



HARMONIZED SYSTEM
COMMITTEE

-
27th Session
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NC0364E1
(+Annexes I and II)
O. Eng.

Brussels, April 2001.

AMENDMENTS TO THE HS-RELATED RECOMMENDATIONS
TO TAKE INTO ACCOUNT THE HS 2002 AMENDMENTS
(Item IV.3 on Agenda)

Reference documents :

Doc. 39.649
NG0017B1
NG0007B1

I. BACKGROUND

1. The list of HS codes in the Annex to the 20 June 1995 Recommendation of the Customs Co-operation Council on the use of standard units of quantity (as amended on 25 June 1999) is based on HS 1996 (see Doc. 39.649). As of 1 January 2002, this list should be updated, by deleting certain codes and adding certain others together with their appropriate standard units of quantity, as a consequence of the amendments to the Nomenclature accepted pursuant to the Council Recommendation of 25 June 1999 (see Doc. NG0017B1).
2. In making the aforementioned amendments to the Nomenclature, the HS Contracting Parties also agreed to give separate status to certain substances to facilitate the monitoring and control of narcotic drugs and psychotropic substances. As a result of this work, all of the products listed in the 18 June 1996 Recommendation of the Council on narcotic drugs and psychotropic substances (as amended on 25 June 1999), except for the "concentrates of poppy straw" of heading 13.02, have been separately identified in HS 2002.
3. The Secretariat's view of all of the HS-related Recommendations has shown that none of the other Recommendations have been affected by the HS 2002 amendments.

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II. SECRETARIAT PROPOSALS

Recommendation on the use of standard units of quantity

4. The 2002 amendments to the Nomenclature require a few editorial changes in paragraphs 7 and 8 of the body of the 1995 Recommendation on the use of standard units of quantity.
5. In addition, however, the Secretariat would remind the Committee that paragraphs 10 and 11 of the body of the 1995 Recommendation had been amended in 1999 (see Doc. NG0007B1) to provide Member Administrations and Contracting Parties with the possibility of partial acceptance of the Recommendation by employing not less than 90 percent of the subheadings.
6. Taking into account the modifications indicated above, the Secretariat has prepared a draft revised Recommendation on the use of standard units of quantity. This draft is set out in Annex I to this document.
7. In this connection, the Secretariat would propose that Member administrations and Contracting Parties which have already adopted the 1995 Recommendation on the use of standard units of quantity, as amended on 25 June 1999, should not have to notify the acceptance of the revised Recommendation in view of the mechanical nature of the revision. This point has been reflected in the "ASSUMING" paragraph of the revised Recommendation.

Recommendation on narcotic drugs and psychotropic substances

8. Situation is different in respect of the 1996 Recommendation on narcotic drugs and psychotropic substances as it will be applicable, from 1 January 2002, only for the "concentrates of poppy straw" of heading 13.02 for which no separate subheading was provided in HS 2002.
9. Recently, the World Health Organization and the UN International Narcotics Control Board (INCB) brought to the attention of the WCO Secretariat that three substances had been added to Schedule I of the Single Convention on Narcotic Drugs, 1961, as amended by the 1972 Protocol.
10. In this connection, the Secretariat has contacted the INCB to see whether it still needs a WCO Recommendation for the "concentrates of poppy straw" of heading 13.02 and those three additional substances. The INCB's reply (if any) will be reported to the Committee at its 27th Session.
11. The Secretariat does not favour such a recommendation (for one or four substances only), considering the legal and administrative burdens it would impose on Member administrations and Contracting Parties.
12. Depending on the reply from the INCB, the Committee might be taking the following two actions :
 - (a) Propose revocation of the Recommendation; or

- (b) Amend the Recommendation with a view to recommending Member administrations and the HS Contracting Parties to insert an additional subdivision in their statistical nomenclatures for the concentrates of poppy straw of subheading 1302.11 (and possibly for three new substances).
13. However, taking into account that the Committee might be amending the Recommendation (option (b) above), the Secretariat has also prepared a draft revised Recommendation on narcotic drugs and psychotropic substances. This draft is set out in Annex II to this document.
14. Paragraphs 5 and 6 of the body of the 1996 Recommendation had also been amended in 1999 (see Doc. NG0009B1) to provide Member administrations and Contracting Parties with the possibility of partial acceptance of the Recommendation by employing not less than 90 percent of the subheadings. However, this provision will not be applicable, from 1 January 2002, if the new Recommendation contains only one four (or even 4) substance(s). This point has been reflected in the draft revised Recommendation.

III. CONCLUSIONS

15. To be effective from 1 January 2002 the draft texts of the revised Recommendations must be submitted to the Council at its June 2001 Sessions for adoption. The Committee is invited :
- (a) to approve the draft revised Council Recommendation on the use of standard units of quantity, as set out in Annex I to this document, and the revocation of the 1995 Recommendation and the 1999 amendments thereto; and
 - (b) to approve, with effect from 1 January 2002, either (i) the revocation of the 1996 Council Recommendation on narcotic drugs and psychotropic substances and the 1999 amendments thereto, or (ii) the draft revised Recommendation, as set out in Annex II to this document, and the revocation of the 1996 Recommendation and the 1999 amendments thereto.

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