



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM
REVIEW SUB-COMMITTEE

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PROPOSAL BY THE CANADIAN ADMINISTRATION FOR AMENDMENTS TO THE
NOMENCLATURE CONCERNING CANOLA SEEDS, CANOLA OIL AND CANOLA MEAL

(Item II.7 on the Agenda)

Reference documents :

- 40.106 (RSC/14)
- 40.470, Annex C/11 (RSC/14 - Report)
- 40.413, paragraph 56, (HSC/18)
- 40.600, Annex E/1, paragraph 41, (HSC/18 - Report)
- 40.778 (RSC/15)
- 40.920, Annex A/7 (RSC/15 - Report)
- 40.881, paragraph 12, (HSC/19)
- 41.100, Annex E/1, paragraph 13, (HSC/19 - Report)
- 41.669 (SSC/13)
- 41.690, Annex A/9 (SSC/13 - Report)
- 41.783 (RSC/17)
- 41.920 Annex A/17 (RSC/17 - Report)
- 42.237 (RSC/18)
- 42.465 (RSC/18)
- 42.500 Annex A/9 (RSC/18 – Report)

I. BACKGROUND

1. The Sub-Committee at its 18th Session continued its examination of the Canadian proposal for amendments to the Nomenclature concerning canola seeds, canola oil and canola meal.

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2. The Delegate of Canada explained that the term "canola" was a registered certification of the Canola Council of Canada to protect the quality standards associated with "canola". According to the Canola Council of Canada, once the term canola was defined in the HS, and thus acquired an international status, this protection would no longer be required through such a certification.
3. However, the delegates of the EC and Switzerland were of the view that "canola", being a trademark, should not be used in the HS Nomenclature. It was also necessary to check whether "low erucic acid rape or colza" products were replacing the traditional products of high erucic acid content, before taking any decision on the Canadian proposal. EC also noted that the criterion of glucosinolate content of 30 micromoles/gram proposed by Canada was higher than 25 micromoles/gram specified in the relevant EC regulation.
4. The Delegate of Canada, acknowledging the concerns expressed, agreed to accept the compromise solution to use the expression "low erucic acid rape or colza" in the Nomenclature. However, it was necessary that the term "canola" was also used in the Explanatory Notes to the relevant headings.
5. After discussion, Canada was asked to submit trade data for traditional rape seed or colza products to justify separate identification for "canola" products. The EC was also requested to check whether it could agree with "less than 30 micromoles of glucosinolate per gram" criterion suggested by the Scientific Sub-Committee for separately identifying the low erucic acid products in question.

II. SECRETARIAT'S ACTION AND COMMENTS

6. The Secretariat sent two requests to Canada and the EC on 3 November 1998 and 13 January 1999 concerning the questions asked by the Sub-Committee. No response was received by the time of the preparation of this document.

Trade volume of "traditional rape seed or colza products"

7. The Secretariat consulted the trade data originally submitted by Canada (see Annex to Doc. 40.106). Although the total Canadian trade for 1994 was almost \$ 2 billion, the figures provided did not contain breakouts for "canola" type products and "traditional rape seed or colza" products.
8. However, the Secretariat also consulted the technical literature available to it. A table concerning world canola/rapeseed production from 1993-1994 found in "Bailey's Industrial Oil and Fat Products" is reproduced below :

"Table 1.2 World canola/rapeseed production from 1993-1994 (26)

Region	Production (million metric tons)
China	7.00
EEC	6.03
India	5.60
Canada	5.35
Eastern Europe	1.18
Other Western Europe	0.61
Former Soviet Union	0.40
Australia	0.32
Pakistan	0.23
Other	0.52
World	27.2

”

9. The same reference also indicates that "... the conversion to canola quality cultivars has not occurred in Asia as it has in Canada and Europe. Many Asian cultivars have incorporated the low-glucosinolate trait to make the meal more acceptable as animal feed, but there has been no impetus in Asia to incorporate the low-erucic-acid trait. Asia still grows mainly the higher yielding HEAR (High Erucic Acid Rapeseed)... In general, trends in rapeseed oil production are similar to the trends in seed production..." (Vol. 2, 1996, pp. 10 and 11).

10. On the basis of the above information, it could be said that at least almost half of the world production of canola/rapeseed still consist of "traditional rape seed or colza" products (China+India+Pakistan).

"Less than 30 micromoles of glucosinolate per gram" criterion

11. The Secretariat would like to draw the attention of the Sub-Committee to the fact that this criterion had been suggested by the Scientific Sub-Committee after a careful study of the question in its 13th Session (see Doc. 41.783, paragraph 5 and 7). Therefore, the Secretariat is of the view that this criterion could be appropriately used to distinguish the low erucic acid rape seed or colza products.

Use of the expression "low erucic acid rape or colza" in the Nomenclature

12. Annex to Doc. 41.783 concerning the amendments to the Nomenclature drafted by the Secretariat on the basis of the original Canadian proposal and the conclusions of the Scientific Sub-Committee has been reproduced in the Annex to this document for ease of reference.

13. Since the Canadian Administration agreed to accept the compromise solution to use the expression “low erucic acid rape or colza” in the Nomenclature, the term “canola” has been deleted from the draft texts.
14. The editorial modifications proposed by Switzerland (see Doc. 42.237, paragraph 6.3) and Canada (see Doc. 42.465, paragraph 13) have also been introduced in the draft texts.

III. CONCLUSION

15. Taking into account the Secretariat’s comments above, the Sub-Committee is requested to finalise the draft amendments to the Nomenclature set out in the Annex to this document.

x

x x

ANNEXE

AMENDEMENT EVENTUEL DE LA NOMENCLATURE
EN CE QUI CONCERNE LES GRAINES, L'HUILE ET LA FARINE DE "CANOLA"

(Point II.A.7 de l'ordre du jour)

ANNEX

POSSIBLE AMENDMENTS TO THE NOMENCLATURE CONCERNING
"CANOLA" SEED, "CANOLA" OIL AND "CANOLA" MEAL

(Item II.A.7 on Agenda)

PROCEDURE DE L'ARTICLE 16
AMENDEMENT DE LA NOMENCLATURE

CHAPITRE 12.

Nouvelle Note de sous-position 1.

Insérer la nouvelle Note de sous-position 1 suivante.

“Note de sous-position.

- 1.- Pour l'application du n° 1205.10, l'expression “graines de navette ou de colza à faible teneur en acide érucique” s'entend des graines de navette ou de colza fournissant une huile fixe dont la teneur en acide érucique est inférieure à 2% en poids et un composant solide qui contient moins de 30 micromoles par gramme de glucosinolates.”.

N° 12.05. Nouvelles sous-positions 1205.10 et 1205.90.

Insérer les nouvelles sous-positions 1205.10 et 1205.90 suivantes.

“1205.10 - Graines de navette ou de colza à faible teneur en acide érucique
1205.90 - Autres”.

CHAPITRE 15.

Nouvelle Note de sous-position 1.

Insérer la nouvelle Note de sous-position 1 suivante.

“Note de sous-position.

- 1.- Pour l'application du n°s 1514.11 et 1514.19, l'expression “huile de navette ou de colza à faible teneur en acide érucique” s'entend de l'huile fixe dont la teneur en acide érucique est inférieure à 2% en poids.”.

N° 15.14. Sous-positions 1514.10 et 1514.90.

Nouvelle rédaction.

“ - Huile de navette ou de colza à faible teneur en acide érucique et leurs fractions :

1514.11 -- Huiles brutes
1514.19 -- Autres

- Autres :

1514.91 -- Huiles brutes
1514.99 -- Autres”.

ARTICLE 16 PROCEDURE
AMENDMENTS TO THE NOMENCLATURE

CHAPTER 12.

New Subheading Note 1.

Insert the following new Subheading Note 1.

“Subheading Note.

- 1.- For the purposes of subheading No. 1205.10, the expression “low erucic acid rape or colza seeds” means rape or colza seeds yielding a fixed oil which has an erucic acid content of less than 2 % by weight and yielding a solid component which contains less than 30 micromoles of glucosinolates per gram.”.

Heading 12.05. New subheadings 1205.10 and 1205.90.

Insert the following new subheadings 1205.10 and 1205.90.

“1205.10 - Low erucic acid rape or colza seeds
1205.90 - Other”.

CHAPTER 15.

New Subheading Note 1.

Insert the following new Subheading Note 1.

“Subheading Note.

- 1.- For the purposes of subheadings Nos. 1514.11 and 1514.19, the expression “low erucic acid rape or colza oil” means the fixed oil which has an erucic acid content of less than 2 % by weight.”

Heading 15.14. Subheadings 1514.10 and 1514.90.

Delete and substitute.

“- Low erucic acid rape or colza oil and its fractions :

1514.11 -- Crude oil
1514.19 -- Other

- Other :

1514.91 -- Crude oil
1514.99 -- Other”.

CHAPITRE 23.

Nouvelle Note de sous-position 1.

Insérer la nouvelle Note de sous-position 1 suivante.

“Note de sous-position.

- 1.- Pour l'application du n° 2306.41, l'expression “graines de navette ou de colza à faible teneur en acide érucique” s'entend des graines définies dans la Note de sous-position 1 du Chapitre 12.”.

N° 23.06. Sous-position 2306.40.

Nouvelle rédaction.

“- De graines de navette ou de colza :

2306.41 -- De graines de navette ou de colza à faible teneur en acide érucique
2306.49 -- Autres”.

CHAPTER 23.

New Subheading Note 1.

Insert the following new Subheading Note 1.

“Subheading Note.

1.- For the purposes of subheading No. 2306.41, the expression “low erucic acid rape or colza seeds” means seeds as defined in Subheading Note 1 to Chapter 12.”

Heading 23.06. Subheading 2306.40.

Delete and substitute.

“- Of rape or colza seeds :

2306.41 -- Of low erucic acid rape or colza seeds
2306.49 -- Other”.
