

EXECUTIVE SUMMARY – 32ND SESSION OF THE HS COMMITTEE (HSC)

HSC held its 32nd Session from 17 to 28 November 2003. Mr. C.E. (Ed) De Jong (The Netherlands) chaired. 83 HS Members (including the EC) were represented. 8 WCO Members and 5 international organisations were represented as observers.

1. Report by the Secretariat

- 1.1 **HS position as of 28 November 2003 and progress report on implementation of HS 2002 :** There are now 114 CPs; Bolivia and Kuwait being the new CPs; HS is used by almost 200 countries for tariff and statistical purposes. 87 CPs implemented HS 2002 by 28 November 2003. 27 CPs have not yet implemented the latest version, or have not yet responded to the Secretariat's requests for information (paras. 8 to 19).
- 1.2 **Report on PC/49 and Council/101 and 102 :** HSC took note of recent developments (paras. 20 to 29).
- 1.3 **Approval of HSC/31 decisions :** HSC took note of the fact that no reservation had been entered in respect of the decisions taken by the Committee at the 31st Session (paras. 30 and 31).
- 1.4 **Capacity building activities of the Nomenclature and Classification Sub-Directorate :** HSC took note of the fact that the Secretariat was continuing to provide technical assistance to Member administrations in the form of regional and national seminars. Director informed HSC that Secretariat would be organising, in December 2003, a regional HS seminar for the North African, Near and Middle East Region in Cairo, Egypt. Through the sponsorship of the Japanese Administration, national seminars in China and Kenya and regional ones in Vietnam and Costa Rica are also planned for the first part of 2004 (paras. 32 to 34).
- 1.5 **Co-operation with other international organisations :** HSC took note of WCO's close co-operation with UNSD, UNEP (Ozone), ICC, OPCW and INBAR (FAO) (paras. 36 to 41).
- 1.6 **New information provided on the WCO Web site :** HSC took note of latest developments with regard to the public and Members' WCO Web sites (paras 42 and 43).
- 1.7 **Progress of the High-Level Working Group on HS Matters :** Director informed HSC about the progress of the High-Level Working Group on HS Matters; HSC took note of the Director's report (paras. 44 and 59).
- 1.8 **WCO E-Learning :** HSC received a presentation on the WCO e-learning programme (an interactive, multimedia online learning facility) (paras. 60 to 62).
- 1.9 **Staff changes :** HSC was informed that a significant part of the Nomenclature Sub-Directorate staff has gone or is going back to their administrations (paras. 63 to 68).

2. General questions

- 2.1 **Use of working languages for HS matters:** Director informed HSC that the Secretariat had continued its efforts toward making Russian and Spanish real working languages of the Harmonized System. Delegates were concerned that it was still not clear who was responsible for the preparation of amending supplements in Spanish. Director recognised that the situation was not satisfactory since it was not clear how the HS publications in Spanish would be updated. He stressed that the Secretariat would actively pursue this issue during the intersession. HSC took note (Annex C/1).
- 2.2 **Correlation Tables between the 1996 and 2002 versions of the Harmonized System : possible corrigendum to Doc. NG0023B1 :** HSC accepted the proposed additional corrigendum to the Correlation Tables, as set out in the Annex to Doc. NC0770E1, and noted that Secretariat would make available a corrigendum to be added to the present draft Correlation Tables as published by the WCO (Annex C/2).

3. Technical questions (Article 8 procedure)

3.1 Classification decisions

- 3.1.1 "**Bonnet Bleu**" - Concentrated milk with added sugar in subheading 0402.99 (F/1).
- 3.1.2 "**Palm V**" presented as a set with cradle and installation software classified on basis of GIR 3 (b) (F/2).

- 3.1.3 **"Media Composer 1000"** in subheading 8543.89 (F/3).
- 3.1.4 **"Sony Playstation™2" ("PS2")** in subheading 9504.10 (F/5).
- 3.1.5 **Sugar cubes containing caramel** in subheading 1701.91 (F/8).
- 3.1.6 **Antimycotic agent by the name of "Natamax"** in subheading 3808.20 (F/10).
- 3.1.7 **Whipped cream in spray form** in subheading 1901.90 (G/1).
- 3.1.8 **Spirits obtained by distilling fermented sugar-cane juice by the name of "cachaça"** in subheading 2208.40 (G/2).

3.2 **EN amendments**

- 3.2.1 **EN to heading 03.02.** To clarify the classification of skate fins (of the genus Raja) (E/2, L/2).
- 3.2.2 **EN to Section XI. General.** Insertion of drawings to clarify the classification of yarn put up in hanks (E/5, L/5).
- 3.2.3 **EN to heading 84.42.** Alignment of the English and French texts (E/6, L/6).
- 3.2.4 **EN to heading 84.43.** To clarify the classification of sheet-fed presses (E/7, L/7).
- 3.2.5 **ENs to headings 84.19 and 84.76.** To clarify the scope of the term "vending" (E/8, L/8).
- 3.2.6 **EN to heading 85.23.** To clarify the classification of Flash Electronic Cards (F/15, L/10).
- 3.2.7 **EN to heading 44.11** (D/1, paras. 31 and 32, L/12).
- 3.2.8 **EN to heading 76.02.** Alignment of the French and English texts (D/1, paragraph 91, L/13).
- 3.2.9 **ENs to Chapters 84, 85, 87 and 90** (D/1, paras. 98 to 108, L/14 to L/23).
- 3.2.10 **ENs to Chapters 39 and 40.** Certain sanitary or hygienic articles (F/11, L/24).
- 3.2.11 **ENs to heading 25.05 and General EN to Chapter 69** (G/4, L/25).
- 3.2.12 **ENs to the GIRs, headings 28.21, 31.05 and 38.08, and Chapter 84** (G/5, L/26).
- 3.2.13 **EN to heading 29.37** (G/6, L/27).

3.3 **Classification Opinions**

- 3.3.1 **Insertion of pictures or drawings** (12 cases in Chapters 84 to 97) (E/1, L/1).
- 3.3.2 **OP 0303.79/1** with regard to skate fins (of the genus Raja) (E/2, L/2).
- 3.3.3 **OP 3302.10/1** with regard to a beverage base (E/3, L/3).
- 3.3.4 **OP 3305.10/1** with regard to certain modified starches (E/4, L/4).
- 3.3.5 **OP 8516.80/1** with regard to a bread-making machine (E/9, L/9).
- 3.3.6 **Existing OP 3207.30/1.** Alignment of the French and English texts (D/1, paras. 87 to 90, L/13).
- 3.3.7 **Existing OP 8535.90/1.** Insertion of pictures (H/2, L/28).

4. **Technical questions. Article 16 procedure (HS 2007)**

The following amendments were provisionally adopted.

- 4.1 **Subheadings 0105.92 and 0105.93 and ENs (deletion)** (D/1, paras. 6 and 7, M/4, N/3).
- 4.2 **Subheading 0406.40 and ENs** (D/1, paras. 8 and 9, M/5, N/4).
- 4.3 **Nomenclature with regard to the Rotterdam Convention** (D/1, paras. 11 and 12, M/6).
- 4.4 **Structured nomenclature to heading 38.24** (D/1, paras. 16 and 17, M/7).
- 4.5 **Chapter 44 (Subheading Note, headings 4407.24, 4407.27, 4407.28, 4407.93 to 4407.95, 4410.2 to 4410.90, 4411.92 to 4411.94, 4412.2 to 4412.99 and 4418.60)** (D1, paras. 19 to 30, M/8, M/9).
- 4.6 **Chapters 54 and 55** (D/1, paras. 37 and 38, M/11).
- 4.7 **Notes to Chapters 84 and 85, headings 85.08 and 85.09** (D/1, paras. 40 to 46, M/12).
- 4.8 **Headings 85.35 and 85.36** (D/1, paras. 48 to 50, 52 and 53, M/13).
- 4.9 **Heading 90.30** (D/1, paras. 55 to 59, M/15).
- 4.10 **New Note 4 to Chapter 95** (D/1, paras. 60 to 63, M/16).
- 4.11 **Heading 39.07 poly(lactic acid)** (D/1, paras. 71 to 73, M/17).
- 4.12 **Chapters 20, 44, 46, 47, 48 and 94 – Bamboo products** (D/1, paras. 74 to 76, M/18).
- 4.13 **Note 1 to Chapter 95** (D/1, paras. 78 and 79, M/19).
- 4.14 **Heading 39.24** (D/1, paras. 82 and 83, M/20).
- 4.15 **Subheading 0210.9 – English text** (D/1, paras. 88 to 90, M/21).
- 4.16 **Note 4 to Chapter 30** (D/1, paras. 92 and 93, M/22).
- 4.17 **Heading 61.10, legal text and EN - English version** (F/14, M/2, N/2).