

WORLD CUSTOMS ORGANIZATION ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM REVIEW SUB-COMMITTEE

NR0416E1 (+ Annexes I and II)

28th Session

O. Eng.

Brussels, 30 June 2003.

POSSIBLE AMENDMENTS TO HEADINGS 85.35 AND 85.36

(PROPOSAL BY THE **EC**)

(Item III.A.18 on Agenda)

Reference documents:

NR0380E1 (RSC/27)

NR0400E3, Annex D/11 (RSC/27 - Report)

I. BACKGROUND

- 1. At its 27th Session, the Review Sub-Committee examined a proposal submitted by the EC to amend the Nomenclature to Chapter 85. While explaining the purpose of the proposal, the EC Delegate indicated that he could also accept the Secretariat's alternative texts proposed in Annex II to Doc. NR0380E1.
- 2. The Swiss Delegate, while indicating that his administration could accept the reference to "connectors" in heading 85.35 and in the first part of heading 85.36, considered that the connectors for optical fibres, optical fibre bundles or optical fibre cables were accessories for commodities classified in Chapter 90, and that they should remain classified in that heading.
- 3. Responding to an observation made by one delegate, the EC Delegate clarified that transceivers and repeaters for optical cables were not intended to be covered by the proposed wording. That being the case, some delegates suggested excluding them in the Explanatory Note to be prepared. The EC Delegate informed the Sub-Committee that he would endeavour to obtain further technical literature with a view to identifying the commodities at issue in a better way.
- 4. The Chairperson concluded that there was consensus on the proposal to insert a reference to "connectors" in heading 85.35 and in the first part of heading 85.36. One administration raised concerns that the proposed subheading 8536.70 may expand the scope of the heading and that further information was needed as to the type of products to be included and the headings from which they would be transferred. The other proposals,

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NR0416E1

which were placed in square brackets, would be further discussed at the Sub-Committee's next session, on the basis of the Secretariat's alternative text proposal and taking into account any information which might be received from administrations. The Secretariat's text, reproduced from Annex F/24 to Doc. NR0400E3, is set out in Annex II to this document.

II. <u>SECRETARIAT COMMENTS</u>

5. At the time of the drafting of this document, the Secretariat has not received any further information from administrations. For the convenience of delegates, the Secretariat has reproduced in Annex I to this document its comments relative to the texts in Annex II which remain in square brackets.

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Extract from Doc. NR0380E1

- 1. With respect to the **EC** proposal to add a reference to "connectors for optical fibre cables" at the end of heading 85.36, the Secretariat would like to offer the following comments.
- 2. Since this part will be added as a new, separate part of the heading text after a semicolon, and since the first part of the heading text does not refer to connectors for optical fibre cables, the Secretariat considers that the word "other" in front of "connectors" is superfluous and possibly confusing. It, therefore, suggest deleting this term if the proposal to add a reference to this type of connector is acceptable to the Sub-Committee.
- 3. The Secretariat also suggests using the terminology found in headings 85.44 and 90.01 with respect to optical fibres, optical fibre bundles and optical fibre cables. The duly amended proposal would then read as follows:

"connectors for optical fibres, for optical fibre bundles or for optical fibre cables"

(French version : "connecteurs pour fibres optiques, pour faisceaux de fibres optiques ou pour câbles de fibres optiques").

- 4. The Secretariat suggests using this text for proposed subheading 8536.70, as well. The texts have been reproduced as alternative proposals in Annex II to this document.
- 5. In this connection, the Secretariat would like to draw the Sub-Committee's attention to some consequences of adopting the proposal to classify connectors for optical fibres, for optical fibre bundles or for optical fibre cables in heading 85.36.
- 6. First, parts suitable for use solely or principally with such connectors will be transferred from other Sections to heading 85.38.
- 7. Second, boards, panels, consoles, etc., comprising one electrical apparatus of heading 85.36 and connectors for optical fibres or optical fibre cables, will be classifiable in heading 85.37.
- 8. Finally, connectors for optical fibres, for optical fibre bundles or for optical fibre cables of heading 90.01, may be considered as accessories for these fibres, bundles and cables. Such accessories are classifiable in heading 90.01, by virtue of Note 2 (b) to Chapter 90. In order to avoid any conflicting situation, if the proposed amendment is adopted, the Secretariat suggests inserting a new exclusion in Note 1 (h) to Chapter 90, as follows:

"connectors for optical fibres, for optical fibre bundles or for optical fibre cables (heading 85.36)"

(French version : "connecteurs pour fibres optiques, pour faisceaux de fibres optiques ou pour câbles de fibres optiques (n° 85.36)").

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