



HARMONIZED SYSTEM  
COMMITTEE

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29<sup>th</sup> Session  
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NC0541E1

O. Eng.

Brussels, 28 February 2002.

CLASSIFICATION OF CONCENTRATED MILK WITH ADDED SUGAR

(Item VIII.2 on Agenda)

Reference documents :

NC0400E1 (HSC/27)  
NC0430E2, Annex IJ/2 (HSC/27 - Report)  
NC0510E2, para. 7 (HSC/28 - Report)

I. BACKGROUND

1. At its 27<sup>th</sup> Session (May 2001) the HS Committee examined the classification of concentrated milk with added sugar. This Agenda item stemmed from a classification dispute between the **EC** and **Cameroon** which, in accordance with Article 10 of the HS Convention, had been referred to the HS Committee.
2. After a short exchange of views, the two parties agreed that the reason for this classification dispute was most likely the result of two contradictory laboratory analyses which had been carried out in the exporting and the importing countries with regard to the origin of the fat in the product at issue. According to the analysis made available by the **EC**, this product contained only animal fat. On the other hand, in accordance with the analysis presented by the **Cameroon** Administration the product also contained other fat than animal fat.
3. The Committee therefore agreed to send samples of the product at issue to Customs laboratories in other parts of the world for analysis in order to find out the exact composition of the product, particularly with regard to the origin of the fat. Based on the results of these analyses, the dispute between the two Contracting Parties could be settled in accordance with Article 10 of the Convention.

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4. The Delegates from Mexico, Japan, Norway and the United States offered their laboratories' assistance in carrying out the necessary analyses in this respect. It was therefore decided that both the Netherlands and Cameroon Administrations should send samples of the product at issue to the Secretariat, which would provide for the necessary transmittals to the Customs laboratories in the above four countries.
5. The Secretariat received results of the analyses from three administrations (Japan, Norway and the US). These results were submitted to the Cameroon Administration and to the EC by the Secretariat in November 2001. Based on the results of these analyses, the Secretariat encouraged the two administrations to settle their dispute in accordance with Article 10 of the HS Convention.

## II. SECRETARIAT COMMENTS

6. At the time of preparation of this document, the Secretariat has received no information from the administrations concerned with regard to their dispute. Cameroon and the EC are therefore invited to inform the Committee of the present state of affairs.

## III. CONCLUSION

7. The Committee is invited to take note of the information provided above and to await the reports of the administrations concerned.
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