



WORLD CUSTOMS ORGANIZATION  
ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM  
REVIEW SUB-COMMITTEE

-  
25<sup>th</sup> Session  
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NR0251E1  
(+ Annexes I and II)

O. Eng.

Brussels, 14 February 2002.

COMPREHENSIVE REVIEW OF THE EXPLANATORY NOTES

HEADING 84.71

(Item III.C.7 on Agenda)

I. BACKGROUND

1. At its 23<sup>rd</sup> Session, the Review Sub-Committee held a discussion on the timing of the general review of the HS Explanatory Notes and it was agreed that the Sub-Committee should begin this review at its next session (see Annex B/2 to Doc. NR0165E2).

II. SECRETARIAT COMMENTS

2. The Secretariat has reviewed the Explanatory Note to heading 84.71 and has prepared proposed amendments to better reflect the structure of the subheadings. The proposed amendments are reproduced in Annex I to this document. The specific rationale for each change is found in the table set out in Annex II. The Secretariat has used the “strikethrough” method to highlight its proposed deletions of existing text and the “underline” method to highlight its proposed additions of new text. The following explains the general rationale behind the proposal.
3. The Secretariat would first draw the Sub-Committee’s attention to the fact that it has used the version of the Explanatory Notes approved by the HSC at its 28<sup>th</sup> Session (see Annex M/10, Doc. NC0510E2) and which, at the time of the drafting of this document, was still within the timeframes set for administrations to submit reservations.
4. Until 1996, subheading 8471.20 (digital automatic data processing (ADP) machines, containing in the same housing at least a central processing unit and an input and output unit, whether or not combined) was the only provision for digital ADP machines.
5. In 1996 the structure was modified to provide for portable digital ADP machines (subheading 8471.30) and digital ADP systems (subheading 8471.49).

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- 8471.30 - Portable digital automatic data processing machines, weighing not more than 10 kg, consisting of at least a central processing unit, a keyboard and a display
  - Other digital automatic data processing machines :
  - 8471.41 -- Comprising in the same housing at least a central processing unit and an input and output unit, whether or not combined
  - 8471.49 -- Other, presented in the form of systems
6. These changes provided distinct classifications for single-unit digital ADP machines, portable digital ADP machines and digital ADP systems.
7. The Secretariat, upon reviewing its past correspondence and mission reports, discovered that a number of administrations have expressed concern that the use of the terms machine and system in Section (A) of the existing Explanatory Note to heading 84.71 did not clearly reflect that distinction. Therefore, the Secretariat has drafted the attached proposed amendments.
8. The Secretariat considers its proposal for section (A) to be simply a restructuring of the existing text. It first defines the basic digital ADP machine in a single housing, proceeds to discuss such machines when they are portable and then the machines in the form of a system. The Secretariat is of the opinion that this presentation more closely conforms to the structure of the subheadings.

### III. CONCLUSION

9. The Review Sub-Committee is invited to consider the proposed amendments to the Explanatory Note to heading 84.71, as set out in Annex I, as well as the Secretariat's specific rationale for each proposed changed set out in Annex II to this document.

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