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# HARMONIZED SYSTEM COMMITTEE

NC0233E1

25<sup>th</sup> Session

O. Fr.

Brussels, 18 February 2000.

# CLASSIFICATION OF THE "COLOR QUICKCAM" (RESERVATION BY JAPAN)

(Item VIII.5 on Agenda)

#### Reference document:

NC0210E1 (HSC/25)

#### I. SECRETARIAT COMMENTS

- On 27 January 2000, the Secretariat received a communication from the Argentine Administration indicating that it does not agree with the classification decided upon by the Committee at its 24<sup>th</sup> Session concerning the "Color QuickCam".
- 2. The Secretariat would remind the Committee that the Administration of Japan has entered a reservation in respect of that decision. Although Argentina's Note reached the Secretariat after the normal deadline for entering reservations, it is reproduced below given that this question is to be re-examined by the Committee.

### II. NOTE BY ARGENTINA

- 3. "The Committee's conclusion does not present any problem in respect of the separate classification of the diskettes, given that this criterion has previously been applied for the classification of the "Children's Bible Book".
- 4. However, the second part of the decision to classify the rest of the components in heading 85.25 as a set put up for retail sale by applying General Interpretative Rule 3 is not endorsed by the Argentine Administration, which feels that once the diskette has been separated from the set, the rest cannot be regarded as a new set "put up for retail sale" to which GIR 3(b) would apply; on the contrary, each element should be classified separately.

- 5. This criterion was applied by the Committee when classifying toilet sets (HSC/20, Doc. 41.600, Annex F/8) when it was decided to classify samples 1 and 2 (Annex to Doc. 41.317) in headings other than heading 96.05, each article being classified in its own heading. The "sets" were not admissible because of the presence of textile articles, and no-one proposed, at the time, to make a set from the rest of the articles.
- 6. Furthermore, although separate classification of the diskette does not require it to be imported separately and the separate classification does not require repackaging of the goods, the Argentine Administration takes the view that the separation of the diskette prevents the goods from meeting condition (c) of Item (X) of the Explanatory Note to GIR 3.
- 7. In conclusion, the Argentine Administration feels that once the diskette is removed, the rest of the goods must be classified separately applying the General Interpretative Rules, beginning with GIR 1.
- 8. Another problem to be solved is the classification of the "Color QuickCam" at 4-digit heading level. The Committee's decision was based on a vote of 25 in favour of heading 85.25 and 2 in favour of heading 84.71. However, when the Committee attempted to classify the article in the subheadings of heading 85.25 which, overall, correspond to the heading text, differences of opinion concerning the article's mode of operation prevented it from being classified. The product's classification at 4-digit level was therefore put in doubt, but the Committee confirmed its decision and asked the Secretariat to make an additional study with a view to deciding on the classification at subheading level.
- 9. The Argentine Administration takes the view that the article at issue fulfils the conditions laid down in Note 5 (D) to Chapter 84, given that it is connectable to the central processing unit, either directly or through other units, and that it can deliver data in a form (codes or signals) utilizable by the system.
- 10. After examining various catalogues for such cameras the Argentine Administration observes that the "Color QuickCam" sends digital signals which can be interpreted solely by a central processing unit, which differentiates it from the cameras of subheading 8525.30 whose video port enables them to be connected to the video monitors of heading 85.25 and from the image and sound recorders of heading 85.21; furthermore, the "Color QuickCam" does not have a device for taking still video images like the cameras of subheading 8525.40.
- 11. In the light of the foregoing the Argentine Administration feels that the Secretariat will find it hard to satisfy the Committee's request for an additional study in support of the decision to classify the Color QuickCam in heading 85.25, because technically this is an apparatus of heading 84.71 (subheading 8471.60)."

#### III. CONCLUSION

12.	The Committee is invited to take account of the Argentine Administration's Note when
	examining this Agenda Item.

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