

W ORLD CUSTOMS ORGANIZATION ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM COMMITTEE

NC0216E1

O. Fr.

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CLASSIFICATION OF AUTOMATIC CONTROL UNITS

(Item IX.6 on Agenda)

Reference documents:

42.448 (HSC/22) NC0160F2, Annex G/17 (HSC/24 – Report)

I. BACKGROUND

1. At its 24th Session in October 1999, the Harmonized System Committee examined the item "Possible amendments to the Explanatory Notes to heading 84.71" (Doc. 42.448). Following the discussions, the Committee instructed the Secretariat to prepare separate documents with a view to classifying twelve articles including "automatic control units" (see Doc. NC0160E2), Annex G/17. The Secretariat asked for and obtained information on these through the International Chamber of Commerce (ICC). Given that no information has been received from administrations, the Secretariat's comments below on the classification of "automatic control units" are based solely on the information received from the ICC.

II. SECRETARIAT COMMENTS

2. The proposal to include a reference to automatic control units in the Explanatory Note to heading 84.71 stems from a comment by the European Association of Manufacturers of Business Machines and Information Technology Industry (EUROBIT), which reads as follows: "Automatic control units should be mentioned here as the recent technology of these machines fulfils the requirements of Note 5 (A) to Chapter 84". However, these statements were not backed up by any technical documentation or other details on the exact nature, mode of operation and function of the units concerned.

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- 3. The Secretariat has received comments from a manufacturer of control units, through the ICC. According to that manufacturer, the concept of "automatic control units" covers a wide range of products which fall in various different headings of the Harmonized System. The company mentions headings 84.71 (machines for performing various industrial programmes, such as the "Open Controller System", 85.37 and 90.32, but gives no technical details of the various types of machine.
- 4. In the absence of any information regarding the description, mode of operation, exact function and technical characteristics of the units at issue, the Secretariat is not in a position to draft an informed document which would enable the Committee to decide with a full knowledge of the facts on the classification of "automatic control units".
- 5. At all events, the Secretariat takes the view that the scope of the expression "automatic control units" is very vague and that it would not be appropriate to insert it as such in the Explanatory Notes without including an exact description of the units concerned. Generic terms of this kind can at first sight cover various kinds of machine, such as the automatic data processing machines and units thereof, of heading 84.71, and automatic controlling apparatus of heading 90.32.
- 6. Bearing these elements in mind, the Secretariat leaves it to the Committee to decide whether the study of this question would be continued on the basis of additional information be obtained from EUROBIT, the manufacturers or interested administrations. It recalls that the present operation is simply a matter of including new products in the Explanatory Note to heading 84.71 with a view to updating the text, and that no classification queries have been received from Contracting Parties for this type of control unit.

III. CONCLUSION

7.	The Committee is invited to decide what further action to take, bearing in mind the
	Secretariat's comments above.