kuwait	27-11-2003	01-01-2005*	27-11-2003	21-05-1997								
Latvia	04-01-1996	01-06-1996	01-01-2002	19-07-1999	25-01-1999		10-11-2000			31-07-2002		
Lebanon	03-05-1996	03-05-1996	01-01-2002									
Lesotho	12-12-1985	01-01-1988	01-01-2002									
Libyan Arab Jamahiriya	17-05-1993	01-01-1995	01-05-2002									
Lithuania	20-06-1994	01-01-1995	01-01-2002	25-08-1997	08-12-1997	09-11-1998	03-08-1998			30-09-2003	30-09-2003	
Luxembourg	11-07-1988	11-07-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
The Former Yugoslav Republic of Macedonia	31-03-1995	31-03-1995	01-01-2002									
Madagascar	22-12-1987	01-01-1988	01-08-2002									
Malawi	25-10-1988	01-04-1989	15-04-2002									
Malaysia	15-12-1987	01-01-1988	01-01-2002	10-06-1997								

Country / Customs Union	HS Contracting Parties		HS 2002 Implementation	Acceptance of Recommendations (by date of receipt of the notifications)									
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Maldives	07-07-2000	01-01-2002	01-01-2003		11-07-2002								
Mali	15-06-1994	01-01-1995											
Malta	20-12-1989	01-01-1990	01-04-2002		27-01-1998								
Mauritania	03-04-2001	01-01-2003											
Mauritius	10-06-1985	01-01-1988	01-01-2002		15-11-1999					11-11-2002			
Mexico	06-09-1991	06-03-1992	01-04-2002	20-08-1996									
Mongolia	30-09-1991	01-01-1993	01-01-2002	04-11-2003									
Morocco	27-02-1992	01-07-1992	01-07-2002						24-04-2001	25-02-2002	25-02-2002		
Myanmar	05-12-1994	01-01-1995	[01-01-2004]				20-09-1995						
Netherlands	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003		
New Zealand	22-09-1987	01-01-1988	01-01-2002										
Niger	16-03-1990	01-01-1991											
Nigeria	15-03-1988	15-03-1988			12-02-1998								
Norway	27-08-1987	01-01-1988	01-01-2002	18-09-1996	07-01-1998		8-12-1999*			19-12-2001			
Pakistan	22-09-1987	01-01-1988	15-06-2002	03-12-2001		03-12-2001							
Panama	24-08-1998	01-01-2000	01-04-2003										
Peru	09-07-1998	01-01-2000	01-01-2002				13-02-2001	13-02-2001					
Philippines	28-06-2001	28-06-2001	01-07-2003										
Poland	12-09-1995	01-01-1996	01-01-2002	03-07-2001									
Portugal	04-11-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003		
Romania	05-12-1996	01-01-1997	01-01-2002	23-06-1997	02-04-2003		02-04-2003*			02-04-2003	02-04-2003		
Russia	18-06-1996	01-01-1997	01-01-2002	15-07-2002			15-07-2002*			04-08-2002			
Rwanda	29-07-1992	01-01-1994											

HS POSITION as of 28-11-2003
(Contracting Parties)

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(HSC/32/Nov. 2003)

Country / Customs Union	HS Contracting Parties		HS 2002 Implementation	Acceptance of Recommendations (by date of receipt of the notifications)									
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Saudi Arabia	10-03-1988	01-01-1990	01-01-2002		30-08-2001		08-01-2001						
Senegal	21-09-1989	01-01-1991	01-01-2003				24-10-2002*	24-10-2002	24-10-2002				
Serbia and Montenegro	09-01-2002	09-01-2002											
Slovakia	07-06-1993	07-06-1993	01-01-2002	04-06-1997	08-11-2000								
Slovenia	23-11-1992	23-11-1992	01-01-2002	02-06-1997									
South Africa	25-11-1987	01-01-1988	01-01-2002		06-03-1998								
Spain	28-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003		
Sri Lanka	03-05-1988	01-01-1989	23-03-2002				25-04-2002*			26-02-2003			
Sudan	10-12-1993	10-12-1993											
Swaziland	26-11-1985	01-01-1988											
Sweden	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003		
Switzerland	22-09-1987	01-01-1988	01-01-2002	06-02-1997	11-02-1998		18-09-2000*			13-09-2002	13-09-2002		
Thailand	16-12-1991	01-01-1993	01-01-2002										
Togo	12-02-1990	01-01-1991											
Tunisia	28-10-1987	01-01-1989	01-04-2002	12-09-1997									
Turkey	15-12-1988	01-01-1989	01-01-2002	06-10-1997	24-07-1998	21-01-2003	06-10-1997	06-10-1997			21-01-2003		
Uganda	11-07-1989	01-01-1991											
Ukraine	26-08-2002	01-01-2004*											
United Arab Emirates	27-06-2002	01-07-2002	01-01-2003										
United Kingdom	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003		
United States	31-10-1988	01-01-1989	10-01-2002	27-02-1997	06-11-1998	06-11-1998							
Uzbekistan	17-11-1998	01-01-2000	01-07-2002										

Country / Customs Union	HS Contracting Parties		HS 2002 Implementation	Acceptance of Recommendations (by date of receipt of the notifications)								
	Date of Accession	Date of entry into force		Date of Implementation	Pre-entry Classification 1996	UNSD Trade Data 1997	Good Classification Work Model 1998	Ozone 1995 1999* 2003	Chemical Weapons 1996 (Amend. 99)	Hand-made Products 2000	Units of Quantity 2001	Application of HSC Decisions 2001
Venezuela	23-10-1998	02-11-1998										
Viet Nam	26-03-1998	01-01-2000	01-09-2003									
Yemen	30-09-2002	01-01-2003										
Zambia	22-12-1986	01-01-1988	01-03-2002									
Zimbabwe	05-11-1986	01-01-1988	13-09-2002									
European Community (EC)	22-09-1987	01-01-1988	01-01-2002	07-01-1997	04-03-2003	26-05-2003	07-10-1996			10-10-2003	11-03-2003	
TOTAL	114		90	43	38	23	39 (8*)	11	3	31	25	1
		* Unless an earlier date is specified					* 1999 Version					

HS POSITION as of 28-11-2003
(Non-Contracting Parties applying HS)

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Country / Territory / Organization	HS 2002 Implementation	Acceptance of Recommendations (by date of receipt of the notifications)								
		Pre-entry Classification 1996	UNSD Trade Data 1997	Good Classification Work Model 1998	Ozone 1995 1999* 2003	Chemical Weapons 1996 (Amend. 99)	Hand-made Products 2000	Units of Quantity 2001	Application of HSC Decisions 2001	Firearms 2002
Albania										
Andorra	X									
Angola										
Antigua and Barbuda										
Armenia										
Bahamas										
Barbados										
Belize										
Benin										
Bermuda										
Bhutan										
Brunei Darussalam	(X)									
Cape Verde										
Chile										
Comoros										
Congo (Rep.)										
Cook Islands										
Costa Rica	X									
Djibouti										
Dominica										
Dominican Republic										
Ecuador										
El Salvador										
Equatorial Guinea										
Gambia										
Georgia	X									
Ghana										
Grenada										
Guatemala	X									
Guinea Bissau										

Country / Territory / Organization	HS 2002 Implementation	Acceptance of Recommendations (by date of receipt of the notifications)								
		Pre-entry Classification 1996	UNSD Trade Data 1997	Good Classification Work Model 1998	Ozone 1995 1999* 2003	Chemical Weapons 1996 (Amend. 99)	Hand-made Products 2000	Units of Quantity 2001	Application of HSC Decisions 2001	Firearms 2002
Guyana										
Honduras										
Hong Kong, China	X									
Jamaica										
Kazakhstan	X									
Kiribati										
Kyrgyzstan										
Liberia										
Liechtenstein	X	06-02-1997	11-02-1998		18-09-2000*			13-09-2002	13-09-2002	
Macao, China	X									
Marshall Islands										
Micronesia										
Mozambique	X									
Namibia										
Nepal										
New Caledonia (French Territory)	X									
Nicaragua										
Niue										
Oman	X									
Palau										
Papua New Guinea	X									
Paraguay	X									
Polynesia (French Territory)	X									
Qatar	X									
Saint Kitts and Nevis										
Saint Lucia										
Saint Pierre and Miquelon (French Territory)										
Saint Vincent and the Grenadines										
Samoa										
Sierra Leone										
Singapore	(X)									

HS POSITION as of 28-11-2003
(Non-Contracting Parties applying HS)

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Country / Territory / Organization	HS 2002 Implementation	Acceptance of Recommendations (by date of receipt of the notifications)								
		Pre-entry Classification 1996	UNSD Trade Data 1997	Good Classification Work Model 1998	Ozone 1995 1999* 2003	Chemical Weapons 1996 (Amend. 99)	Hand-made Products 2000	Units of Quantity 2001	Application of HSC Decisions 2001	Firearms 2002
Solomon Islands										
Suriname										
Syrian Arab Republic										
Tajikistan										
Tanzania										
Tonga										
Trinidad and Tobago										
Turkmenistan										
Tuvalu										
Uruguay	X									
Vanuatu										
Wallis and Futuna Islands (French Territory)										
Latin American Integration Association (ALADI)	(X)				(20-12-2002)*	(20-12-2002)				
Andean Community (CAN)					(13-08-1999)	(13-08-1999)		(13-08-1999)		
Caribbean Community (CARICOM)										
Economic and Monetary Community of Central Africa (CEMAC)										
Commonwealth of the Independent States (CIS)										
Economic Community of Western African States (ECOWAS)										
Gulf Cooperation Council (GCC)	(X)									
Southern Cone Common Market (MERCOSUR)	(X)									
West African Economic and Monetary Union (UEMOA)	(X)									(X)
TOTAL : 73 Countries or Territories + 9 Organizations	16	1	1		1 (1*)			1	1	
Contracting Parties : 114	90	43	38	23	39 (8*)	11	3	31	25	1
114 Contracting Parties + 82 Applications	106	44	39	23	40 (9*)	11	3	32	26	1
	(X) Not counted in the total				* 1999 Version					

* * *

LIST OF HS-BASED TARIFFS/NOMENCLATURES

28-11-2003

HS CPs	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Algeria	http://www.douanes-cnis.dz/cnis/tarif/sections.asp		French	French	1999
Argentina	http://www.afip.gov.ar/servicios_y_consultas/consultas_en_linea/arancel_integrado/arancel_integrado.asp		Spanish	Spanish	2002
Australia	http://www.customs.gov.au/site/page.cfm?nav_id=781&area_id=5&level_2_id=1#1		English	English	1996
Austria (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/de/archive/2001/l_27920011_023de.html	EC Combined Nomenclature / TARIC	German	(EC German)	(2003)
Austria (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/de/tarhome.htm				
Azerbaijan	www.az-customs.net/tarif80.htm		Azeri	(CIS Russian)	(1996)
Bahrain				Arabic / English (GCC) (GCC Arabic)	2002 (2003)
Bangladesh	http://www.nbr-bd.org/nbrweb/CustomsFiles/cusTariffindex.asp		English	English	2002
Belarus	http://www.customs.by/tnsearch/tnved.html		Belorussian	Russian	1997
Belgium	http://tarweb.minfin.fgov.be/		French / Dutch (BLEU)	French / Dutch (BLEU)	2003
Bolivia (ALADI Tariff)	http://www.aladi.org/nsfaladi/naladi02.nsf/naladisaweb	ALADI Tariff	Spanish	Spanish (CAN)	1999
Bolivia (CAN Tariff)	http://www.comunidadandina.org/union/arancel.htm	CAN Tariff (Decisiones 465 / anexos + 535 / anexos + 370)			
Botswana					
Brazil	http://www.receita.fazenda.gov.br/srf.www/Aduana/TabelaTec/Suamario.htm		Portuguese	Portuguese (MERCOSUR)	2002
Bulgaria (Bulgarian)	http://www.customs.bg/index_bg.html		Bulgarian	Bulgarian English	2000 1996
Bulgaria (English)	http://www.customs.bg/english/index_eng.html		English		
Burkina Faso (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm	UMEOA Tariff	French	French (ECOWAS)	1998
Burkina Faso (IZF)	http://www.izf.net/izf/TEC/afrique%20de%20ouest/index_ao.htm				
Cambodia	http://www.camnet.com.kh/customs/TARIFF%20AND%20DUTY%20RATES.htm	Duty rates only	English		

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HS CPs	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Cameroon	http://www.izf.net/izf/TEC/afrique%20centrale/index_ac.htm	CEMAC Tariff	French	(CEMAC French)	(1998)
Canada (English)	http://www.ccradrc.gc.ca/customs/general/publications/customs_tariff-e.html		English		
Canada (French)	http://www.ccradrc.gc.ca/customs/general/publications/customs_tariff-f.html		French	English French	2003 2003
Central African Rep.	http://www.izf.net/izf/TEC/afrique%20centrale/index_ac.htm	CEMAC Tariff	French	(CEMAC French)	(1998)
Chad	http://www.izf.net/izf/TEC/afrique%20centrale/index_ac.htm	CEMAC Tariff	French	(CEMAC French)	(1998)
China	http://www.apectariff.org/tdb.cgi/f3230/apec.cgi?CN	APEC Tariff	English	Chinese / English	2002
Colombia	http://www.dian.gov.co/Dian/normatividad.nsf/2435423366a9d258052569e700739b2a/74b10d052209297405256b30005f6b21?OpenDocument		Spanish	Spanish	1996
Congo (Dem. Rep.)				French	2003
Côte d'Ivoire (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm	UEMOA Tariff	French	(ECOWAS)	(1998)
Côte d'Ivoire (IZF)	http://www.izf.net/izf/TEC/afrique%20de%20l'ouest/index_ao.htm				
Croatia	http://www.carina.hr/tar/czakon.htm	Carinska tarifa CUSTOMS TARIFF ACT	Croatian English	Croatian English	1996 1996
Cuba	http://www.aladi.org/nsfaladi/naladi02.nsf/naladisaweb		Spanish	Spanish	1998
Cyprus				English	2002
Czech Rep.	http://www.cs.mfcr.cz/scripts/sazebnik/index.idc		Czech	Czech	1999
Denmark	http://vita.toldskat.dk/vita.htm		Danish	(EC Danish)	(2003)
Egypt				Arabic	1994
Eritrea					
Estonia	http://trip.rk.ee/cgi-bin/thw?\${BASE}=akt&\${OOHTML}=rtd&ID=VVm_RT_I_2002_108_646		Estonian	Estonian	1996
Ethiopia				Ethiopian / English	1998
Fiji				English	1997
Finland (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/fi/archive/2001/l_27920011023fi.html	EC Combined Nomencla- ture / TARIC	Finnish	(EC Finnish)	(2003)
Finland (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/fi/tarhome.htm				
France	http://www.douane.gouv.fr/fwebpaged.asp?page=http://tarif.douane.finances.gouv.fr/		French	(EC French)	(2003)

HS CPs	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Gabon	http://www.izf.net/izf/TEC/afrique%20centrale/index_ac.htm	CEMAC Tariff	French	French	2002
Germany (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/de/archive/2001/l_27920011_023de.html	EC Combined Nomenclature / TARIC	German	(EC German)	(2003)
Germany (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/de/tarhome.htm				
Greece (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/el/tarhome.htm	EC TARIC	Greek	(EC Greek)	(2003)
Guinea				French (ECOWAS)	1998
Haiti				French	1996
Hungary				Hungarian	1996
Iceland (Icelandic)	http://www.tollur.is/tollur/handbok/handbok2/handbok2.html		Icelandic		
Iceland (English)	http://www.tollur.is/english/customs/manuals/manual2/manual2.html		English	Icelandic English	1994 1994
India	http://www.cbec.gov.in/cae/customs/cs-abc.html		English	English	2000
Indonesia (Indonesian)	http://www.beacukai.go.id/tarif/		Indonesian		
Indonesia (English)	http://www.beacukai.go.id/english/	Path : Tarif	English	Indonesian / English	1996
Iran (Farsi)	http://www.irica.gov.ir/FHomeIE.htm	تعارف اطلاعات / يکرمگ مفرع و ضرراوع يکرمگ قوقح	Farsi		
Iran (English)	http://www.irica.gov.ir/LhomeIE.htm	Business Information / Tarif	English	Farsi	1998
Ireland	http://www.revenue.ie/pdf/TAR03-FRONT.pdf		English	(EC English)	(2003)
Israel				English	1997
Italy	http://taric.finanze.it/taric/		Italian	(EC Italian)	(2003)
Japan	http://www.apectariff.org/tdb.cgi/f3230/apec.cgi?JP	APEC Tariff	English	Japanese / English	2003
Jordan (Arabic)	http://www.customs.gov.jo/ARABIC/tariff_tables.shtm		Arabic		
Jordan (English)	http://www.customs.gov.jo/tariff_tables.shtm		English	Arabic / English	2002
Kenya				English	2002
Korea (Rep. of)	http://www.apectariff.org/tdb.cgi/f3230/apec.cgi?KR	APEC Tariff	English	Korean / English	1999
Kuwait	http://www.customs.gov.kw/ie/tariffs.shtm	Path : Tariffs for the year 2003 (xls)	English	Arabic (GCC) (GCC Arabic)	2001 (2003)

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HS CPs	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Latvia (Latvian)	http://www.fm.gov.lv/page.php?id=280		Latvian	Latvian	1997
Latvia (English)	http://www.fm.gov.lv/page.php?id=484		English	English	2002
Lebanon	http://www.customs.gov.lb/customs/English/tariffs/national/tariff1.asp		English		
Lesotho				English	1993
Libyan Arab Jamahiriya				Arabic	1998
Lithuania (Lithuanian)	http://www.ekic.lt/muitai/muitai.htm		Lithuanian	Lithuanian	2002
Lithuania (English)	http://www.ekic.lt/muitai/emuitai.HTM		English		
Luxembourg	http://tarweb.minfin.fgov.be/	BLEU Tariff	French	(BLEU French)	(2003)
The Former Yugoslav Republic of Macedonia	http://www.customs.gov.mk/Uploads/tarifa_2003_1_za_server.pdf		Macedonian	Macedonian	2002
Madagascar	http://www.mefb.gov.mg/tx_lois/douane/tarif/tarif_index.htm		French	French	2003
Malawi				English	1996
Malaysia	http://www.apectariff.org/tdb.cgi/f3230/apec.cgi?MY	APEC Tariff	English	English	1996
Maldives	http://www.customs.gov.mv/tariff.html		English	English	2000
Mali (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm	UEMOA Tariff	French	French	1997
Mali (IZF)	http://www.izf.net/izf/TEC/afrique%20de%20l'ouest/index_ao.htm				
Malta	http://customs.business-line.com/Taricsearch.asp		English	English	1997
Mauritania				French	2000
Mauritius	http://ncb.intnet.mu/mof/departement/customs/tariff.htm	Scheduled Customs Tariffs (pdf or xls)	English	English	2002
Mexico	http://www.economia.gob.mx/?P=955		Spanish	Spanish	1996
Mongolia				Mongolian / Russian / English	1998
Morocco	http://www.douane.gov.ma/tarif/tarif.htm		French	French	1997
Myanmar				English	1996
Netherlands (EC Combined Nomenclature)	http://europa.eu.int/lex/nl/archive/2001/I_27920011023nl.html	EC Combined Nomenclature / TARIC	Dutch	(EC Dutch)	(2003)
Netherlands (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/nl/tarhome.htm				
New Zealand	http://www.customs.govt.nz/library/working+tariff+of+new+zealand/default.asp		English	English	2003

HS CPs	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Niger (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm	UEMOA Tariff	French	French (ECOWAS)	1998
Niger (IZF)	http://www.izf.net/izf/TEC/afrique%20de%20l'ouest/index_ao.htm				
Nigeria				(ECOWAS)	(1998)
Norway	http://www.toll.no/tariff/		Norwegian	Norwegian	2003
Pakistan	http://www.cbr.gov.pk/newcu/tariff/tariff_main.htm		English	English	2003
Panama	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French	Spanish		
Peru	http://www.aduanet.gob.pe/aduanas/operatividad/operatividad.htm	From the homepage : Arancel Integrado / Tratamiento Arancelario	Spanish	Spanish (CAN)	1998
Philippines	http://www.apectariff.org/tdb.cgi/f3230/apec.cgi?PH	APEC Tariff	English	English	2003
Poland	http://www.mf.gov.pl/sluzba_celna/dokument.php?dzial=516&id=31803		Polish	Polish English	2002 1996
Portugal	http://pauta.dgaiec.min-financas.pt		Portuguese	(EC Portuguese)	(2003)
Romania				Romanian	1997
Russia				Russian English	2002 1994
Rwanda					
Saudi Arabia (Arabic)	http://www.customs.gov.sa/arabic/trfsys/trfmain.htm		Arabic	Arabic (GCC Arabic)	2002 (2003)
Saudi Arabia (English)	http://www.customs.gov.sa/trfsys/trfmain.htm		English		
Senegal (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm	UEMOA Tariff	French	(UMEOA)	(2003)
Senegal (IZF)	http://www.izf.net/izf/TEC/afrique%20de%20l'ouest/index_ao.htm				
Serbia and Montenegro	http://www.fcs.yu/srpski/TarifaZakonObrasci.htm	Carinska Tarifa.zip	Serbian		
Slovakia	http://www.colnasprava.sk/cssr/www/CssrHomePage.nsf/pages/Sadzobnik_allframes		Slovak	Slovak English	2002 2001
Slovenia				Slovene	1996
South Africa				English	1998
Spain	https://www3.aeat.es/L/intenatu/adtwng0w.nsp		Spanish	(EC Spanish)	(2003)
Sri Lanka				English	2002
Sudan	http://www.customs.gov.sd/index2.htm		English	Arabic	1992
Swaziland					
Sweden	http://taric.tullverket.se/taric/bin/tagVarukoder.cgi		Swedish English	(EC Swedish)	(2003)

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HS CPs	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Switzerland (French)	http://www.zoll.admin.ch/f/firmen/import/generaltarif_f.pdf		French		
Switzerland (German)	http://www.zoll.admin.ch/d/firmen/import/generaltarif_d.pdf		German	French	2002
Switzerland (Italian)	http://www.zoll.admin.ch/i/firmen/import/generaltarif_i.pdf		Italian		
Thailand	http://www.customs.go.th/Tariff/Tariff.jsp		Thai / English	Thai / English	2002
Togo (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm	UEMOA Tariff	French	(ECOWAS)	(1998)
Togo (IZF)	http://www.izf.net/izf/TEC/afrique%20de%20l'ouest/index_ao.htm				
Tunisia					
Turkey (Turkish)	http://www.gumruk.gov.tr/tarife2003/index.htm		Turkish		
Turkey (English)	http://www.gumruk.gov.tr/Turkish_Customs_English/tariff/guide.htm		English	English	1997
Uganda	http://www.ugrevenue.com/tax_tariffs/		English	English	1997
Ukraine				Ukrainian	1993
United Arab Emirates				Arabic (GCC) (GCC Arabic)	1999 (2003)
United Kingdom (EC Combined Nomenclature)	http://europa.eu.int/lex/en/archive/2001/l_27920011023en.html	EC Combined Nomenclature / TARIC	English	(EC English)	(2003)
United Kingdom (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/en/tarhome.htm				
United States	http://dataweb.usitc.gov/SCRIPTS/tariff/toc.html http://dataweb.usitc.gov/scripts/tariff.asp		English	English	2003
Uzbekistan					
Venezuela	http://www.seniat.gov.ve/portal/page?_pageid=62,50040&_dad=portal&_schema=PORTAL		Spanish	Spanish	1999
Viet Nam				Vietnamese / English	1996
Yemen				Arabic	2002
Zambia				English	1997
Zimbabwe				English	1997
European Community (EC Combined Nomenclature)	http://europa.eu.int/lex/da/archive/2001/l_27920011023da.html		Danish	Danish	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/da/tarhome.htm				

HS CPs	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/nl/archive/2001/l_279200110_23nl.html		Dutch	Dutch	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/nl/tarhome.htm				
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/en/archive/2001/l_27920011_023en.html		English	English	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/en/tarhome.htm				
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/fi/archive/2001/l_279200110_23fi.html		Finnish	Finnish	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/fi/tarhome.htm				
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/fr/archive/2001/l_279200110_23fr.html		French	French	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/fr/tarhome.htm				
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/de/archive/2001/l_27920011_023de.html		German	German	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/de/tarhome.htm				
European Community (EC Combined Nomenclature)	http://europa.eu.int/comm/taxation_customs/dds/el/tarhome.htm		Greek	Greek	2003
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/it/archive/2001/l_279200110_23it.html		Italian	Italian	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/it/tarhome.htm				
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/pt/archive/2001/l_279200110_23pt.html		Portuguese	Portuguese	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/pt/tarhome.htm				
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/es/archive/2001/l_27920011_023es.html		Spanish	Spanish	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/es/tarhome.htm				
European Community (EC Combined Nomenclature)	http://europa.eu.int/eur-lex/sv/archive/2001/l_27920011_023sv.html		Swedish	Swedish	2003
European Community (EC TARIC)	http://europa.eu.int/comm/taxation_customs/dds/sv/tarhome.htm				

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Countries / Territories applying HS	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Albania					
Andorra	http://www.duana.ad/		Catalan		
Angola	http://www.minfin.gv.ao/alfan/pauta.htm		Portuguese		
Antigua and Barbuda	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French	Spanish	(CARICOM English)	(1993)
Armenia	http://www.customs.am/pdf_eng/custcod.pdf	page 35	English		
Bahamas	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French	Spanish	English	1996
Barbados	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French	Spanish	(CARICOM English)	(1993)
Belize	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French	Spanish	(CARICOM English)	(1993)
Benin (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm	UEMOA Tariff	French	(ECOWAS)	(1998)
Benin (IZF)	http://www.izf.net/izf/TEC/afrique%20de%20l'ouest/index_ao.htm				
Bermuda	http://www.customs.gov.bm/tariff01042003.pdf		English	English	1997
Bhutan				English	2002
Brunei Darussalam	http://www.apectariff.org/tdb.cgi/f3230/apec.cgi?BN	APEC Tariff	English	English	1995
Cape Verde				Portuguese (ECOWAS)	1998
Chile (HTML)	http://www.aduana.cl/norm/Aran cel.htm		Spanish	Spanish	1989
Chile (PDF)	http://www.aduana.cl/norm/Aran cel%202002.pdf				
Comoros				French	1993
Congo (Rep.)	http://www.izf.net/izf/TEC/afrique%20centrale/index_ac.htm	CEMAC Tariff	French	(CEMAC French)	(1998)
Cook Islands				English	1989
Costa Rica	http://www.hacienda.go.cr/tssac/arancel.asp		Spanish	Spanish	1998
Djibouti					
Dominica	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French		(CARICOM English)	(1993)

Countries / Territories applying HS	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Dominican Republic	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French			
Ecuador (ALADI)	http://www.aladi.org/nsfaladi/naladi02.nsf/naladisaweb	ALADI Tariff	Spanish		
Ecuador (CAN)	http://www.comunidadandina.org/union/arancel.htm	CAN Tariff (Decisiones 465 / anexos + 535 / anexos + 370)			
El Salvador	http://www.elsalvadortrade.com.sv/estadisticas/html/sac.phtml		Spanish		
Equatorial Guinea	http://www.izf.net/izf/TEC/afrique%20centrale/index_ac.htm	CEMAC Tariff	French	(CEMAC French)	(1998)
Gambia				(ECOWAS)	(1998)
Georgia					
Ghana	http://www.cepsghana.org/govcorp.cfm?GovCorpID=3	Path : Tariff Structure	English	(ECOWAS)	(1998)
Grenada	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French		(CARICOM English)	(1993)
Guatemala	http://www.sat.gob.gt/pls/publico/portal_documentos?codigo=55		Spanish		
Guinea Bissau (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm	UEMOA Tariff	French	(ECOWAS)	(1998)
Guinea Bissau (IZF)	http://www.izf.net/izf/TEC/afrique%20de%20l'ouest/index_ao.htm				
Guyana	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French		(CARICOM English)	(1993)
Honduras	http://ns3.sieca.org.gt/ArancelC A2002/Arancel.asp	SIECA Tariff	Spanish		
Hong Kong, China	http://www.apectariff.org/tdb.cgi/f3230/apeccgi.cgi?HK	APEC Tariff	English	Chinese / English	2002
Jamaica	http://spider.fiscal.org.jm/jacustoms/tariff.htm		English	English	1993
Kazakhstan				English	1996
Kiribati				English	1989
Kyrgyzstan					
Liberia				(ECOWAS)	(1998)
Liechtenstein	http://www.zoll.admin.ch/d/firmer/import/generaltarif_d.pdf	Switzerland Tariff	German	French (Switzerland)	(2002)
Macau, China				Chinese / Portuguese / English	2002
Marshall Islands					
Micronesia					

Annex B/4 to Doc. NC0796E2
(HSC/32/Nov. 2003)

Countries / Territories applying HS	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Mozambique	http://www.alfandegas.org.mz/pauta_ad.htm		Portuguese	Portuguese	1991
Namibia					
Nepal				English	2001
New Caledonia (French Territory)	http://www.douane.gouv.nc/douane/tarif/tarif.html	La nomenclature tarifaire	French		
Nicaragua	http://ns3.sieca.org.gt/ArancelCA2002/Arancel.asp	SIECA Tariff	Spanish		
Niue				English	1989
Oman				Arabic (GCC Arabic)	2002 (2003)
Palau					
Papua New Guinea	http://www.apectariff.org/tdb.cgi/f3230/apec.cgi?NG	APEC Tariff	English		
Paraguay	http://www.aduana.gov.py/html/nomen/nom.htm		Spanish	(MERCOSUR Spanish)	(1996)
Polynesia (French Territory)	http://www.douane.gouv.fr/fwebpaged.asp?page=http://tarif.douane.finances.gouv.fr/	France Tariff	French		
Qatar				Arabic (GCC) (GCC Arabic)	1999 (2003)
Saint Kitts and Nevis	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French		(CARICOM English)	(1993)
Saint Lucia	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French		(CARICOM English)	(1993)
Saint Pierre and Miquelon (French Territory)					
Saint Vincent and the Grenadines	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French		English	1998
Samoa					
Sierra Leone				English (ECOWAS)	1998
Singapore (Nomenclature)	http://www.tradenet.gov.sg/trdnet/index_extra.jsp?url=admin/search.jsp&artName=9&catName=0	Nomenclature without duties	English	English	1996
Singapore (Dutiable goods)	http://www.gov.sg/customs/trade/trde1_3.html	Dutiable goods only			
Solomon Islands				English	1998
Suriname	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French		(CARICOM English)	(1993)
Syrian Arab Republic				Arabic	2001
Tajikistan					

Countries / Territories applying HS	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Tanzania	http://www.tra.go.tz/Harmonised.html		English	English	1996
Tonga				English	1995
Trinidad and Tobago	http://198.186.239.122/Aranceles/Aranceles.asp?Forma=ar1.asp&banner=op01e.jpg	see FTAA for English / Portuguese / French		English	1993
Turkmenistan					
Tuvalu				English	1989
Uruguay (ALADI)	http://www.aladi.org/nsfaladi/naladi02.nsf/naladisaweb	ALADI Tariff	Spanish	(MERCOSUR Spanish)	(1996)
Uruguay (MERCOSUR)	http://www.mercosur.org.uy/esp/anol/snor/aec/ncm_2002.htm	MERCOSUR Tariff			
Vanuatu					
Wallis and Futuna Islands (French Territory)					

Organizations	On Internet (latest version)			In the Secretariat	
	Tariff Web Site Address	Remarks	Language	Language	Version
Latin American Integration Association (ALADI) (Spanish)	http://www.aladi.org/nsfaladi/naladi02.nsf/naladisaweb		Spanish		
Latin American Integration Association (ALADI) (Portuguese)	http://www.aladi.org/nsfaladi/nalash02.nsf/naladisaweb		Portuguese	Spanish	1996
Asia-Pacific Economic Cooperation (APEC)	http://www.apectariff.org	To be registered	English		
Andean Community (CAN)	http://www.comunidadandina.org/union/arancel.htm	Decisiones 465 / anexos + 535 / anexos + 370	Spanish	Spanish	2001
Caribbean Community (CARICOM)				English	1993
Economic and Monetary Community of Central Africa (CEMAC)	http://www.izf.net/izf/TEC/afrique%20centrale/index_ac.htm		French		
Commonwealth of the Independent States (CIS)					
Economic Community of Western African States (ECOWAS)					
Free Trade Area of the Americas (FTAA)	http://198.186.239.122/Default.htm		English / French / Spanish / Portuguese		
Gulf Cooperation Council (GCC)				Arabic	2003
Southern Cone Common Market (MERCOSUR) (Spanish)	http://www.mercosur.org.uy/esp/anol/snor/aec/ncm_2002.htm		Spanish		
Southern Cone Common Market (MERCOSUR) (Portuguese)	http://www.mercosur.org.uy/portugues/snor/aec/ncm_2002.htm		Portuguese	Spanish (Portuguese)	1996 (2002)
Secretariat of Central American Economic Integration (SIECA)	http://ns3.sieca.org.gt/ArancelCA2002/Arancel.asp		Spanish		
West African Economic and Monetary Union (UEMOA)	http://www.uemoa.int/actes/2002/TarifExterieurCommun.htm				
West African Economic and Monetary Union (UEMOA / IZF)	http://www.izf.net/izf/TEC/afrique%20de%20l'ouest/index_ao.htm		French	French	2003

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ANNEX C

GENERAL QUESTIONS

Working Doc.	Subject	Classification Opinions	E.N. amendments	Nomenclature amendments
1	2	3	4	5
NC0742E1	Use of working languages for HS matters.			

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Director informed the Committee that the Secretariat had continued its efforts toward making Russian and Spanish real working languages of the Harmonized System.
2. With respect to Spanish, the Director pointed out that a Spanish Attaché had been seconded to the Secretariat to co-ordinate Spanish interpretation for the HS Committee and Review Sub-Committee meetings, as well as translation into Spanish and the publication of the documents for and reports of those meetings. He indicated that the Secretariat was trying to obtain consensus Spanish versions of the latest amending supplements to the Explanatory Notes and the Classification Opinions from the Secretariat for the Latin American Countries, Spain and Portugal, in Mexico City. In addition, he noted that the Secretariat was in the process of finalising arrangements for the future printing and distribution of the WCO accepted versions of HS publications with the Mexico City Secretariat. He invited Spanish speaking delegates to clarify the situation as to the status of Amending Supplements 3 and 4 to the Explanatory Notes and 32 and 1 to the Compendium of Classification Opinions.
3. Where the Russian language was concerned, the Director informed the Committee about a meeting of Russian-speaking Customs Attachés, which had been organised by the Secretariat in June 2003. He summarised the results of the meeting and explained that the purpose of the meeting had been to impress the importance of the Harmonized System on these Attachés and to urge them and their administrations to participate more actively in HS-related activities.
4. The Director brought to the Committee's attention the procedure for the acceptance of the Russian version of the amendments to the Explanatory Notes and the Compendium of Classification Opinions. He pointed out that, currently, the Russian working language version of such amendments was accepted by the Committee at the end of its meeting. However, given the great volume of amendments that were in progress, he suggested that a new procedure be used. He clarified that this new procedure would allow more time for the Russian-speaking administrations to finalise the texts of the amendments. He explained that, under this procedure, the draft amendments would be communicated to the administrations interested in the use of the Russian language within two weeks of the

meeting. These administrations would then have one month to submit written comments, after which the draft would be finalised by the Secretariat on the basis of those comments. The Director invited the Committee to express its views as to whether or not the new procedure was acceptable and whether or not the Russian draft finalised in accordance with this procedure could be regarded as having been accepted by the Committee.

5. With respect to the Portuguese language the Director informed delegates about a meeting which had been held during the last Council Sessions with the Portuguese speaking administrations. The purpose of that meeting was to achieve agreement on a single Portuguese version of the Harmonized System and the Explanatory Notes, to which end working arrangements were put in place. He pointed out that the question had arisen as to the prospects of using Portuguese as an HS working language. The Secretariat had informed the Portuguese speaking Directors General that such an endeavour would have to be completely funded by the interested administrations. The Director General of Portugal indicated that he would look into the possibilities.
6. The **Russian** Delegate pointed out that the new procedure for the acceptance of the Russian version of the amendments to the Explanatory Notes and the Compendium of Classification Opinions proposed by the Secretariat would be beneficial for the use of Russian for HS matters since it would give all Russian-speaking administrations an opportunity to take part in this work and would allow for a better alignment of the Russian version of the amendments with the English and the French ones. He was of the view that the Russian draft finalised in such a way should be regarded as having been accepted by the Committee. He also informed the Committee that earlier this year a Working Group of CIS representatives responsible for HS classification in their respective national administrations had been organised in Moscow. This Working Group had examined a **draft resolution** that would lay down basic principles for HS work in CIS countries and promote regional activities on HS matters. He pointed out that the **resolution** was expected to be signed by the Heads of the CIS Customs administrations later this year. This document would encourage non-Contracting Parties to become Contracting Parties as soon as possible.
7. The **EC** Delegate observed that, in theory, it would be desirable for the **EU Member states** to have all languages used in the **European Union** as working languages for HS matters in the Committee. He was in favour of the introduction of Portuguese as a working language. He also believed that the introduction of Arabic would be important since this language was used by many countries world-wide. With respect to Spanish he informed the Committee that the **updating of the Explanatory Notes and the Compendium of Classification Opinions had taken place in the course of several meetings held in Guatemala and Mexico this year**. He was, however, concerned that it was still not clear who was responsible for the preparation of amending supplements in Spanish.
8. In response to these concerns, the Director recognised the fact that the situation was not satisfactory since it was not clear how the HS publications in Spanish would be updated. He stressed that the Secretariat would actively pursue this issue during the intersession.
9. The Delegate of **Mexico** indicated that he had not **received the information as to the status of this matter** but would look into it and advise the Secretariat as soon as possible.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

10. The Committee took note of the developments and the information provided by the Director. The Committee also agreed with the new arrangements for the acceptance of the Russian language texts, as outlined paragraph 4 above, to begin with the work of this session.

* * *

1	2	6
NC0770E1	Correlation Tables between the 1996 and the 2002 versions of the Harmonized System : Possible corrigendum to Doc. NG0023B1.	<u>See Annex K.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Committee accepted the proposed additional corrigendum to the Correlation Tables, as set out in the Annex to Doc. NC0770E1 without modification, while noting that the Secretariat would make available a corrigendum to be added to the present Correlation Tables as published by the WCO.
2. The corrigendum accepted by the Committee is set out in Annex K to this Report.

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ANNEX D

REPORT OF THE HS REVIEW SUB-COMMITTEE

Working Doc.	Subject	Classification Opinions	E.N. amendments	Nomenclature amendments
1	2	3	4	5
NR0470E3	Report of the 28 th Session of the HS Review Sub-Committee.		<u>See Annexes L/12 to L/23, N/3 and N/4.</u>	<u>See Annexes M/4 to M/22.</u>
NC0743E1	Matters for decision by the Harmonized System Committee.			

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng./Fr.)

1. The Committee examined the questions arising from the Report of the 28th Session of the HS Review Sub-Committee.
2. The decisions taken by the Committee are set out below with reference to the relevant Annexes of the Sub-Committee's Report (Doc. NR0470E3).
3. Referring to any proposals and comments to be taken into account within the framework of the 3rd Review Cycle, the Director requested that such proposals and comments be submitted to the Secretariat by 9 January 2004 at the latest.

Annex B/1 - Decisions taken by the Harmonized System Committee at its 31st Session affecting the work of the Review Sub-Committee

4. The Committee took note.

Annex B/2 - Possible deletion of headings/subheadings with a small volume of trade

5. The Committee took note.

Annexes C/1 and F1 - Possible deletion of subheadings 0105.92 and 0105.93 (Proposal by the EC)

6. The Committee provisionally adopted the proposed amendment.
7. The provisionally adopted texts are set out in Annexes M/4 and N/3 to this Report.

Annexes C/2 and F/2 - Possible amendment of subheading 0406.40 to cover all "blue-veined" and similar cheese

8. The Committee provisionally adopted the proposed amendments.
9. The provisionally adopted texts are set out in Annexes M/5 and N/4 to this Report.

Annex C/3 - Possible amendments to the Nomenclature regarding the classification of waffles

10. The Committee took note of the developments in the Sub-Committee.

Annexes C/4 and F/6 - Possible amendments to the Nomenclature with regard to the Rotterdam Convention

11. The Committee provisionally adopted the proposed amendment.
12. The provisionally adopted text is set out in Annex M/6 to this Report.

Annex C/5 - Possible grouping of all products covered by the Montreal Protocol and the Rotterdam Convention under one heading (Proposal by the Canadian Administration)

13. The Committee took note of the developments in the Sub-Committee.

Annexes C/6, F/3 and F/4 - Possible amendment of heading 28.23 with regard to titanium dioxide (Proposal by the EC)

14. The Committee took note of the developments in the Sub-Committee.

Annexes C/7 and F/5 - Possible amendment of the structured nomenclature to heading 29.41 and the Explanatory Notes to Chapter 29 (Proposal by the Mexican Administration)

15. The Committee took note of the developments in the Sub-Committee.

Annexes C/8 and F/34 - Possible amendment of the structured nomenclature to heading 38.24 (Proposal by UNEP)

16. The Committee provisionally adopted the proposed amendment.
17. The provisionally adopted text is set out in Annex M/7 to this Report.

Annex C/9 - Possible creation of a new Subheading Note to Chapter 39 with regard to multi-layered sheets of plastics (Proposal by the Canadian Administration)

18. The Committee took note of the developments in the Sub-Committee.

Annexes C/10 and F/7 - Possible amendment of the Nomenclature to Chapter 44 (Proposal by the EC)

Subheading 4407.10

19. The **US** Delegate was concerned that the proposed amendments would complicate the Customs clearance of coniferous wood since more than 70 % of all shipments of such products into his country were mixtures containing pine, spruce and fir in one and the same consignment. He, therefore, was in favour of the *status quo*.
20. After some discussion the Committee felt that further consultations with the industry were needed and that the issue should be re-examined by the Review Sub-Committee at its next session.
21. The text of the proposed amendment, placed in square brackets, is reproduced in Annex M/8 to this Report.

Subheadings 4411.1 to 4411.99

22. The **US** Delegate pointed out that there was no benefit to a distinction between the various kinds of medium density fibreboard (MDF) based on thickness. He argued that the industry used other criteria to that end, such as modulus of rupture, modulus of elasticity, internal bonding and screw-holding abilities on the face and edge. He was, therefore, of the view that it would be more appropriate to create only a one-dash subheading to cover all kinds of MDF, without further subdivision.
23. The **EC** Delegate, on the other hand, indicated that thickness was a clear and easily identifiable criterion used by the industry world-wide **that would determine the use of these panels**, whereas the other criteria mentioned by the **United States** were more difficult to verify. He undertook to provide additional information to substantiate the proposal put forward by **the EC**.
24. Finally, there was consensus in the Committee that the matter needed to be re-examined by the Review Sub-Committee at its next session on the basis of the information to be submitted by the **EC**.
25. The relevant part (**subheadings 4411.12 to 4411.14**) of the amendment to subheadings 4411.1 to 4411.99 was placed in square brackets and is set out in Annex M/8 to this Report, together with the part (**subheadings 4411.92 to 4411.94**) approved by the Review Sub-Committee and provisionally adopted by the Committee.

Heading 44.21 and proposed new heading 44.22

26. The **EC** Delegate briefly summarised the **EC**'s position from earlier discussions in the Review Sub-Committee. He believed that the Committee should also provide a definition of parquet flooring, which was crucial for the industry given the lack of uniform interpretation of this expression. He pointed out that the **EC** would submit a draft definition for examination by the Review Sub-Committee at its next session.

27. The Director drew the Committee's attention to a possible misalignment between the French and the English versions of the text of proposed heading 44.22. He was of the opinion that the English term "unassembled" could be associated with the last part of the text, whereas the French term "non assemblé" clearly related to the first part of the proposed heading text. He invited the Review Sub-Committee to look into this possible misalignment when examining the matter.
28. The Committee agreed to request the Review Sub-Committee to re-examine the proposed amendment on the basis of the Committee's decision with respect to the classification of flooring panels to be taken at this session. The texts of the proposed amendment and the related provisions in Chapter 44, were placed in square brackets, and are reproduced in Annex M/8 to this Report.
29. The Committee then provisionally adopted the amendments approved by the Sub-Committee.
30. The texts provisionally adopted are set out in Annexes M/9 to this Report.
Annexes C/11 and F/8 - Possible amendment of the Explanatory Note to heading 44.11
31. The Committee adopted the amendments proposed by the Sub-Committee.
32. The texts adopted are set out in Annex L/12 to this Report.
Annexes C/12 and F/20 - Possible amendment of the definition of newsprint (Proposal by the Indian Administration)
33. The Delegate of India pointed out that the proposed amendment, as set out in Annex F/20, would not solve the problem at issue. He further clarified that it was only possible to determine whether the fibres used in the newsprint had been obtained from mechanical or chemi-mechanical processes, but there was no technology available for the time being to verify the percentage of the recycled fibres used in the newsprint. He requested that the matter be revisited by the Review Sub-Committee, to which end his administration would submit a revised proposal.
34. The EC Delegate supported the idea of re-examining the issue in the Review Sub-Committee. Given that the issue was of immense interest for many countries, he urged the Indian Administration to come up with a revised proposal as soon as possible to allow time for consultations with the industry.
35. The Committee agreed to ask the Review Sub-Committee to re-examine the matter on the basis of a new proposal by the Indian Administration.
36. The draft amendment to Note 4 to Chapter 48, placed in square brackets, is set out in Annex M/10 to this Report.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

Annexes C/13 and F/9 - Revision of Chapters 54 and 55 (Proposal by the EC)

37. The Committee provisionally adopted the amendments proposed by the Sub-Committee.
38. The texts provisionally adopted are set out in Annex M/11 to this Report.

Annexes C/14 and F/10 - Possible amendment of the Nomenclature and the Explanatory Note to heading 61.15 (Proposal by the EC)

39. The Committee took note of the developments in the Sub-Committee.

Annexes C/15 and F/11 - Possible creation of a new heading for all vacuum cleaners

40. The US Delegate expressed doubts with respect to the purpose of proposed subheading 8508.11, since, in his opinion, it was not clear what kind of appliances would be covered by that subheading. He believed that it would be beneficial not to subdivide the vacuum cleaner provisions according to types. He suggested that the Committee should revisit the matter at its next session.
41. The EC Delegate, on the other hand, supported the idea of creating separate subheadings for vacuum cleaners with self-contained electric motor having a lower capacity, on the one hand, and other vacuum cleaners, on the other. He observed that the proposed subdivision was based on a dual standard, which took account of both power and receptacle capacity. He was of the view that these were objective criteria, which could be helpful for HS users.
42. Another delegate explained that vacuum cleaners without self-contained electric motor were those consisting essentially of pipes or tubes to be connected to a centralised system.
43. The Director clarified that the aim of this proposal was to approximate the characteristics that standard household vacuum cleaners have.
44. Finally, the Committee decided (i), by 28 votes to 1, to create separate subheadings for vacuum cleaners with a self-contained electric motor and others, (ii), by 23 votes to 1, to provide separately within the category "with self-contained electric motor" for vacuum cleaners having a reduced capacity and (iii), by 16 votes to 1, to use the 1.500 W/20 l capacity threshold to distinguish between vacuum cleaners having a lower capacity and other vacuum cleaners.
45. The Committee then provisionally adopted the amendments proposed by the Sub-Committee.
46. The texts provisionally adopted are set out in Annex M/12 to this Report.
47. The Committee also took note of the fact that the Sub-Committee would continue its examination of the amendment of the relevant Explanatory Notes at its next session.

Annexes C/16 and F/12 - Possible amendments to headings 85.35 and 85.36 (Proposal by the EC)

48. After some discussion it was agreed that the question to be addressed was whether or not connectors for optical fibre bundles and cables **only had the** function of mechanical connection of optical fibre bundles and cables and could not amplify, regenerate or modify a signal.
49. The **EC Delegate** pointed out that he had already provided appropriate samples at the previous meeting, and that even the current Explanatory Notes to headings 85.44 and 90.01 already mentioned the existence of optical fibre cables fitted with connectors.
50. The Committee decided that the Review Sub-Committee should revisit the issue at its next session on the basis of a proposal to be submitted by the **United States**.
51. The proposed amendment with regard to the reference to connectors for optical fibres, optical fibre bundles or cables was placed in square brackets and is set out in Annex M/14 to this Report.
52. The Committee provisionally adopted the amendments approved by the Sub-Committee.
53. The texts provisionally adopted are set out in Annex M/13 to this Report.

Annexes C/17 and F/40 - Possible creation of a new heading for semiconductor and flat panel display manufacturing equipment (Proposals by the US Administration and the EC)

54. The Committee took note of the developments in the Sub-Committee.
- Annexes C/18 and F/13 - Possible amendments to the structured nomenclature to heading 90.30
55. Some delegates were in favour of the second option **set out in the Annex to the working document**, arguing that the presence of a recording device in instruments for checking voltage, current, resistance or power was immaterial to the industry. Other delegates were in favour of separate subheadings for instruments having a recording device on the one hand and for those without a recording device – on the other, since it was important to maintain this distinction to meet the needs of developing countries and since the volume of trade in these categories of products was substantial.
56. Finally the Committee decided, by 22 votes to 1, to accept the first alternative proposal (maintaining the recording distinction).
57. With respect to the numbering of subheadings, the Director clarified that a final examination would be carried out at the Committee's next session when preparing the draft Council Recommendation.
58. Subject to the above modifications, the Committee provisionally adopted the amendments approved by the Sub-Committee.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

59. The texts provisionally adopted are set out in Annex M/15 to this Report.
Annexes C/19 and F/14 - Possible creation of a new Note 4 to Chapter 95 (Proposal by the US Administration)
60. Some delegates were in favour of keeping items (a) and (b) of the proposed new Note 4 since clarification as to the scope of the new toys heading was needed at the legal level. Other delegates considered that the terminology used in proposed item (a) was not clear and that item (b) was, essentially, a repetition of the provisions of GIR 3 (b).
61. After a lengthy discussion, the Committee decided, by 17 votes to 9, not to insert item (a), and, by 18 votes to 8, to delete item (b) from the proposed text of new Note 4 to Chapter 95. Following a clarification by the Director, the Committee agreed to use the expression "*inter alia*" in the English version of the introductory phrase and "également" – in the French one.
62. Subject to the above modifications, the Committee provisionally adopted the amendment approved by the Sub-Committee.
63. The text provisionally adopted is set out in Annex M/16 to this Report.
Annexes C/20 and F/42 - Possible amendment of Note 5 to Section XVI (Secretariat proposal)
64. The Committee took note of the developments in the Sub-Committee.
Annexes C/21 and C/22 - Possible amendments of Note 5 to Chapter 84 and of Note 5 to Chapter 85 (Secretariat proposals)
65. The Committee took note of the developments in the Sub-Committee.
Annexes C/23, C/24, F/41 and F/43 - Possible combination of headings 85.19 and 85.20 and of headings 85.23 and 85.24 (Secretariat proposal)
66. The Committee took note of the developments in the Sub-Committee.
Annex C/25 - Comprehensive review of the provisionally approved amendments to headings 84.43, 84.69, 85.19, 85.20 and 85.28.
67. The Committee took note of the developments in the Sub-Committee.
Annex C/26 - Possible amendment of subheading 8525.40 (Proposal by the US Administration)
68. The Committee took note of the developments in the Sub-Committee.
Annex D/1 - Alignment of the texts of subheading 0210.11 (Proposal by the Norwegian Administration)

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

69. The Committee took note of the fact that the possible amendments of the Explanatory Note to Chapter 2 would be considered under Agenda Item VII.10 (Doc. NC0780E1).

Annexes D/2 and F/15 - Possible amendment of Note 4 (c) to Chapter 30 (Proposal by the EC)

70. The Committee took note of the developments in the Sub-Committee.

Annexes D/3 and F/16 - Possible amendment of the structured nomenclature and Explanatory Note to heading 39.07 regarding poly(lactic acid) (Proposal by the US Administration)

71. The Committee took note of the developments vis-à-vis the proposed amendments of the Explanatory Note to heading 39.07.

72. The Committee provisionally adopted the amendments approved by the Sub-Committee.

73. The texts provisionally adopted are set out in Annex M/17 to this Report.

Annexes D/4 and F/31 - Possible amendment of the Nomenclature with respect to bamboo products (Proposal by INBAR)

74. The Committee took note that the classification of certain flooring panels **would** be examined under item VII.9 on the Agenda.

75. The Committee provisionally adopted the amendments **s** approved by the Sub-Committee.

76. The texts provisionally adopted are set out in Annex M/18 to this Report.

Annexes D/5 and F/17 - Simplification of the textile Chapters (Secretariat proposal) and possible amendments to headings 52.05 and 52.06 (Proposal by the Romanian Administration)

77. The Committee took note of the developments in the Sub-Committee.

Annexes D/6 and F/18 - Possible amendment of Note 1 to Chapter 95 (Proposal by the Canadian Administration)

78. The Committee provisionally adopted the amendments **s** approved by the Sub-Committee.

79. The texts provisionally adopted are set out in Annex M/19 to this Report.

Annexes D/7 and F/33 - Possible creation of a new Note 8 to Chapter 29 (Proposal by the Canadian Administration)

80. The Committee took note of the developments in the Sub-Committee.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

Annex D/8 - Possible creation of a new Note 4 to Chapter 38 (Proposal by the **Canadian Administration**)

81. The Committee took note of the developments in the Sub-Committee.

Annexes D/9 and F/35 - Possible amendment of heading 39.24 (Proposal by the **US Administration**)

82. The Committee provisionally adopted the amendment approved by the Sub-Committee.

83. The text provisionally adopted **is** set out in Annex M/20 to this Report.

Annexes D/10 and F/36 - Possible amendment of heading 84.56 (Proposal by **Croatia**)

84. The Committee took note of the developments in the Sub-Committee.

Annex D/11 - Possible amendments to headings 52.05 and 52.06 (Proposal by the **Romanian Administration**)

85. The Committee took note of the developments in the Sub-Committee.

Annex D/12 - Possible amendment of heading 83.05 (Proposal by the **Canadian Administration**)

86. The Committee took note of the developments in the Sub-Committee.

Annexes D/13 and F/19 - Possible amendment of the structured nomenclature to headings 68.11 and 68.13 (Proposal by the **Swiss Administration**)

87. The Committee took note of the developments in the Sub-Committee.

Annexes D/14 and F/37 - Possible alignment of the French and English texts of heading 02.10, subheading 0210.9 and heading 76.02, and Classification Opinion 3207.30/1 (Proposal by the **EC**)

88. The Committee provisionally adopted the texts concerning subheading 0210.9, as approved by the Sub-Committee.

89. The Committee also adopted the amendments of the Explanatory Notes and of the Compendium of Classification Opinions, as approved by the Sub-Committee.

90. The text provisionally adopted **is** set out in Annex M/21 to this Report.

91. The texts adopted are set out in Annex L/13 to this Report.
Annexes D/15 and F/38 - Possible creation of a new Note 4 (I) to Chapter 30 (Proposal by the EC)
92. The Committee provisionally adopted the amendments approved by the Sub-Committee.
93. The texts provisionally adopted are set out in Annex M/22 to this Report.
Annexes D/16 and F/39 - Possible amendment of the Nomenclature to align the French and English texts of heading 84.27 (Proposal by the EC)
94. The Committee took note of the developments in the Sub-Committee.
Annex D/17 - Study of a possible milk content limit for products of Chapter 4
95. After some discussion, the Committee decided that re-examination of the matter by the Review Sub-Committee would be appropriate on the basis of a new proposal by the Cameroon Administration.
96. The Cameroon Delegate undertook to submit a new proposal as soon as possible. In this connection, she also provided the following answers to the questions posed in Annex D/17 to Doc. NR0470E3 :
- (1) The Cameroon proposal only applies to headings 04.01 to 04.03;
 - (2) The proposed 30% limit does not apply to non-animal fats;
 - (3) The basis for the proposed limits is the Codex Alimentarius;
 - (4) Conforming changes to the Notes to Chapters 19 and 21 should also be proposed.
97. The Committee took note.
Annexes E/1 to E/6, E/9, E/10, F/21 to F/26, F/29 and F/30, respectively – Possible amendment of the Explanatory Notes to Chapter 84, headings 85.01 to 85.22 and Chapter 90
98. After some discussion, it was decided, by 14 votes to 7, to include the expression “automatic data processing machine” in the text of the Explanatory Note to heading 85.17 (new part (III), Item (A)). The Committee also decided, by 17 votes to 6, to accept the text which had been placed in square brackets in the proposed amendment of the Explanatory Note to heading 85.21 (Part (A)).
99. The Committee adopted, subject to the decisions referred to above, the amendments approved by the Sub-Committee.
100. The texts adopted are set out in Annexes L/14 to L/19, L/22 and L/23 to this Report.

Annexes E/7, F/27 and F/32 – Possible amendment of the Explanatory Notes to headings 85.23 to 85.48

101. Referring to the legal text of subheading 8525.40, the Delegate of **Japan** indicated that this subheading included a reference to digital cameras after a semicolon. This text, in his view, could be interpreted to include two mutually exclusive categories of products, which was not the case **and it was obvious that “still image video cameras” were covered by “digital cameras”**. He was of the opinion that the **US** proposal could help to avoid any misinterpretation of the legal text and, therefore, expressed support for the proposal.
102. Following this intervention, the Committee **adopted** the amendment of the Explanatory Note to heading 85.25 (Part (D)).
103. The Committee also adopted the amendments approved by the Sub-Committee.
104. The texts adopted are set out in Annex L/20 to this Report.

Annexes E/8 and F/28 – Possible amendment of the Explanatory Notes to Chapter 87

105. The **EC** Delegate questioned the inclusion of a reference to “mobility scooters” in the English text of the Explanatory Note to heading 87.13 since there was no equivalent in French for this expression and since that the Committee had previously decided to classify similar scooters in subheading 8703.10.
106. Following this statement, the Committee decided, by 18 votes to 1, not to insert a reference to “mobility scooters” in the text.
107. The Committee adopted the amendments approved by the Sub-Committee.
108. The texts adopted are set out in Annex L/21 to this Report.

* * *

1	2
NC0744E1	Summary document on the status of the 3 rd HS Review Cycle.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. In opening the discussion on this agenda item, the **EC** Delegate pointed out that the working document summarising the status of the current review cycle was **extremely** useful. He felt, however, that it would be more appropriate to examine the Correlation Tables and any possible consequences and effects of the amendments at a later stage after all of the HS 2007 amendments have been provisionally adopted by the Committee. With respect to the specific questions posed in the working document, he indicated that more time was needed to examine the matters, taking into account, in particular, the outcome of the discussion with respect to the classification of parts of safety seat belts of heading 87.08. He requested the Secretariat to make available an updated version of the summary document for the next session of the Review Sub-Committee, which would facilitate the examination of many pending issues.
2. With regard to the question of where to classify machines for type-founding or type-setting and blocks prepared for printing purposes under the revised text of heading 84.42, the Director clarified that these products, though possibly obsolete, will probably still be traded internationally after the 2007. A decision with respect to their classification should, therefore, be taken by the Committee. Given that heading 84.42 no longer referred to these apparatus, he was of the view that they might be classified in the residual heading to Chapter 84. The **EC** Delegate questioned that opinion, and expressed the view that these products might still be classified in heading 84.42. **This question should be considered expressly before a decision is taken.**
3. The Committee felt that more time was needed for the consideration of these and other related matters, and decided that it would re-address these issues at its next session. The Secretariat was asked to update the summary document for the March 2004 RSC meeting.

* * *

ANNEX E

REPORT OF THE PRESESSIONAL WORKING PARTY

Working Doc.	Subject	Classification Opinions	E.N. amendments	Nomenclature amendments
1	2	3	4	5
NC0745E1 NC0794B2/A/I	Insertion of pictures or drawings in the Compendium of Classification Opinions.	<u>See Annex L/1.</u>		

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. The Committee adopted, unchanged, the texts finalised by the Working Party.
2. The texts adopted are set out in Annex L/1 to this Report.

* * *

1	2	3	4
NC0746E1 NC0794B2/A/II	Amendments to the Compendium of Classification Opinions and the Explanatory Notes arising from the classification of "skate fins" (of the genus <i>Raja</i>) in subheading 0303.79.	<u>See Annex L/2.</u>	<u>See Annex L/2.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Committee adopted, without modification, the texts finalised by the Working Party.
2. The texts adopted are set out in Annex L/2 to this Report.

* * *

1	2	3
NC0747E1 NC0794B2/A/III	Amendments to the Compendium of Classification Opinions arising from the classification of a beverage base in subheading 3302.10.	<u>See Annex L/3.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. A number of delegates agreed with the **United States** that the last sentence of the proposed draft Classification Opinion did not contain information decisive for the classification of the product in heading 33.02. After some discussion and recognising that it was not necessary that a preparation contain all of the odoriferous substances needed to make a non-alcoholic beverage in order for it to be classified in heading 33.02, the Committee, none-the-less, agreed to retain the sentence in the text in order to properly reflect the description on the basis of which the classification decision had been taken.
2. Subject to the above, the Committee adopted the texts finalised by the Working Party.
3. The texts adopted are set out in Annex L/3 to this Report.

* * *

1	2	3
NC0748E1 NC0794B2/A/IV	Amendments to the Compendium of Classification Opinions arising from the classification of certain modified starches in subheading 3505.10.	<u>See Annex L/4.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. After some discussion it was felt that the last sentence at the end of each of the draft Classification Opinions submitted to the Committee by the Working Party in square brackets was superfluous. Consequently, the Committee decided not to include them in the text of the Classification Opinions.
2. The Committee also agreed to delete the term “bi-ionic” from Classification Opinion 3505.10/1 and to make an editorial amendment in the English text of that Classification Opinion.
3. Subject to the above modifications, the Committee adopted the texts finalised by the Working Party.
4. The texts **adopted** are set out in Annex L/4 to this Report.

* * *

1	2	3
NC0749E1 NC0794B2/A/V	Amendments to the Explanatory Notes to clarify the classification of yarn put up in hanks.	<u>See Annex L/5.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr)

1. With regard to the two alternatives put forward for the second sentence of Note (**), and following a brief exchange of views, the Committee agreed to accept the first proposal, namely that it is the hanks or skeins which are often wrapped round with paper bands.
2. The texts adopted **are set out in** Annex L/5 to this Report.

* * *

1	2	4
NC0750E1 NC0794B2/A/VI	Amendment of the Explanatory Note to heading 84.42 to align the English and French texts.	<u>See Annex L/6.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. After a brief discussion, the Committee agreed to retain the reference to “half-tone” (“simili-gravure” in French) in the last sentence of the amended Explanatory Note which had been presented in square brackets.
2. The text adopted is set out in Annex L/6 to this Report.

* * *

1	2	4
NC0751E1 NC0794B2/A/VII	Amendment of the Explanatory Note to heading 84.43 to clarify the classification of sheet-fed presses.	<u>See Annex L/7.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Committee adopted, without modification, the texts finalised by the Working Party.
2. The texts adopted are set out in Annex L/7 to this Report.

* * *

1	2	4
NC0752E1 NC0794B2/A/VIII	Amendment of the Explanatory Note to heading 84.76 to clarify the scope of the term “vending”.	<u>See Annex L/8.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Committee adopted, without modification, the texts finalised by the Working Party.
2. The texts adopted are set out in Annex L/8 to this Report.

* * *

1	2	3
NC0763E1 NC0794B2/A/IX	Amendments to the Compendium of Classification Opinions arising from the classification of a bread-making machine in subheading 8516.60.	<u>See Annex L/9.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. The Committee agreed to remove the square brackets in the English text and to retain the second variant of the French text, since it provided a more satisfactory description of how the machine at issue operated.
2. With regard to the photograph to be inserted in the Compendium, the Committee agreed to identify the kneading blade and to show the possible relationship between it and the rotating shaft by means of a dotted line.
3. Subject to the above modifications, the Committee adopted the texts finalised by the Working Party.
4. The texts adopted are set out in Annex L/9 to this Report.

* * *

ANNEX F

FURTHER STUDIES

Working Doc.	Subject	Classification Opinions	E.N. amendments	Nomenclature amendments
1	2	3	4	5
NC0754E1	Classification of concentrated milk with added sugar (Reservation by the Cameroon Administration).			

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. In opening the discussion the Delegate of **Cameroon** briefly summarised the arguments put forward by her administration and included in the working document. "**Bonnet Bleu**" and SMD (a product consisting of sugar, milk powder and dextrin), classified by the Committee in heading 21.06, were in her view similar products. It was, however, not clear whether SMD had been classified in heading 21.06 because of the presence of dextrin or on the basis of a high proportion of sugar. Therefore, "**Bonnet Bleu**" could also be classified in heading 21.06.
2. She further explained that the problem stemmed essentially from the absence of any provisions in the Harmonized System limiting the proportion of sugar in products of heading 04.02. In her view, this problem could be addressed by the Scientific Sub-Committee, which could give its view as to whether or not the presence of 2 % of dextrin would change the character of the product, and whether or not the presence of dextrin would preclude a product from being classified in heading 04.02. She reiterated that the sole examination of the appropriate classification of "**Bonnet Bleu**", would not solve this problem. Nonetheless, she informed the Committee that **Cameroon** would abide by the decision of the Committee.
3. The **EC** Delegate reminded the Committee that there were differences between SMD and "**Bonnet Bleu**", as indicated in the **EC** note. Referring to the study that had been carried out by the **New Zealand** Administration on SMD and to the conclusion of the study that dextrin was not allowed in products of heading 04.02, he believed that the Committee had taken its decision on the basis of these findings. Still, he reiterated that the product currently being examined by the Committee was "**Bonnet Bleu**". Given that this product contained only milk and sugar, he expressed concerns that if the Committee were to classify "**Bonnet Bleu**", **the milk content of which represented 51 % of the product as explained in paragraph 57 of Doc. NC0754E1**, in a heading other than heading 04.02, such a decision would result in a substantial transfer of products.
4. Another delegate agreed with **Cameroon** as to the similarity of the two products. However, since he supported classification of "**Bonnet Bleu**" in heading 04.02, he was of the view that a re-examination of the classification of SMD might be necessary.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

5. Yet another delegate supported the view expressed by the Delegate of **Cameroon** and suggested that the Harmonized System be brought into conformity with the standards of the Codex Alimentarius. He agreed that the classification of SMD needed to be re-examined before a decision on "**Bonnet Bleu**" could be taken.
6. At this point the Director reminded the Committee that a decision with respect to the product at issue should be taken as a first step, and then the question as to what further action should be taken by the Committee could be considered. He, therefore, urged the Committee to take a decision with respect to "**Bonnet Bleu**".
7. When the matter was put to a vote, the Committee, by 32 votes to 3, reconfirmed its classification of "**Bonnet Bleu**", as described in paragraph 22 of Doc. NC0400E1, in heading 04.02 (subheading 0402.99), by application of General Interpretative Rules 1 and 6.
8. In order to reflect this decision, the Committee instructed the Secretariat to prepare a draft Classification Opinion for examination, in the first instance, by the next preessional Working Party. The question whether or not Chapter 4 should be amended is reported under Item IV.2 on the Agenda (see Annex D/1 to this Report).

* * *

1	2
NC0755E1 NC0789E1	Classification of the “Palm V” presented as a set with cradle and installation software (Reservation by the EC).

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. Opening the discussion, the EC Delegate first clarified that the classification of the “Palm V” in heading 84.71 was not disputed. The question before the Committee was whether or not Note 6 to Chapter 85 applied to the case at hand. In other words, should the CD-ROM accompanying the “Palm V” be classified separately or not. In his view, the provisions of Note 6 to Chapter 85 did apply and, consequently, the CD-ROM which accompanied it had to be classified separately in heading 85.24. While agreeing that international trade should be facilitated, he stressed that the legal texts could not be ignored and that the term “intended”, as used in the Note, could not be interpreted as meaning “inserted”, as had been decided during the Committee’s 29th Session.
2. The US Delegate, on the other hand, explained that the text of Note 6 to Chapter 85 had been amended, as from 1 January 2002, with a view to restricting the scope of the Note. Media would only be classified under existing Note 6 to Chapter 85 when presented together with the apparatus for which it was intended to be used, i.e., the media must be able to be inserted or installed in the apparatus that was imported or presented with the media. In the instant case, the media (i.e., “Palm Desktop Software”) presented with the “Palm V” was intended for use and installation in a personal computer in order to connect the “Palm V” to the personal computer so that data can be sent from the “Palm V” to the personal computer. Accordingly, the media presented with the “Palm V” was not covered by or subject to Note 6 to Chapter 85. In the view of the US Administration, the “Palm V” imparted the essential character to the set. Therefore, the “Palm V” and all the other articles or components presented with it should be classified together as a set in heading 84.71, and specifically in subheading 8471.30, by application of General Interpretative Rules 1 (Note 5 (A) to Chapter 84) and 3 (b).
3. This view was supported by the Delegate of Canada, quoting the relevant part of the General Explanatory Note to Chapter 85, on page 1619.
4. Other delegates, while recognising the problematic nature of Note 6 to Chapter 85, supported the view expressed by the US and Canadian Delegates. In this context, it was also indicated that the issue was broader than just the classification of a set containing the “Palm V” and a CD-ROM.
5. When the issue was put to a vote the Committee decided, by 30 votes to 16, to classify the CD-ROM together with the “Palm V” apparatus as a set by application of GIR 3 (b), in the same heading where the “Palm V” had been classified during the 30th Session.
6. In order to give effect to this classification decision, the Secretariat was instructed to prepare a draft Classification Opinion for examination, in the first instance, by the next preessional Working Party. In addition, the Committee did not confirm its first decision to

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

amend the General Explanatory Note to Note 6 to Chapter 85 to indicate that "intended" was used in the sense of "inserted" and instructed the Secretariat freely to prepare, for its next session, a draft amendment to the Explanatory Notes, which would take account of the decision taken. Administrations were invited to submit proposals in this respect.

7. With regard to the question of possible amendments to Classification Opinions on similar cases decided by the Committee in the past, it was left to the Secretariat whether or not to take up this matter.

* * *

1	2
NC0741E1 NC0756E1	Classification of the "Media Composer 1000" (Reservation by the US Administration).

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The US Delegate began the discussion on this agenda item by reminding the Committee that classification of a machine under the Harmonized System must be based on the characteristics of the machine rather than on the nature of the software presented with the machine. In the present case, the central processing unit was a freely programmable machine within the meaning of Note 5(A) to Chapter 84 and could be used for a variety of automatic data processing applications and programs merely by installation of the appropriate software without affecting the video-editing software. He suggested that delegates could agree that classification of a machine based on its software was not appropriate under the Harmonized System. To the extent that the "Media Composer 1000" was able to perform video editing, that capability was only possible because of its specialised software. The general consensus in the Committee, as evidenced by several delegates who had spoken on this issue in the past, supported this statement. The US Delegate went on to explain that none of the examples from the Compendium of Classification Opinions cited by the EC in its document presented a case in which the software had determined the classification. Therefore, those Classification Opinions were not relevant to the classification of the "Media Composer 1000".
2. He pointed out that all the hardware components of the "Media Composer 1000" were the type of boards commonly found in data processing machines and performed data processing functions. With respect to the boards that converted and compressed data, regardless of content, such boards for use by a computer had consistently been determined by the Committee and various national courts as carrying out a data processing function. The boards found in the "Media Composer 1000" were all classified in heading 84.71 as units of ADP machines. There was no hardware in the machine which could be said to remove the machine from classification in heading 84.71. He pointed out that the repeated reference by the EC to the "Media Composer" as a system did not provide a basis for removing it from classification in heading 84.71.
3. The US Delegate stated that the objective characteristics of the "Media Composer 1000" were that it consisted of a CPU, input units and output units for an ADP machine, and that these components, when presented together, constituted a freely programmable ADP machine presented in the form of a system within the meaning of subheading Note 1 to Chapter 84. These characteristics controlled the classification of the "Media Composer 1000".
4. He brought to the Committee's attention the fact that there had been some initial confusion about the characteristics of the "Media Composer 1000" during the discussion of this merchandise by the Committee. In this regard, his administration originally thought that the hardware components performed the video-editing but, after re-examining the

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

functioning of the system, the United States became convinced that this was not the case. Furthermore, the Secretariat, after viewing a demonstration of the "Media Composer 1000", had pointed out in Doc. NC0151E1 that it was apparent that the machine was not dedicated to any particular use but was freely programmable. As a result, the Secretariat had concluded that the machine was classifiable in subheading 8471.49. This view had been accepted by the Committee, not once but twice, as evidenced by its decisions at its 24th and 27th Sessions.

5. In correcting some serious misstatements of fact, the US Delegate indicated that the "Media Composer 1000" did not record video and, consequently, was not a video recorder. If it was connected to a machine that provides video, it was able to convert this video to a useable format which was a data processing function. Furthermore, this machine was not capable of editing a film such as "Gladiator". Rather, it could provide an "edit decision list" which gave instructions for a film editor to physically cut the film. In response to the statement that the software for the "Media Composer 1000" could not be installed or operated separately in any other type of system or ADP machine, the US Delegate indicated that the software had initially been designed for use by one type of ADP machine, but could, in fact, be installed and operated separately in other types of systems and ADP machines.
6. The US Delegate finally stated that there was nothing that made up the "Media Composer 1000" which was other than a normal unit of an automated data processing machine and its software. As presented, the "Media Composer 1000" was a freely programmable ADP machine within the meeting of Note 5(A) to Chapter 84. It performed no other function than that of automatic data processing. Note 4 to Section XVI could only apply if there was a legal basis to classify the product outside of heading 84.71. Heading 85.43, the heading advocated by the EC, was a residual heading which could not be considered because a more specific heading, 84.71 was applicable. Moreover, as the classification of this machine cannot be based on its software, the United States believed that the "Media Composer 1000" was properly classified in heading 84.71 by application of General Interpretative Rule 1 and Notes 5(A) and (B) to Chapter 84. Accordingly, the Committee should reconfirm the decisions taken at its 24th and 27th Sessions and classify the "Media Composer 1000" in heading 84.71.
7. Several delegates agreed with this position, giving the following reasons :
 - One delegate listed the components of the system to show the Committee that these components all complied with Subheading Note 1 to Chapter 84. Consequently, there was nothing in the product hardware which would exclude it from classification in heading 84.71;
 - The ADP components of the package functioned in exactly the same manner as those of any ADP machine;
 - It was a system capable of processing data and not just simply video editing;
 - The system was freely programmable and not a system dedicated to performing a single function;

- The fact that the system was designed to optimise the performance of a particular software program in no way meant that it was dedicated to a particular use.
8. Taking a different view, the **EC** Delegate, supported by other delegates, first drew the attention of the Committee to the fact that the Committee had classified the "**Media Composer 1000**" system in subheading 8543.89 by 18 votes to 3, at its 18th Session. This decision was taken with almost no opposition and the **EC**, the **United States** and the Secretariat, among others, had agreed to it. The Committee, at that time, had been asked to classify a complete system, which was presented to Customs as such and cleared by Customs as a functional unit to be classified in accordance with the terms of Note 4 to Section XVI. This system consisted of a combination of machines with a processing function (heading 84.71), but also a video recording and reproducing function (heading 85.21) and the function of creating, editing and finalising video effects (heading 85.43). The whole system had been designed with the various elements required to perform this last vital function.
9. He asked delegations to examine Classification Opinion 8543.89/4, which had been unanimously adopted at the Committee's 19th Session. According to this Opinion, the product concerned :
- (i) a system (not one single appliance or machine);
 - (ii) a system "consisting of a combination of machines";
 - (iii) a system designed to record digital video images (heading 85.21), create video effects, or edit and finalise video programmes (heading 85.43). This wording "designed to" showed that the system had been deliberately created and the combination of machines chosen was that which best achieved the desired function;
 - (iv) a system in which "video signals were converted into digital signals so that they could be processed by the central processing unit" (heading 84.71). This conclusion clearly demonstrated that this function was an intermediate one which was designed to achieve the principal function for which the system was designed which was described under point (iii);
 - (v) a system capable of sending and receiving video signals. Again this was a function other than data processing;
 - (vi) a system, the key components of which included, in addition to "specialised boards", a colour display unit which was an interlaced scanner for video presentations (heading 85.28) and a second non-interlaced unit for displaying data (heading 84.71).
10. By way of example, he then referred to Classification Opinions 8517.30/1 and 9027.30/1 wherein, even though the systems included an ADP machine or units of an ADP machine, the systems had not been classified in heading 84.71 because the principal functions performed by the systems were not ADP functions.
11. The **EC** Delegate reiterated his contention that the "**Media Composer 1000**" was a complete system which had been deliberately created to achieve a specific and essential function. Consequently, all the components were required to achieve this end. The

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automatic data processing function was an intermediate function used to assist in achieving the video editing function.

12. To that end, he also recalled the case law cited in paragraphs 46 and 47 of Doc. NC0741E1. Likewise, a judgement of the Court of Justice of the European Communities of 30 September 2003 (Case 243/01) had declared that "the mere fact that an apparatus fulfils the conditions of Note 5(A) to Chapter 84 and does not perform any specific function other than data processing for the purposes of Note 5 (E) to that Chapter does not by itself preclude such an apparatus from being classified under another heading".
13. The EC Delegate agreed that the Committee should not classify the product based on its software. However, he believed that the Committee must classify the entire system with all the components referred to in Classification Opinion 8543.89/4 and consequently account would have to be taken of Note 4 to Section XVI. This would mean that the "Media Composer 1000" would have to be classified under heading 85.43, as the Committee had already decided at its 18th, 19th and 30th Sessions, provided, of course, that the Committee maintained its view that the function of recording digital video images, creating video effects or editing and finalising video programmes for broadcasting was the principal function of the system. He concluded by asking the Committee to classify the "Media Composer 1000" system presented with software on a CD-ROM under heading 85.43 for the above reasons and on the same legal basis (Note 4 to Section XVI and Note 5 (E) of Chapter 84) under which the "Media Composer 1000" system presented without the CD-ROM had been classified (Classification Opinion 8543.89/4).
14. When the issue was put to a vote, 31 delegates voted for classification in heading 85.43 (subheading 8543.89) and 21 delegates voted for heading 84.71. The decision to classify the "Media Composer 1000" in heading 85.43 was made by application of Note 4 to Section XVI and Note 5 (E) to Chapter 84. As a consequence of its decision, the Committee re-confirmed its previous decision.

* * *

1	2
NC0613E1 NC0614E1 NC0616E1 (HSC/30) NC0757E1 NC0786E1 NC0787E1	Decision that “photocopying” is not limited to the projection of an image onto a photosensitive surface and present heading 90.09 covers digital copying (Reservations by the Canadian , Japanese , Mexican and US Administrations) and classification of the relevant machines (Reservations by the Brazilian and US Administrations (HSC/27) and the EC (HSC/27)).

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1. The Committee first examined the decision that “photocopying” was not limited to the projection of an image onto a photosensitive surface and that present heading 90.09 covered digital copying (reservations by the **Canadian**, **Japanese**, **Mexican** and the **United States** Administrations).
2. The arguments against the decision that “photocopying” was not limited to the projection of an image onto a photosensitive surface and that present heading 90.09 did cover digital copying were as follows :
3. The initial question that must be addressed was whether or not these machines met the terms of the legal text of heading 90.09. Not every machine or device that produces a copy was classified as a photocopier of heading 90.09. It was pointed out, for example, that an optical scanner and a printer, devices classifiable in heading 84.71, could be combined in order to operate together to produce a copy of what had been scanned. Furthermore, heading 84.72 provided for “hctographic or stencil duplicating machines”. Accordingly, it was the specific meaning of “photocopying” apparatus which needed to be the focus of the Committee’s attention.
4. In this context, the question before the Committee was to determine the scope of the term “photocopying” within the meaning of the heading text, as it was understood that every word in legal text had to be accorded some meaning. It was not enough to say that if a “copy” was produced, then it was a good of heading 90.09. The goods of that heading had to be produced by the process of “photocopying” and this process was quite specific. In order to examine the meaning of the term, one should look not only at the Explanatory Notes, but also at the technical literature and commercial usage.
5. It was pointed out that no legal definition of “photocopying” exists in the Nomenclature. In the absence of such a definition, resort should be **taken** to the Explanatory Notes because, while not determinative, they were a useful indication of the meaning of the term. The Explanatory Note to heading 90.09 was especially instructive as to the type of machine or apparatus that falls within the terms of that heading. The first paragraph of Part (A) (page 1784) of the Explanatory Note to heading 90.09, stated very clearly that photocopying apparatus incorporating an optical system projected an “optical image of an original document onto a light-sensitive surface”. The Explanatory Note to heading 90.09 also

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provided that the other photocopying apparatus of that heading also operated by the projection of an image onto a photosensitive surface (i.e., by bringing the original into contact with the sensitive surface to be printed). The important thing to keep in mind was that apparatus of heading 90.09 captured a complete image and then projected or transferred that complete image onto a light-sensitive surface. As a result each photocopy required a separate pass.

6. By contrast, the machines under consideration functioned by scanning and then printing. These were the scanning and printing functions of heading 84.71. In digital copying, the original image was scanned, converted to a series of "1s" and "0s" and then either put on paper or stored. The original document was not projected onto a light-sensitive surface. This process was fundamentally different from that which occurred in "photocopiers". Heading 90.09 was a heading that was based on the process or technology of "photocopying". It was clear that digital copying was not embraced within that term.
7. One delegate provided the Committee with the following differences between "photocopying" and "digital copying" :
 - In the photocopying process covered by heading 90.09, an optical system projects an optical analogue image of an original document directly on a light-sensitive surface. The optical image is projected without being changed in any way.
 - In the digital copying process, the machine's controller converts the optical image to digital data and then transmits the digital data so that the image is recreated on the photoreceptor. This process is not photocopying and is thus distinct from that performed by the apparatus of heading 90.09.
 - Photocopying apparatus requires one exposure of the optical image of the original document for one copy. No digital data is involved. On the other hand, regardless of the number of copies required, digital copying requires a single scanning of the image of the original document. In other words, prints of an original document are produced from the digital data stored electronically in the controller's image data storage device by a single scanning of the optical image of the original document. This feature underlined another difference from the analogue photocopying apparatus of heading 90.09.
 - Due to the large volume of copies required in today's workplace environment, the typical digital copying machine is designed to be about 2.5 times more durable than photocopiers.
 - Digital copiers use software programs, and have the capability of communicating and sharing data, with other automatic data processing units. By contrast, the analogue photocopiers of heading 90.09 are not software compatible and cannot communicate or share data with other devices.
 - The industry distinguishes between photocopying and digital copying. Digital copiers are marketed as separate products from photocopiers.
8. Several delegates spoke on the distinction between digital copying and photocopying, which was compared to that between photographic cameras and digital cameras. The

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

Committee's attention was drawn to the fact that there was a precedent in the Harmonized System for drawing a distinction between goods which used digital technology and those that use analogue technology. That precedent (by analogy) was with regard to cameras. Photographic cameras were classifiable in heading 90.06, while digital cameras were classifiable in heading 85.25. In their view the analogy was quite apt : in cameras as in copiers the use of digital technology did not satisfy the requirement that a photographic process was used. While the final products (pictures and copies) were quite similar, the processes were different and were, therefore, provided for in separate provisions of the Nomenclature. Reference was also made to the meaning of the term photographic in Note 2 to Chapter 37, which required the action of light on a photosensitive surface. The Committee was urged to be consistent in the meaning it gave to the word "photographic".

9. As mentioned by several delegates, the above interpretation of the term "photocopying" was entirely consistent with the common and technical meaning of that term. The McGraw-Hill Dictionary of Scientific and Technical Terms (sixth edition, 2003) on page 1583, defined the "photocopying process" as "[a]ny of the means by which a copy is created on a sensitized surface (generally paper, film or metal plate) by the action of radiant energy." In other words, based on technical literature, the term "photocopying" was limited to the process described in the Explanatory Note to heading 90.09; namely the use of an optical system to transfer an image onto a photosensitive surface.
10. Furthermore, it was pointed out that Customs did not operate in a vacuum. Several delegates drew the attention of the Committee to the fact that industry distinguished between "photocopying" and "digital copying". The machines at issue were not known as photocopiers in the trade. Commercially, a clear distinction was made between analogue or traditional copiers of the light lens type and digital copiers. This commercial usage was further evidence that digital copying was not photocopying of heading 90.09. It was felt that the Committee could not ignore this fact and if the Committee did, it would cause serious difficulties. The Committee had to be consistent in its decision-making.
11. In classification, it was common practice to interpret words using the common meaning of the terms. To not do so would mean that anything could be classified in heading 90.09. There had been no external evidence provided to support the argument that "photocopying" in heading 90.09 could cover digital copying.
12. In light of the above, it seemed very clear to some delegates that the drafters of the Nomenclature and the Explanatory Notes intended the term "photocopying" to mean what was understood at the time those instruments were drafted and what was still applicable today : the term "photocopying", as used in the legal text of heading 90.09, required that an image be projected onto a photosensitive surface. This was the legal basis for excluding digital copying from heading 90.09. It was not because the Explanatory Notes did not list "digital copying" as one of the processes covered by that heading, but because the legal text required a "photocopying" process. In this connection, the restricted nature of the heading text was noted.
13. With respect to the argument that digital copiers had an "optical" system which captured the image, it was suggested that the presence of such a system was not sufficient to place these goods in heading 90.09. It was necessary to prove that these machines were "photocopying" apparatus.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

14. The Committee was responsible for the classification of goods in the Harmonized System and, as such, was not bound by decisions of the **European Court of Justice** or any other national or regional court. All courts had equal status. The extent to which their decisions were persuasive depended on the sound reasoning of their decision.
15. Based on the above, delegates in favour of this position urged other delegations to conclude (1) that the term "photocopying" was limited to the projection of an image onto a photosensitive surface and (2) that the legal text of existing heading 90.09 did not cover digital copying.
16. The arguments in favour of the decision that "photocopying" was not limited to the projection of an image onto a photosensitive surface and that present heading 90.09 covered digital copying were as follows :
17. Several delegates expressed the view that they could not find a legal basis that would permit a restrictive interpretation of the legal text of heading 90.09, so as to exclude digital technology from the scope of that heading. They asked the Committee to confine itself to analysing the legal texts of the HS Nomenclature on this point, in order to determine whether those texts allowed such a restriction. The fact that the (non-binding) Explanatory Notes did not refer to digital technology did not mean that it was excluded from heading 90.09, but merely that the Explanatory Notes were drafted at a time when the technology did not yet exist. In any event, these devices were also designed to make copies as an essential, not a subsidiary, function, given the performance and the copy quality and speed. This photocopying function was distinct from the printing function which these machines also possessed.
18. However, when taking a decision it was essential to take into account, for classification purposes, the legal texts and also the jurisprudence. Against that background, where the scope of heading 90.09 was concerned the **European Court of Justice** had declared that, in addition to copiers incorporating an optical system and of the direct reproduction type, heading 90.09 included those which incorporated an intermediate for reproduction by the indirect process. The indirect reproduction process consisted of converting the image into digital data. It went without saying that this judgement was binding on the **EC** and its **Member States**. This decision was in line with the Committee's decision at its 30th Session that heading 90.09 covered both optical photocopying and digital copying.
19. While acknowledging that this decision of the **European Court of Justice** was only binding on the **European Community**, it was emphasised that when considering this issue, account should be taken of the fact that this decision had been made by a Court whose decisions were binding on 16 Contracting Parties, and would soon be binding on 26 or 30 Contracting Parties.
20. With respect to whether these machines had an optical system, reference was made to Doc. NC0613E1, paragraph 36, wherein the **Brazilian** Administration had explained its reasons for supporting the possibility of classifying these machines in heading 90.09 as follows :

- (1) The laser is, in fact, an optical phenomenon (it is a narrow beam of concentrated light, according the dictionaries);
- (2) In these machines, there is an optical system which projects, by means of a laser, the optical image of an original document onto a light-sensitive surface for the developing and printing of an image;
- (3) Therefore, the legal text of heading 90.09 does not exclude the laser printing system, and only the legal texts, not the Explanatory Notes, can limit the scope of a heading;
- (4) The first sentence of Part B of the Explanatory Note to heading 90.09 gives an indication of the basic difference between photocopiers incorporating an optical system and contact type photocopiers, which do not have an optical system and only make copies of the actual size of the documents to be reproduced;
- (5) In multifunctional copiers, the optical system (lenses, etc.) enables them to produce copies of variable dimensions; therefore, in this sense, even the Explanatory Notes do not exclude these machines from classification in heading 90.09.

21. Furthermore, several delegates felt that laser technology was an optical phenomenon and, consequently, these machines even had an optical system covered by the Explanatory Note to heading 90.09. The Delegate of **India** made reference to the Annex to Doc. NC0787E1 to make the point that there was an optical system in the digital copiers illustrated therein, and that there was nothing in the legal text to limit it to a “lens” system. Furthermore, **comparing the functions flow chart as illustrated in the said Annex, he pointed out that the digital copiers performed essentially the same function as analogue photocopiers (i.e., the input and output of the two were the same).** The only difference between the two was that the technique by which they performed these functions was different. In his view, as they performed the same function, they should not be classified differently merely because the technique employed was different.
22. Referring to the camera analogy, one delegate informed the Committee that photographic cameras were classified in heading 90.06 and digital cameras in heading 85.25, subheading 8525.40, where they were explicitly mentioned, because the Committee had amended the legal text of heading 85.25 to place digital cameras in that heading. This amendment had entered into force in 2002. In that connection, the Review Sub-Committee was currently studying an amendment to the legal texts **within** the framework of the 2007 **HS** amendments. Similarly, it had to be noted that those delegates who considered that digital copying did not fall in heading 90.09 had not indicated which heading in fact covered **ed** the digital copying function.
23. It was further pointed out that even industry was not united with respect to whether digital copying was covered by heading 90.09. Delegates were invited to refer to Doc. 42.498, wherein it was noted, **for example, that the **Brazilian** industry felt that heading 90.09 covered digital copying.**
24. The argument was also made that the Explanatory Notes could not be used to widen or narrow the scope of a heading. Consequently, any photocopying machine was classifiable in heading 90.09.

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25. It was noted that if this decision were reversed, it would have dire consequences for developing countries and importing countries and account needed to be taken of that.
26. **Finally**, several delegates commented on the tendency within the Committee to try and classify any goods working in conjunction with an ADP machine **in** heading 84.71. If such a decision **were** taken with respect to these goods, then heading 90.09 would be emptied.
27. When the matter was put to a roll-call vote, 33 delegates voted in favour of the proposition that “photocopying” was not limited to the projection of an image onto a photosensitive surface and that present heading 90.09 did cover digital copying, while 33 delegates voted against these propositions. There was one abstention.
28. As a consequence of this unprecedented vote, the Committee decided that it would be best to suspend its consideration of this question as well as the classification of the individual machines which were also the subject of reservations. The Committee agreed to reflect on the matter. At the same time, the Director reminded the Committee of the fact that the Review Sub-Committee was currently addressing the classification of these multifunction digital copiers within the context of the 2007 revisions to the Nomenclature as part of the Third HS Review Cycle and it was fully expected that a consensus proposal with regard to the future classification of multifunction digital copiers would be included in the Article 16 Recommendation to amend the Harmonized System which would be submitted to the Council in June 2004.

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1	2
NC0758E1	Classification of the "Sony Playstation™2" ("PS2").

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. The Delegate of **Japan** opened the discussions on this agenda item by stressing the following points :
 - (1) the "**PS2**" satisfied all four criteria laid down by Note 5 (A) to Chapter 84 for classification in heading 84.71 as an automatic data processing (ADP) machine;
 - (2) it was therefore excluded from heading 95.04 in accordance with exclusion note (b) in the Explanatory Note to that heading, which provided that automatic data processing machines were excluded;
 - (3) the "**PS2**" **was** not a composite machine within the meaning of Note 3 to Section XVI, and did not perform two or more complementary or alternative functions – it had just one function, namely data processing;
 - (4) the "**PS2**" had to be classified in accordance with its own characteristics, which were those of an automatic data processing machine, and not with reference to the nature of its accessories, or the way it was marketed or, even less appropriately, how it was used.
2. In **Japan**'s view, this position was supported by Annexes II and IV to Doc. NC0758E1 according to which the "**PS2**" had the same constituent elements as other ADP machines, in terms of both its hardware architecture and its software execution mechanism. Moreover, the **National Center for Supercomputing Applications at the University of Illinois** had used recent technological advances to make a supercomputer simply by connecting together 70 "**PS2**" consoles.
3. The Delegate of **Japan** was supported by other delegates who considered that the "**PS2**" and ordinary ADP machines not only had the same constituent elements, but also performed the same function - data processing.
4. Reacting to these comments, the **EC** Delegate expressed the view that the "**PS2**" was indeed a sophisticated and multifunctional machine, capable of performing the functions of an automatic data processing machine (heading 84.71), sound reproducing apparatus (heading 85.19), video reproducing apparatus (heading 85.21) and a video game player (heading 95.04). However, any machine which could be "freely programmed" or could "process data" could not automatically be regarded as being solely or principally an ADP machine for the purposes of the Harmonized System. The "**PS2**" was advertised, marketed, imported and presented for retail sale as a video game player, in a box containing a console, a game controller and connection cables, and was designed to be used with a television

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

receiver. Its main component **being the video game player**, and thus it should be excluded from Section XVI by application of Note 1 (p) to that Section and classified in Chapter 95, by application of GIR 1.

5. In reply, the Delegate of **Japan** pointed out that exclusion note (b) in **the** Explanatory Note to heading 95.04 prevented the "PS2" from being classified in that heading, because in terms of both its function and its constituent elements, it was an ADP machine. From a technical standpoint the "PS2", like all other ADP machines, was freely programmable, whereas the micro-processors in the video games of heading 95.04 were not.
6. The **EC** Delegate, while recognising the relevance of this argument, argued that the "PS2" was intended to be used essentially for playing video games, even though it could be used for other purposes such as playing audio and video CDs and for data processing. Where its structure was concerned, the "PS2" was put up for retail sale as a video game console, **and** presented with a game controller which had various buttons used primarily for playing video games. The other units, such as the keyboard, the mouse and the computer screen which could be connected to the "PS2", were sold separately.
7. **He considered that the Japanese interpretation of exclusion (b) in the Explanatory Note to heading 95.04 would exclude from that heading any product that satisfied the criteria of Note 5 (A) to Chapter 84, including machines intended essentially for playing video games. That Note would have the effect of modifying and, in particular, restricting the scope of the heading and that of subheading 9504.10, which would be unacceptable.**
8. Even more significantly, neither the legal Notes nor the text of subheading 9504.10 contained any indications or restrictions with regard to the mode of operation and/or composition of the goods of that subheading. Therefore, the mere fact that the "PS2" could operate as an ADP machine, and that video games constituted just one of the types of files it could process, was not sufficient to rule out classification in subheading 9504.10, bearing in mind the fact that this machine was intended essentially for playing video games.
9. When the question was put to a vote the Committee **confirmed its previous decision and** decided, by 28 votes to 9, to classify the "PS2" in subheading 9504.10 by application of GIRs 1 (Note 1 (p) to Section XVI) and 6. In order to give effect to this decision, the Committee instructed the Secretariat :
 - (a) at the request of the **Japanese** Administration, to prepare a Classification Opinion concerning the "PS2" for examination by the next preessional Working Party; and
 - (b) on the proposal of the **EC** Delegate, to undertake a study aimed at determining whether or not there **is** a contradiction between the legal texts and exclusion (b) **of** the Explanatory Note to heading 95.04 (page 1917) and, if appropriate, consider its amendment and/or deletion.

This study would be presented to the Committee for examination at its next session.

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1	2
NC0759E1	Study of the application of GIR 3 (b) to multifunction machines.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

Bearing in mind the close connection of this issue to the issue discussed under Item VI.4 of the Agenda (see Annex F/4 of this Report), and taking into account the results of that discussion, there was consensus in the Committee to defer discussion of this question pending the completion of the reflection on the issue raised under Agenda Item VI.4.

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1	2
NC0690E1 (HSC/31)	Study of the phrase “unless the context otherwise requires” as used in GIR 6.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. After the Chairperson had introduced the issue, several delegates took the floor, most of them supporting the view expressed by the Secretariat in paragraph 11 of Doc. NC0690E1, that the structure of the subheadings of Chapter 29 was different from that of the headings of the same Chapter and that, consequently, Note 3 to Chapter 29 could not be applied at subheading level, since the context otherwise required.
2. However, one delegate considered that the legal provisions provided that “for the purposes of General Interpretative Rule 6, the relative Section and Chapter Notes also apply, unless the context otherwise requires”. Consequently, in principle, Note 3 to Chapter 29 would be applicable to the subheadings of Chapter 29, unless the context required otherwise. It would therefore be necessary to examine what this context that would prevent the application of Note 3 might be. In this regard, it would be advisable to verify whether the argument put forward by the Secretariat constituted a "context" that "otherwise requires". The Scientific Sub-Committee could be consulted in this respect.
3. After some discussion and noting that the Scientific Sub-Committee could possibly assist in finding the answer to the issue at hand, the Committee agreed to submit the following questions to the Scientific Sub-Committee :
 - (i) Does the Secretariat’s study in Doc. NC0690E1 illustrate a case of the phrase “unless the context otherwise requires” as used in General Interpretative Rule 6, which would prevent the application of Note 3 to Chapter 29 at subheading level ?
 - (ii) What would be the classification consequences if Note 3 to Chapter 29 were to be applied at subheading level ? and
 - (iii) Is there anything else about the nomenclature of Chapter 29 which would represent a “context which otherwise requires” as indicated in GIR 6 ?

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1	2
NC0728E1 (HSC/31)	Classification of sugar cubes containing caramel.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. The Delegate of **Switzerland**, while referring to paragraphs 6 to 9 of Doc. NC0728E1, presented his administration's concerns with regard to the product at issue and concluded that the product should be classified in subheading 1701.91. His view was supported by a large number of delegates who felt that the product at issue, which contained 99.7 % sugar, to which a very small quantity of caramel had been added as colouring matter, did not meet the provisions of Subheading Note 1 to Chapter 17.
2. Another delegate nevertheless felt that this was a mixed product (i.e., sugar of heading 17.01 and caramel of heading 17.02).
3. In concluding the issue, the Committee **finally** agreed, by consensus, to classify the product at issue in subheading 1701.91, by application of GIRs 1 and 6.
4. In order to reflect this decision, and at the request of the Delegate of **Switzerland**, the Committee instructed the Secretariat to prepare a draft Classification Opinion for examination, in the first instance, by the next presessional Working Party.

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1	2
NC0760E1 NC0790E1	Classification of a product by the name of "Yttria C".

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Delegate of Austria started the discussion by requesting that all information regarding the product at issue be treated as confidential. He reminded the Committee that "Yttria C" was yttrium oxide to which a small amount of vanadium pentoxide had been deliberately added. Since vanadium was not a rare-earth metal, the presence of vanadium pentoxide in combination with yttrium oxide was not allowed by the terms of heading 28.46. Further, the "Yttria C" product did not fulfil the requirements of Note 1 (a) to Chapter 28, as the vanadium pentoxide had been intentionally added to the yttrium oxide raw material in order to alter its physical characteristics and to make it suitable for a specific use. Consequently, vanadium pentoxide could not be considered to be an impurity, and the product at issue should be excluded from Chapter 28 and classified in heading 38.24. In support of this statement he pointed out that the concentration of vanadium pentoxide in "Yttria C" significantly exceeded the limit for the usual impurity level in sintering processes described in technical literature.
2. To illustrate how the addition of vanadium pentoxide had changed the physical characteristics of the yttrium oxide raw material and to facilitate the discussions of the Committee, he presented the results of a comparative analysis, which was distributed to the delegates as a non-paper during the meeting. From the comparative study it was evident that the physical characteristics, such as specific surface area and particle size distribution, of "Yttria C" and a product without the addition of vanadium pentoxide which had been submitted to pressing, sintering, milling and sieving analogous to that of manufacturing process of "Yttria C" differed significantly. He stressed that it was these specific physical characteristics which enabled the use of "Yttria C" in the investment casting industry as a facecoat material and especially for casting of reactive metals where "Yttria C" formed a very dense and non-reactive first contact layer. A pure yttrium oxide raw material was not suitable for such use.
3. The US Delegate, on the other hand, expressed the view that his administration considered vanadium pentoxide to be an impurity permissible in Chapter 28, since its presence in "Yttria C" resulted exclusively and solely from the manufacturing process and was added to the yttrium oxide raw material before it had been specifically treated. The deliberate addition of a substance was not exceptional in many manufacturing processes for the chemicals of Chapter 28.
4. Furthermore, in the context of Note 1 (a) to Chapter 28 and the General Explanatory Notes to that Chapter, vanadium pentoxide could not be considered as deliberately left in the product with a view to rendering it particularly suitable for specific use, since it had no particular function in the "Yttria C" product at the time when it was presented to Customs. As the presence of vanadium pentoxide had no effect in the use of the final product, it was not necessary to separate it from the final product after sintering.

5. Finally, he informed the Committee that it was possible to process yttrium oxide to produce the same desired particle size manifested in "Yttria C", without the addition of vanadium pentoxide, but that such processes were less economical. Using either process, however, resulted in high-purity yttrium oxide. In his view, therefore, it did not make sense to classify "Yttria C" outside of heading 28.46.
6. Given the fact that new technical information had been provided in the non-paper submitted by Austria, which needed to be further studied by technical experts, and given the highly technical nature of the issue, he suggested referring the matter to the Scientific Sub-Committee.
7. The EC Delegate, explaining the current situation and the attempts of the EC and the United States to resolve this classification question bilaterally and summarising the legal arguments put forward during the last Committee session, recalled that the product was a mixture of the type not authorised in heading 28.46, since it was produced for a special purpose. Such a product should, in accordance with the Explanatory Note to heading 28.46 (last sentence on page 361), be referred to heading 38.24. Taking also account of the second paragraph on page 261 of the General Explanatory Note to Chapter 28, the addition of vanadium oxide was not to be regarded as one of the four possible cases of an impurity provided for in that General Explanatory Note. Consequently, even though the United States might continue to believe it was a question of a mere impurity, the same General Explanatory Note clearly stipulated that when a substance had been deliberately left in the product with a view to rendering it particularly suitable for specific use rather than for general use, it was not regarded as an impurity. He felt that after having received the additional technical information provided by Austria, the Committee had all the information necessary to take a decision at this session.
8. The Director noted that there was a certain degree of agreement in the Committee, i.e., that the vanadium pentoxide had been deliberately added to the yttrium oxide during the manufacturing process of "Yttria C" and that Note 1 (a) to Chapter 28 provided for products of that Chapter to contain impurities. Recognising that the term impurity was not legally defined in the Nomenclature, he pointed out that the General Explanatory Note to Chapter 28 gave certain guidance with regard to possible impurities resulting from the manufacturing process. It, however, also stipulated that such substances were not in all cases regarded as permissible impurities in terms of Note 1 (a) to Chapter 28. Thus the principal question to be answered was whether vanadium pentoxide was an impurity permissible in Chapter 28. In order to take an informed decision on that question, it would be useful to seek the Scientific Sub-Committee's views on applicability/non-applicability of Note 1 (a) to Chapter 28 in this particular case.
9. After further discussion, the Committee agreed to send the matter to the Scientific Sub-Committee; addressing to it the following questions :
 - (i) whether the presence of vanadium pentoxide in "Yttria C" should be considered to be an impurity within the context of Note 1(a) to Chapter 28; and
 - (ii) whether vanadium pentoxide has been deliberately added or deliberately left in the product with a view to rendering it particularly suitable for a specific use.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

10. Finally, the Committee agreed to continue the examination of this issue at its next session based on the observations of the Scientific Sub-Committee.

* * *

1	2
NC0761E1	Classification of an antimycotic agent by the name of "Natamax".

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. After the Chairperson had introduced the question, several delegates took the floor and expressed their preference for the classification of "Natamax" in heading 38.08. Considering the characteristics and the different effects of the active ingredients of "Natamax" as compared with those of the "Nisaplin" product, they felt that heading 38.08 was more specifically applicable to the classification of the product at issue than heading 38.24.
2. One delegate, however, preferred heading 38.24 since, given the use of "Natamax" in the food industry, it was difficult to consider the product to be a fungicide of heading 38.08.
3. After further discussion, the Committee decided to classify "Natamax" in heading 38.08 (subheading 3808.20) by application of General Interpretative Rules 1 and 6. It also decided that no further action was necessary in order to reflect this classification decision and that it was not necessary to reconsider the classification of "Nisaplin".

* * *

1	2	4
NC0762E1	Possible amendments to the Explanatory Notes to Chapter 39 with regard to certain sanitary or hygienic articles.	<u>See Annex L/24.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. The Committee studied the possible amendment of the Explanatory Notes to Chapter 39 with regard to certain sanitary or hygienic articles, on the basis of the Annex to Doc. NC0762E1.

Page 743. Heading 39.24. Item (D).

2. The **EC Delegate** opened the discussions on this subject, explaining that the insertion of the term "teats" in English did not, as was the case in the French version, make it clear that these articles were for use with baby bottles. As this might have the effect of broadening the scope of the heading where the English version was concerned, he suggested that the words "for baby bottles" be added to the text proposed by the Secretariat.

3. The **US Delegate** then took the floor to express concern about the use of the word "teats" in the English version, as it did not have the same meaning in the **United States**, where the expression "nursing nipples" was used to describe these articles for baby bottles.

4. In order to address these two concerns, the Chairperson suggested that a compromise solution would be to maintain the French text unchanged, but insert after the English term "teats" the expressions "for baby bottles" and, in brackets, "nursing nipples". At the same time, he pointed out that as the term "teats" had been taken from heading 40.14, the amendments adopted in respect of the Explanatory Notes to heading 39.24 would also have to be reproduced in the Explanatory Note 40.14 (page 773). However the legal text of heading 40.14 should remain unchanged, in order to avoid restricting its scope to teats for baby bottles only. In response to this suggestion, the Committee agreed to insert a reference to "(nursing nipples)" in the English text of the Explanatory Note to heading **40.14** (page 773), after "teats".

Page 744. Heading 39.26. Item (1).

5. With regard to item (1) in the second paragraph of the Explanatory Note to heading 39.26 (page 744), the Committee adopted unchanged the text proposed by the Secretariat.

Page 745. Heading 39.26. New item (11).

6. After some discussion, the Committee decided (1) to delete the term "hot-water bottles" from proposed new item (11), but to retain the words "and fittings therefor", which related to all the other articles listed in this category; (2) to align the punctuation in the French version

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

on that in the English, in order to separate the various categories of articles listed; **and** (3) in the French version, to replace the term "prophylactiques" by "préservatifs", and in the English to replace "prophylactics (or "sheath contraceptives")", by "sheath contraceptives (prophylactics)".

7. The texts adopted by the Committee are **set out in** Annex L/24 to this Report.

* * *

1	2
NC0763E1	Classification of coated paper or paperboard of subheadings 4810.13, 4810.14, 4810.19, 4810.22 and 4810.29.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. At the outset of the discussion on this agenda item, the **EC** Delegate agreed with the Secretariat that the first and second one-dash subheadings to heading 48.10 should not be deleted. He also agreed that Note 5 to Chapter 48 did not apply to the subheadings of heading 48.10. Referring to the proposed amendment of the current Subheading Explanatory Note to subheadings 4810.13, 4810.14, 4810.19, 4810.22 and 4810.29, he observed that this approach would not ensure reliable results or consistency in the classification of coated paper and paperboard since classification depended on the nature of the coating, which was variable. As to the proposal to introduce a new Subheading Note 7 he pointed out that this amendment would not solve the problem either, since laboratories were not in a position to determine the specifications of the paper in an uncoated state by direct testing of coated paper and paperboard. However, he was of the view that these proposals could be examined by the Scientific Sub-Committee and then the Review Sub-Committee.
2. The Director, clarifying the Secretariat's proposal, indicated that the Secretariat was attempting to find a solution to a problem that could not be resolved by technical means, which had been confirmed by the Scientific Sub-Committee. He admitted that each of the proposals had its drawbacks and, accordingly, suggested that the study be dropped for the time being.
3. After a further exchange of views and given the fact that there was no support for the proposed amendments, the Committee decided not to pursue the issue. It was also agreed that the Committee might come back to the issue on the basis of new proposals from administrations.

* * *

1	2	4	5
NC0764E1	Possible amendment of Note 7 (c) to Section XI.	<u>See Annex N/1.</u>	<u>See Annex M/1.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. The **EC** Delegate drew attention to the new samples he had submitted to the Committee. He noted that these articles were marketed, sold and used, as presented, directly by the consumer. Accordingly, they were regarded by the trade as made-up articles.
2. The **EC** Delegate emphasised that the request to have Note 7 (c) to Section XI amended to refer specifically to “heat-sealing” as a process conferring the character of “made-up” to an article, had been made solely with a view to modernising the Nomenclature and in the interest of accuracy. This was not a classification problem, but the **EC** considered the heat-sealed wipe described in its note as a "made-up" article, on the grounds that the procedure used constituted a modern means of hemming synthetic textile materials, and that it involved more than simple hot-cutting. These considerations were based on the current provisions of Note 7 (c) to Section XI which referred to the expression “par n’importe quel procédé” in the French version. This was why the **EC** had proposed that a reference to “heat-sealing” be inserted in Note 7 (c) as an additional process conferring the character of “made-up” to an article, and for that reason the delegate expressed a preference for the **EC** proposal, which was reproduced in the Annex to Doc. NC0764E1.
3. While agreeing that the wipe at issue did constitute a finished article, the Delegate of **Australia** took the view that it was not “made-up” within the meaning of Note 7 (c). Therefore, as matters stood at present he was not in favour of the proposed amendment. In his view, hemming involved two operations, namely folding and stitching. The processes listed in Note 7 (c) as satisfying the requirements of the expression “made up” were more complex operations which clearly had not been carried out on the product at issue. The heat-sealing process used on the product at issue, which the **EC** had not been able to fully explain, was considered to be a simple process. If the **EC** proposal were accepted, there would likely be many transfers of products within Section XI. The view expressed by **Australia** regarding hemming was supported by the Delegate of **Japan**.
4. The **EC** Delegate responded that the “heat-sealing” process used in the manufacture of these wipes was not a simple but a complex, expensive and technically sophisticated operation, as confirmed by another delegate. This process involved a patented sealed-edge technique and he would endeavour, given the confidential nature, to provide further information about the manufacturing process, for examination at the Review Sub-Committee’s next session. In this connection, he pointed out that the **EC** had already provided technical information on the manufacture of heat-sealed wipes and on the difference between a sealed-edge wipe and a wipe whose edges had merely been hot-cut. This information could be found in the Annex to the working document.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

5. The **US Delegate** stressed that the **EC**'s request related not to the classification of a product, but to the amendment of a legal Note by inserting the term "heat-sealed" in it. This term was too general, embracing any process in which heat was involved, and its acceptance would give rise to problems of interpretation and to the transfer of many products within Section XI.
6. The Delegate of **Japan** was also unsure about the precise nature of the "heat-sealing" process, and expressed concern about the possible consequences of accepting the **EC** amendment.
7. In order to be able to take an informed decision about the possible amendment of Note 7 (c), the Committee decided that it would be necessary to obtain relevant information about the manufacturing process of the product, to be provided by the **EC**.
8. The Committee agreed to place the proposed texts in square brackets and send the matter back to the Review Sub-Committee, for examination at its next session in March 2004, it being noted that the information to be supplied by the **EC** would have to reach the Secretariat by **9 January 2004**, as would the information and observations which all administrations were invited to submit on this subject.
9. The texts concerning the amendment of the Nomenclature and the Explanatory Notes, duly placed in square brackets, are **set out** in Annexes M/1 and N/1 to this Report.

* * *

1	2	4	5
NC0765E1 NC0791E1	Possible amendment of the Explanatory Notes to headings 61.01 and 61.10 (Proposal by the EC).	<u>See Annex N/2.</u>	<u>See Annex M/2.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. Opening the discussion on this Agenda item, the **EC Delegate** argued that while some padded waistcoats could be classified in heading 61.01 (61.02) as garments similar to anoraks, other, thinner padded waistcoats should fall in heading 61.10 as garments similar to the articles of that heading. In his view the Explanatory Note to heading 61.10, which excluded all padded waistcoats, was too restrictive. This reference should be deleted from the Explanatory Note concerned, as it was just an example which could cause misunderstandings and was not consistent with the heading text.
2. The **EC's** view was shared by other delegates who confirmed that padded waistcoats could be classified in both heading 61.10 and heading 61.01 or 61.02; they therefore favoured that the current Explanatory Notes be clarified or studied.
3. Other delegates, however, considered that it would be helpful to retain this reference, as it gave a good indication of how this type of garment should be classified. Moreover, simply deleting this reference from the Explanatory Notes could well cause all padded waistcoats to be classified in heading 61.10 as waistcoats of that heading.
4. It was also argued that the Nomenclature and the existing Explanatory Notes were sufficiently explicit where the classification of these garments was concerned. After all, it was not as if all padded waistcoats were excluded from heading 61.10 – the exclusion applied only to the padded waistcoats of headings 61.01 and 61.02, and the first paragraph of Explanatory Note 61.01 already specified the characteristics of these garments, namely that they were “generally worn over all other clothing for protection against the weather“. The **Delegate of Norway** then offered a proposal with a text based on these characteristics. This proposal was supported by the **United States**.
5. The **EC Delegate** noted the possibility of making the exclusion of heading 61.10 more flexible by introducing the word "generally". The text would then read as follows : "The heading also generally excludes padded waistcoats of heading 61.01 or 61.02".
6. The Committee finally agreed to return to this question at its next session, on the basis of a new document to be prepared by the Secretariat, proposing an amendment to the Explanatory Notes in order to specify the characteristics of the padded waistcoats concerned.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

7. For the correction of the typing error discovered in the English text of heading 61.10, affecting both the Nomenclature and the Explanatory Notes (waistcoats written as two words, hyphenated (“waist-coats“)), amendments to the Nomenclature and the Explanatory Notes are **set out** in Annexes M/2 and N/2, respectively, to this Report.

* * *

1	2	4
NC0766E1	Possible amendment of the Explanatory Note to heading 85.23 to clarify the classification of integrated circuits.	<u>See Annex L/10.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. After a brief discussion the Committee **adopted** the Secretariat text presented in the Annex to Doc. NC0766E1, subject to the deletion of the second half of that text **and a minor editorial amendment in the French version.**
2. The text **adopted** is set out in Annex L/10 to this Report.

* * *

1	2	4	5
NC0767E1	Possible amendment of the legal text and Explanatory Note to heading 90.21.	<u>See Annex L/11.</u>	<u>See Annex M/3.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. Opening the discussion, the Chairperson indicated that the possible amendment of the legal text of, and the Explanatory Note to, heading 90.21 would be addressed in stages, beginning with the draft legal text.

Legal text

2. The **EC** Delegate noted that the corrections referred to by the Secretariat in paragraph 10 of Doc. NC0767E1, concerning the alignment of the English and French versions of subheading 9021.10, had already been approved by the 27th Session of the Review Sub-Committee, given that there was a Committee decision to the effect that the English term "appliances" covered both "appareils" and "articles" in French.
3. Turning to the amendments to be made to the 4-digit heading and to subheading 9021.10, the **EC** Delegate stated that the **EC** did not agree with the Secretariat's proposal to replace the expression "joint injuries" by "associated injuries". In fact, "joint injuries" was an expression frequently used in medicine, and was used as such in the Explanatory Note to this heading (page 1815); its meaning was also familiar to all practitioners, whereas the expression "associated injuries", which was not defined in the Nomenclature, was liable to cause confusion to the extent that it could refer to a variety of conditions not covered by heading 90.21. The **EC** was, however, open to any other proposal designed to achieve full alignment between the English and French versions of the legal text.
4. The Delegate of **Australia** did not share this view. He favoured the Secretariat proposal, first because joint injuries could have various causes (trauma, inflammation, etc.), and second because the expression "associated injuries" referred back to fractures and dislocations.
5. He was supported in this by other delegates, who pointed out that the expression "associated injuries" covered a recognised concept, even if the word "associated" would merit definition in the Explanatory Notes; use of the expression "joint injuries", on the other hand, would have the effect of broadening the scope of the heading, as shown in the working document. This expression covered conditions having various causes, and called for a range of treatments which did not necessarily involve the use of the appliances of heading 90.21.
6. On another aspect of the problem, all delegates were unanimous in recognising the ambiguity in the French term "gouttières", which had no equivalent in the current English text, and which the Secretariat had proposed to translate as "cradles". It was agreed that the

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

meaning of this term would have to be clarified prior to any decision on whether to include, or retain it in the new, aligned legal text.

7. Following further discussion, the Committee agreed to continue its study of these issues at the next session. Therefore the terms "cradles" and "gouttières", and the words "associated" and "joint", were placed in square brackets in the texts of heading 90.21 and subheading 9021.10. The EC Delegate indicated that in this study to be undertaken by the Secretariat, the possibility of referring to "associated orthopaedic injuries" should be considered, since the expression "associated injuries" alone would be difficult to accept as its meaning was so imprecise.
8. Administrations were invited to give further consideration to these issues during the intersession, and to forward their comments to the Secretariat as soon as possible.

Explanatory Notes

9. Introducing this part of the discussion, the EC Delegate recalled that the EC's request was aimed at aligning the two versions of the Explanatory Note by the Corrigendum procedure provided for in Article 8.2 of the HS Convention, given that such an alignment would not involve any transfers of goods, nor would it change the scope of heading 90.21. He noted that there was a real problem of alignment between the two versions of the current Explanatory Note to this heading, in particular as regards the first paragraph of Part II which, in French, read : "articles et appareils pour fractures, luxations ou lésions articulaires", in addition to the other misalignments mentioned by the Secretariat in paragraph 6 of Doc. NC0726E1.
10. He was contradicted on this point by other delegates, who argued that the proposed amendment of the legal text would inevitably have an impact on the Explanatory Notes, this being particularly true of the choice to be made between the expressions "associated injuries" and "joint injuries", given that the scope of the latter expression was not confined to heading 90.21 alone.
11. At the end of the discussion, the Committee agreed that this question should again be taken up at its next session, on the basis of whichever option was chosen – "associated injuries" or "joint injuries" – both expressions having been included in the draft legal text in square brackets. Administrations were also invited to forward their views on this issue to the Secretariat.
12. The texts under consideration by the Committee are set out in Annexes M/3 (legal text) and L/11 (Explanatory Note to heading 90.21) to this Report.

* * *

1	2
NC0768E1	Possible amendment of the Explanatory Note to heading 94.01.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O.Fr.)

1. Opening the discussion, the Delegate of **Canada** stated that he was surprised that the Secretariat indicated that it was at a loss regarding the **Canadian** comments since the proposed amendment to the Explanatory Notes was intended to explain the meaning of the expression "seats of a kind used for motor vehicles" in subheading 9401.20. He stated that the expression "of a kind used" appeared numerous times in the Nomenclature and that whatever meaning was assigned to that phrase should be applied consistently throughout the Nomenclature. He therefore cautioned against the proposal to amend the Nomenclature, which amendment would, in effect, define the expression "of a kind used". He suggested, however, that if the Committee insisted on proceeding with the proposed amendment he would prefer the text suggested in the submission by the **Canadian** Administration.
2. While a number of delegates expressed a preference for the Secretariat's proposal, subject to the replacement of the word "equipment" by "seats", others questioned the need for either proposal. As an alternative one delegate suggested a text which seemed to faithfully reflect the decision taken by the Committee at its 30th Session, and which would read : "These subheadings do not cover removable seats for infants or toddlers.".
3. When the Chairperson asked whether it was, in fact, necessary to draft Explanatory Notes for subheadings 9401.10 and 9401.20, **given the decision taken by the Committee**, the existence of Classification Opinion 9401.80/1 and the **Subheading** Explanatory Note to subheading 9401.80, the Committee replied in the negative.
4. Finally, the Committee decided to bring its examination of this question to a close and, therefore, to maintain the *status quo* where the possible amendment of the relevant subheading Explanatory Notes was concerned.

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1	2
NC0615E1 NC0649E1	Classification of the "Xerox Document Centre 230 DC" digital copier.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

Given the Committee's decision on Agenda Item VI.4, the Committee decided not to further discuss this item **pending the completion of the reflection on the issue raised under Agenda Item VI.4.**

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1	2
NC0784E1	Classification of parts of safety seat belts.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

- Opening the discussion on this Agenda item, the **EC** Delegate pointed out that the two key questions that had to be answered were set out in paragraph 27 of the working document, namely (1) should the seat belts be considered to be accessories and (2) if so, were parts of accessories excluded from heading 87.08 ? He answered both questions affirmatively, and consequently felt that it would be worth re-examining provisionally adopted subheading 8708.22, given that under these circumstances, the proposed new subheading would contradict **the legal text of heading 87.08 and the Notes to Section XVII (particularly Note 2 which had not been amended). Similarly, in the case of separate imports of parts for seat belts, Customs would have difficulty in determining whether they were intended for safety seat belts for motor vehicles of heading 87.08 or for other machines of Chapter 84 or other vehicles of Chapter 87, 88 or 89.**
- The Delegate of **Japan** pointed out that certain parts, such as buckles, could consist of composite products (plastics and metal) not necessarily intended for safety seat belts for vehicles of headings 87.01 to 87.05. **They should be classified in heading 87.08 by application of General Interpretative Rule 1 since these parts were identifiable as parts of specific use for motor vehicles.**
- The **US** Delegate was concerned by the fact that an amendment already adopted at the HSC's 29th Session, albeit provisionally, was being called into question, even though no objection had been raised during the examination of this issue by the Review Sub-Committee. In response to the two questions asked, he felt that a safety seat belt should be considered to be a part, and that parts of seat belts were classifiable in heading 87.08. He **indicated** that not all parts of seat belts **might be** classifiable in heading 87.08 and that to be classifiable therein, parts and accessories had to comply with the heading text and provisions of the legal Notes. Referring to Annex H/10 to Doc. NC0510E2 (HSC/28/Nov. 2001), he indicated that the terms "parts and accessories" were not defined at legal level within the Harmonized System and that the drafters of the HS had generally found it advantageous not to distinguish between parts and accessories. In his opinion, whether a seat belt was a part or accessory was not an issue **under the existing structure of the Harmonized System or under the provisionally adopted 2007 amendments under consideration.** In any case, in his administration's view, seat belts **were parts because they were necessary for the safe operation of a motor vehicle.**
- The Director explained that thought had to be given to the kind of parts of seat belts that could be classified in heading 87.08. The majority of these products appeared to have to be excluded, since they tended to be parts or fittings for general use. It was therefore worth ensuring that there were actually parts of seat belts that would fall to be classified in the proposed new subheading 8708.22. To that end, it was very important to have specific examples, in order to ensure that it indeed made sense to create this new subheading.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

5. Following a further exchange of views, it was agreed that the Committee would re-examine this question, taking account of specific examples of parts potentially classifiable in the new subheading 8708.22. These examples were to be submitted to the Secretariat by the **United States** and other administrations who were of the view that these parts should fall in **heading 87.08**.

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ANNEX G

NEW QUESTIONS

Working Doc.	Subject	Classification Opinions	E.N. amendments	Nomenclature amendments
1	2	3	4	5
NC0771E1	Classification of whipped cream in spray form.			

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. At the outset of the discussion the Delegate of the **Republic of Korea** summarised the position of his administration stressing that the presence of vanilla in the product was limited to only 0.01%, which was not sufficient to change its character and to rule out classification in Chapter 4. He further observed that, as stipulated in the General Explanatory Note to Chapter 4, milk products might contain certain ingredients, not normally found in the product. Referring to the Codex Alimentarius provisions, he indicated that vanilla flavouring was considered to be a food additive. Therefore, its presence should not affect the classification of the product.
2. Given that the information with respect to the composition of the product at issue provided by the manufacturer and the **Korean** Administration was somewhat different, the Delegates of **Japan** and the **United States** volunteered to conduct a laboratory analysis to determine the precise vanilla content of the product. They were of the view that a further examination of the classification of the product should be conducted on the basis of the results of such analyses. The **US** Delegate further clarified that the analysis was also needed in order to determine whether the vanilla was natural or synthetic and what the strength of the vanilla was (single or multiple). She explained that the addition of a small amount of vanilla flavour was insufficient to impart a vanilla flavour to the cream and would not create a flavoured product. Unlike the addition of chocolate or strawberry flavour, the addition of a small amount of vanilla did not change the flavour of the product. In her view, vanilla flavour used in a small percentage merely served to enhance the natural flavour of the cream.
3. The **EC** Delegate agreed that the Committee could examine the product based on the description provided by the **Korean** Administration. Referring to the General Explanatory Note to Chapter 4, he argued that vanilla flavouring could not be considered to be one of the ingredients allowed by this Note. He also drew the Committee's attention to the fact that **in the Codex Alimentarius, 2003 version, a copy of which had been handed to the Secretariat and to some delegations**, vanilla was no longer listed as a food additive permitted in cream. In addition, since vanilla had a strong flavour, its presence, even in a small amount, would change the character of the product. He was, therefore, of the view that the product at issue should be classified in heading 19.01. **This view was confirmed by another delegate who**

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

also referred to the General Explanatory Note to Chapter 4. He explained that the presence of vanilla could easily be detected by the laboratory.

4. Many delegates expressed support for the classification of the product in heading 19.01 arguing that flavouring was not permitted in products of Chapter 4, taking into account the restrictive provisions of the text of heading 04.02, allowing added sugar and sweetening matter only. In addition, the General Explanatory Note to Chapter 4 did not include flavourings among the permitted additives for milk. Finally, the Codex Alimentarius standard for cream, as amended in June 2003, did not mention vanilla as a food additive.
5. Other delegates, however, were of the view that the characteristics of the product should be taken into account and that the product could not be considered to be a preparation within the meaning of heading 19.01. In their opinion, the presence of a small amount of vanilla flavour could not change the character of the product. They felt that the product was still classifiable in heading 04.02.
6. Having examined a sample of the product under consideration, the Chairperson noted that the cream exhibited the smell and taste of vanilla.
7. After a further exchange of views the matter was put to a vote, and the Committee decided, by 18 votes to 10, to classify the product, as described in paragraph 5 of Doc. NC0771E1, in heading 19.01 (subheading 1901.90), by application of General Interpretative Rules 1 and 6.
8. In order to reflect this decision, the Committee instructed the Secretariat to prepare a draft Classification Opinion for examination, in the first instance, by the next presessional Working Party. The Delegate of **Japan** requested that the draft Classification Opinion should also refer to the organoleptic characteristics of the product.

* * *

1	2
NC0772E1	Classification of "cachaça".

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. The Delegate of **Brazil** opened the discussion on this agenda item by indicating that her administration did not wish to see the word "**cachaça**" used in print, as this was the brand name for a type of spirit made by distilling fermented sugar-cane juice, to which up to 6 grams of sugar per litre could be added. She proposed that the product be classified in subheading 2208.40, on the grounds that it was a beverage produced **from sugar cane, like rum, however**, the difference **was** that rum was made from molasses whereas "**cachaça**" was made from sugar-cane juice.
2. She further clarified that the Spanish text of subheading 2208.40 did not appear to be aligned on the French and English versions. Given this situation, even though the official languages of the WCO were French and English, she requested that the Committee ask the Review Sub-Committee to examine, at its next session, (i) the amendment of the text of this subheading as proposed in the **Brazilian** non-paper, and (ii) the Explanatory Note to heading 22.08, with a view to clarifying the classification of "**cachaça**".
3. The Observer for **Barbados** stated that his administration could support classification in subheading 2208.40. However, he did not agree with the content of the draft texts circulated by **Brazil** in its non-paper. If the Committee decided to examine those texts, he hoped that it would also take into consideration the alternative proposed by his administration in a non-paper, which identified "**cachaça**" and rum more accurately.
4. The Director stated that he was not convinced that "**cachaça**" was a brand name, as paragraph 3 of Doc.NC0772E1 indicated that there were "4,000 brands" of "**cachaça**" in Brazil. He considered that the term "**cachaça**" was in fact generic, and even if it were a brand name it could certainly be referred to in the Report and in WCO publications, in inverted commas and in shaded font.
5. After a further exchange of views, the Committee unanimously decided to classify spirits obtained by distilling fermented sugar-cane juice by the name of "**cachaça**" in subheading 2208.40 by application of GIRs 1 and 6.
6. The Committee also agreed to refer the possible revision of the legal text of subheading 2208.40 to the Review Sub-Committee for examination at its 29th Session (March 2004), on the basis of proposals to be submitted by interested administrations.
7. As the deadline for introducing new proposals for amendments during the current review cycle was long past, administrations were invited to submit their views on this subject to the Secretariat by 9 January 2004 at the latest.

* * *

1	2
NC0773E1	Possible amendment of Note 3 to Chapter 19 (Proposal by the Czech Administration).

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. In explaining the rationale for her administration's proposal, the Delegate of the Czech Republic clarified that there was no intention to discuss the classification of a particular product or to resolve a classification dispute, but rather to clarify the terminology used in Note 3 to Chapter 19. At the same time, the proposal envisaged an alignment of the English and the French versions of this Note. With respect to the terminology used, she pointed out that the French version of Note 3 suggested that the product should be completely covered by chocolate ("enrobé"), whereas the English text could be construed to mean that a product might be covered either partly or completely. The term "coated" in the English version could be interpreted in different ways : (i) totally covered, (ii) partly covered or (iii) covered by 50 % or more of the total surface of the product within the meaning of GIRs 2 (b) and 3 (b).
2. She believed that in cases where products were of non-regular forms or when the chocolate covering only covered different spots on the surface of the product, it was not easy, if at all possible, to apply the 50 % criterion. She, therefore, considered it necessary to align both versions of Note 3 to Chapter 19, with a view to ensuring a uniform interpretation of the legal text.
3. The EC Delegate thanked the Czech Administration for bringing this problem to the attention of the Committee and agreed that the two versions of Note 3 to Chapter 19 were not perfectly aligned. In order to address the problem, he suggested that the English version be brought into line with the French one since the text in French did not leave any room for doubt meaning that a product should be almost completely or completely covered by chocolate. In his view, this could be done by adding, for example, the word "completely" before the word "coated" in the English version.
4. Several delegates, while expressing support of the proposal of the Czech Republic, favoured a cautious approach; one of them further indicating that it might be relevant to study the use of the term "coated" throughout the Nomenclature. Other delegates considered that such study should be confined to Section IV of the Nomenclature.
5. Several delegates stressed that, since this was a highly sensitive area, consideration should be given to the possible consequential change to the scope of heading 19.04 and, therefore, to a possible transfer of goods.
6. Another delegate expressed his concern about the possible use of the term "completely", since it was almost impossible to have a 100 % coating. The term "enrobé" would, in his view, have a less restrictive meaning.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

7. **The Committee finally** agreed that the matter should be further examined, in the first instance, by the Review Sub-Committee at its next session so that possible amendments could be made to the Nomenclature within the current Review Cycle.
8. In this context, the Committee instructed the Secretariat to carry out a study with respect to the use of the terms **"enrobé" and "coated"** within Section IV of the Nomenclature, which should also be presented to the Review Sub-Committee for consideration, when it takes up this question.

* * *

1	2	4
NC0774E1	Possible Amendment of the Explanatory Note to Heading 25.05 and of the General Explanatory Note to Chapter 69.	<u>See Annex L/25.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Committee unanimously adopted the proposed amendments of the Explanatory Note to heading 25.05 and of the General Explanatory Note to Chapter 69, as set out in the Annex to Doc. NC0774E1.
2. The texts adopted by the Committee are set out in Annex L/25 to this Report.

* * *

1	2	4
NC0775E1	Possible amendment of the Explanatory Notes to the General Interpretative Rules, headings 28.21, 31.05 and 38.08, and Chapter 84 (Proposals by the EC , Croatia and the Secretariat).	<u>See Annex L/26.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Committee unanimously adopted the proposed amendments of the Explanatory Notes to the General Interpretative Rules, headings 28.21, 31.05 and 38.08, and Chapter 84, as set out in the Annex to Doc. NC0775E1.
2. The texts adopted by the Committee are set out in Annex L/26 to this Report.

* * *

1	2	4
NC0776E1	Possible amendment of the Explanatory Note to heading 29.37.	<u>See Annex L/27.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Committee unanimously adopted the proposed amendment of the Explanatory Note to heading 29.37, as set out in the Annex to Doc. NC0776E1.
2. The text adopted by the Committee is set out in Annex L/27 to this Report.

* * *

1	2
NC0777E1	Possible amendments to the Nomenclature with respect to certain categories of waste (Proposal by the Basel Convention Secretariat).

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. Opening the discussion, the representative of the Basel Convention Secretariat, on behalf of his organisation, expressed his gratitude to the Committee for considering his organisation's proposal at this session. He apologised for the delay in submitting the proposal. He recalled that there had been excellent co-operation between the Basel Convention and the Harmonized System Committee in the past when certain categories of waste had been separately identified in the Nomenclature and believed that this co-operation would continue. He explained that the aim of the current proposal was to support the implementation of certain provisions in the Basel Convention for three new categories of hazardous waste by giving some guidance with regard to these products in terms of their classification in the Harmonized System. To reach this objective and to facilitate the introduction of the relative amendments in the Nomenclature, the Basel Convention Secretariat was prepared to provide as much information on the matter as possible.
2. As the Committee had always been willing to accommodate the needs of the Basel Convention, it recognised that the current proposal by the Basel Convention Secretariat addressed serious environmental concerns and that the issue was very important for many administrations. There was therefore a positive response to the request of the Basel Convention Secretariat and the Committee felt that it should take up the issue and study it in detail.
3. Pointing out that additional information and further elaboration and studies would be necessary in order to prepare draft amendments to the Nomenclature, on the basis of the submission by the Basel Convention Secretariat, the Committee felt it might not be possible to complete this work by June 2004. Consequently, the possible amendments with respect to certain categories of waste could not be included within the time frame of the current review cycle.
4. In this connection, the EC Delegate suggested that since the next review cycle for the Harmonized System revision was not scheduled to come into force before the year 2012, as an interim measure, the Committee might wish to draft a Council Recommendation with a view to introducing national subdivisions for these new categories of waste.
5. The Director, while referring to the possible implementation of the recommendations of the High Level Working Group on HS Matters, suggested the possibility of introducing the proposed amendments outside the normal review cycle, once general consensus on the matter had been reached in the Committee.
6. With regard to all three categories of waste proposed to be identified separately in the Nomenclature by the Basel Convention Secretariat, one delegate felt that the scope of these categories and the criteria of how to identify this waste and how to distinguish between the

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

wastes and the products from which they originated, had to be clarified. Although he expected that world trade in these commodities was not very high, in his view it might also be useful to obtain some trade data on these commodities. Other delegates shared his view.

7. As far as the second category of waste, i.e., coal-fired power plant fly ash, was concerned, several delegates agreed with the opinion of the Secretariat in paragraph 13 of the working document, that it was classifiable in heading 26.21. They, however, expressed some concern as to whether it was possible to distinguish between fly ash from coal-fired power plants, on the one hand, and fly ash from other sources, e.g., ash obtained by the combustion of oils or other materials, on the other. Whether this product had some economic value and whether it could be and was used for the recovery of certain compounds, would also merit consideration.
8. In conclusion, the Committee committed itself to examine the issue as quickly as it could and instructed the Secretariat to undertake a study of the matter in close co-operation with the Basel Convention Secretariat. It was also decided that the concerns regarding coal-fired power plant fly ash referred to in paragraph 7 above, be submitted to the Scientific Sub-Committee at its next session in order to obtain the Sub-Committee's views on the matter.

* * *

1	2	5
NC0778E1	Possible amendment of heading 09.06 (Proposal by the Sri Lanka Administration).	See Annex M/23.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. Opening the discussion the Delegate of Sri Lanka apologised for having submitted a proposal after the cut-off date set for the current review cycle. He was of the view that the proposal would not result in any significant change or transfer of products and, therefore, requested that the proposal be examined within the 3rd Review Cycle. He emphasised that this matter was very important for his administration, and needed to be resolved as soon as possible.
2. The Committee agreed that the proposal should be studied within the current review cycle.
3. Despite the late submission of the proposal, the EC Delegate expressed his willingness to pursue the proposal since the request was made by a developing country, there was statistical justification and there were ISO (International Organization for Standardization) standards distinguishing between cinnamon on the one hand and cassia spices on the other. He noted that the relevant Explanatory Notes needed to be updated at a later stage. The Delegate of Japan asked the Committee to show flexibility and to pursue this issue during this Review Cycle.
4. Some delegates considered it necessary to submit the matter to the Scientific Sub-Committee in order to confirm the scientific names of the spices to be included in the legal text, as well as to address the problem of the identification of the spices at issue. They also indicated that a possible transfer of products should be carefully examined.
5. The EC Delegate believed that the necessary information had already been provided in the working document and expressed doubts as to whether the Scientific Sub-Committee could assist in finding the correct taxonomic names. He was of the opinion that a question to be addressed was whether or not a reference to cassia should be introduced and suggested that this reference be placed in square brackets for further examination by the Committee.
6. In response to these comments, the Director proposed that the reference to cassia be removed from the proposed wording of heading 09.06. This would, in his view, avoid any confusion with the type of cassia mentioned in the Explanatory Note to heading 12.11 and still ensure that Sri Lankan type cinnamon was separately identified in the HS Nomenclature.
7. The Committee agreed with the suggestion made by the Director and decided to place the proposed text in square brackets and to forward it for examination, in the first instance, by the next preessional Working Party.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

8. It was also agreed that, when the Committee at its next session **considered** the results of the Working Party, it should also examine to what extent, if any, goods would be transferred under the new proposed text. The Secretariat was instructed to study this matter.

* * *

1	2
NC0779E1 NC0783E1	Classification of certain flooring panels.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Delegate of **Denmark** opened the discussion of this agenda item by explaining the manufacturing process for the product. He then referred to the Explanatory Note to heading 44.18 which reads "This heading also covers **parquet strips, etc. assembled into panels or tiles**, with or without borders, including parquet panels or tiles consisting of parquet strips assembled on a support of one or more layers of wood. These panels or tiles may be sanded from the butt to the tip or grooved along its length". As the product before the Committee consisted of strips assembled into panels, he argued for classification as parquet panels.
2. He informed the Committee that much energy had been expended in the working documents concerning the issue of patterns and whether they had any bearing on the classification. The Explanatory Notes were, however, silent on this point and did not require parquet panels to have a certain pattern in order to be called parquet panels. Furthermore, he brought the attention of the Committee to Figure 7 in the Annex to Doc. NC0779E1. The Secretariat had indicated in paragraph 45 of the document that there was no chamfer on the face of the panels at issue and, consequently, questioned whether such flooring could be considered as having a regular striped pattern. He cautioned the Committee on the dangers of referring to only one example. Finally, in response to the **US** comments in Doc. NC0783E1, paragraph 5, he stated that the **Danish** manufacturer **had** described the product as wood flooring or general boards, which was a broad description of the goods and which in no way made it any less a parquet panel.
3. The **US** Delegate informed the Committee that in her administration's view, essential to both the lexicographic and commercial definitions of "parquet" was the requirement that parquet flooring consist of a patterned arrangement. By contrast, the flooring products under examination were assembled strips in standard sizes that were ready for installation in the same manner as strip flooring. This flooring was not patterned : the strips were not geometrically arranged, nor were they apparently designed to produce any patterned arrangement. The text of subheading 4418.30 referred to "parquet panels", which could include mosaic floors. However, the assembly of two strip flooring boards by edge-gluing did not, in her administration's view, create parquet flooring of this subheading. Neither the legal text nor the Explanatory Notes described the term "parquet" as used in subheading 4418.30. Under these circumstances, a term should reflect its common meaning, which was normally the same as that which was used in trade.
4. Based on its research, the **United States** **had** concluded that both the common and commercial understanding of the term "parquet" flooring required that the flooring be laid down in distinct patterns. Given the common and commercial understanding of the term, i.e., that parquet was a product in which a distinct pattern was the key element, such edge-glued strip flooring did not answer to the subheading's description as parquet panels.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (contd.)

5. Furthermore, she made reference to the EC's Combined Nomenclature (CN) wherein the EC made a distinction at the 8-digit level between plain floor panels and mosaic or geometrically designed floor panels. The United States made this distinction at the 6-digit level. She concluded by requesting that the Secretariat undertake a study to ascertain what the drafters of the Harmonized System had in mind for the term "parquet" panels. The products under examination were not described or sold as parquet flooring in the United States.
6. The EC Delegate felt that the question before the Committee was what was understood by the term "parquet". It was a simple question. In this connection, considerations such as the thickness of the upper panel, whether the wood was a solid piece of wood and whether it was tongued or grooved were important points for the classification of the product. Neither the legal text nor the Explanatory Notes contained any requirement that the parquet panels must be set out in a certain design, motif or decorative pattern. This would unduly limit the scope of subheading 4418.30 and he asked those who supported this position to provide the legal basis for doing so. References to various dictionaries, English or French, could provide some useful but, at times, contradictory results depending on the dictionary consulted as pointed out in paragraph 42 of Doc. NC0779E1. For those in favour of a study, he responded by saying that the Committee had all the necessary information before it and he was ready to vote. This was an important matter for industry, which needed a decision. Finally, he also made reference to the proposal before the Review Sub-Committee for an amendment to Chapter 44 to create a new heading for parquet panels. The RSC needed a decision to give them valuable guidance in their work. To not take a decision today would delay this amendment until the next Review Cycle.
7. The Delegate of Germany referred to the history of the expression "parquet". He explained that this history showed rather clearly that a special design was not necessary.
8. Many other delegates expressed an opinion for or against the classification of the goods at issue in subheading 4418.30, while expressing their views on whether the term "parquet" required panels to have a certain pattern in order to be parquet panels. Still others expressed the view that their administrations were not in a position to take a classification decision on these products at this session. They supported the proposal that, for the Committee's next Session in May 2004, the Secretariat be instructed to undertake the study suggested by the US Delegate.
9. As there were a substantial number of delegations which had expressed the view that they were not in a position to vote at this session, the Committee took an indicative vote which the RSC could then use as an indication of the Committee's position on this matter. According to this indicative vote, if the Committee had classified the products at this session, 18 delegations indicated that they would have classified the products in subheading 4418.30 while 12 delegations indicated that they would have opted for subheading 4418.90.

10. The Committee instructed the Secretariat to conduct a study of the word “parquet” in the Harmonized System in **the** light of its HS historical background, the current legal provisions and with reference to previous classification decisions made in this Committee for flooring products. In addition, **the Chairperson asked** the Secretariat **to obtain** information on the status of the dispute between the **United States** and **Canada** on a similar product and to report the results back to the Committee.

* * *

1	2
NC0780E1	Possible amendment of the Explanatory Notes to Chapter 2.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. The Delegate of **Norway** explained the problems his administration had experienced, which had also been the background for the request of an amendment of the Explanatory Notes to Chapter 2.
2. Some delegates, while expressing their views with respect to the proposed amendment of the Explanatory Notes to Chapter 2, indicated that there might be a non-alignment between the expression “with bone in” in English and “non-désossés” in French, as used in the texts of several subheadings within Chapter 2. **Some delegates, therefore, suggested a further discussion at the next session, taking into account any new information, which could be provided. However, none of these delegates (other than the Delegate of **Norway**) had experienced the problem identified by **Norway**. Nevertheless the Committee felt that the existing texts were sufficiently clear and did not present a problem.**
3. The Committee **then** finally decided not to further pursue this matter.

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1	2
NC0781E1 NC0788E1	Possible amendment of the Explanatory Note to heading 26.21 (Proposal by the Canadian Administration). Possible amendment of the Explanatory Notes to headings 25.20 and 34.07 (Proposal by the EC).

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

Due to lack of time the Committee decided to postpone the examination of these two agenda items until its next session.

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ANNEX H

ADDITIONAL LIST

Working Doc.	Subject	Classification Opinion	E.N. Amendment	Nomenclature Amendments
1	2	3	4	5
NC0785E1	Possible new Note 6 to Chapter 85.			<u>See Annex M/24.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. On a proposal by the **EC** Delegate, the Committee unanimously agreed to include this question in the current Harmonized System Review Cycle.
2. The new Note proposed by the **United States**, reproduced at Annex M/24 to this Report, was placed in square brackets for examination at the Review Sub-Committee's next session in March 2004.

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1	2	3
NC0782E1	Insertion of photographs in Classification Opinion 8535.90/1.	<u>See Annex L/28.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Fr.)

1. The Committee agreed to the insertion in Classification Opinion 8535.90/1 of the photographs submitted by the **Argentine** Administration and reproduced in Doc. NC0782E1.
2. The texts adopted are **set out in** Annex L/28 to this Report.

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1	2
NC0740E1	Classification of mixtures of fats and oils of headings 15.16 and 15.17.

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. Eng.)

1. Since the **EC** submission with regard to this matter had been placed on the Additional List, the Committee had agreed to hold only a preliminary discussion on this matter. However, to benefit from the expertise of the members of the Scientific Sub-Committee, the **EC** Delegate suggested sending **the question** to the Sub-Committee for advice, which could be useful in the Committee's future deliberations.
2. After some discussion, the Committee agreed with this suggestion, asking the Scientific Sub-Committee to express its views, from a technical standpoint, as to the issues raised in the working document.

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ANNEX IJ

OTHERS

Working Doc.	Subject	Classification Opinions	E.N. amendments	Nomenclature Amendments
1	2	3	4	5
NC0769E1	List of questions, which might be examined at a future session.	<u>See Annex O.</u>	<u>See Annex O.</u>	<u>See Annex O.</u>

DECISIONS OF THE HARMONIZED SYSTEM COMMITTEE (O. fr.)

1. The Committee took note of the information provided in Doc. NC0769E1.
2. A list, which contains all of the questions raised during the session for examination in greater detail at subsequent meetings, is reproduced in Annex O to this Report. This list also includes the possible amendment of the Explanatory Notes to headings 84.33 and 87.01 to clarify the classification of riding lawn mowers (see paragraph 2 to Doc. NC0769E1).

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