

II

(Non-legislative acts)

DECISIONS

COUNCIL DECISION (EU) 2020/1532

of 12 October 2020

on the position to be taken, on behalf of the European Union, in the 66th session of the Harmonized System Committee of the World Customs Organization in relation to the envisaged adoption of Classification Opinions, classification decisions, amendments to the Harmonized System Explanatory Notes or other advice on the interpretation of the Harmonized System, and of recommendations to secure uniformity in the interpretation of the Harmonized System under the Harmonized System Convention

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 31, Article 43(2) and Article 207(4), first subparagraph, thereof, in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) By Council Decision 87/369/EEC ⁽¹⁾, the Union approved the International Convention on the Harmonized Commodity Description and Coding System ⁽²⁾, and the Protocol of Amendment thereto ⁽³⁾ (HS Convention), which established the Harmonized System Committee (HSC).
- (2) Pursuant to points (b) and (c) of Article 7(1) of the HS Convention, the HSC is, inter alia, responsible for preparing Explanatory Notes, Classification Opinions, other advice on the interpretation of the Harmonized System and for preparing recommendations to secure uniformity in the interpretation and application of the Harmonized System.
- (3) The HSC is expected to decide on Classification Opinions, classification decisions, amendments to the Explanatory Notes or other advice on the interpretation of the Harmonized System and to decide on recommendations to secure uniformity in the interpretation of the Harmonized System under the HS Convention at its September 2020 session.
- (4) It is important to recall that, according to the settled case law of the Court of Justice of the European Union, in the interests of legal certainty and ease of verification, the decisive criterion for the classification of goods for customs purposes is, in general, to be sought in their objective characteristics and properties as defined in the wording of the relevant heading of the customs nomenclature and the relative section and chapter notes.

⁽¹⁾ Council Decision 87/369/EEC of 7 April 1987 concerning the conclusion of the International Convention on the Harmonized Commodity Description and Coding System and of the Protocol of Amendment thereto (OJ L 198, 20.7.1987, p. 1).

⁽²⁾ OJ L 198, 20.7.1987, p. 3.

⁽³⁾ Protocol of Amendment to the International Convention on the Harmonized Commodity Description and Coding System (OJ L 198, 20.7.1987, p. 11).

- (5) In view of the Classification Opinions, classification decisions, amendments to the Explanatory Notes or other advice on the interpretation of the Harmonized System, and of recommendations to secure uniformity in the interpretation of the HS Convention, it is appropriate to establish the position to be taken on the Union's behalf, because, once accepted, those Classification Opinions, and certain of those classification decisions and amendments will be published in a Commission Communication under point (a)(iii) of Article 34(7) of Regulation (EU) No 952/2013 of the European Parliament and of the Council ⁽⁴⁾, and become applicable to Member States. The position will be expressed at the HSC.
- (6) This Decision supplements Council Decision (EU) 2020/1410 ⁽⁵⁾,

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken, on behalf of the Union, in the 66th session of the Harmonized System Committee of the World Customs Organization on the approval of Explanatory Notes, Classification Opinions or other advice on the interpretation of the Harmonized System and of recommendations to secure uniformity in the interpretation of the Harmonized System under the HS Convention, is set out in the Annex.

Article 2

Minor technical changes to the position referred to in Article 1 may be agreed upon by the representatives of the Union without further decision of the Council.

Article 3

This Decision shall enter into force on the date of its adoption.

Done at Luxembourg, 12 October 2020.

For the Council
The President
J. BORRELL FONTELLES

⁽⁴⁾ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).

⁽⁵⁾ Council Decision (EU) 2020/1410 of 25 September 2020 on the position to be taken, on behalf of the European Union, in the 66th session of the Harmonized System Committee of the World Customs Organization in relation to the envisaged adoption of Classification opinions, classification decisions, amendments to the Harmonized System Explanatory Notes or other advice on the interpretation of the Harmonized System, and of recommendations to secure uniformity in the interpretation of the Harmonized System under the Harmonized System Convention (OJ L 327, 8.10.2020, p. 1).

ANNEX

This Annex supplements the Annex to Decision (EU) 2020/1410.

II.2. Development of correlation tables between the 2017 and 2022 versions of the Harmonized System (Doc. NC2704, NC2749 and NC2753)

Concerning the correlation table for subheadings 4 407,13 and 4 407,14 (mixtures of S-P-F (spruce, pine and fir) and Hem-fir (Western hemlock and fir)), the Union shall support the correlations proposed by the WCO Secretariat in paragraph 20 of document NC2753.

Concerning the correlation table for subheading 4 418,83 (I beams), the Union shall support the correlations proposed by Japan in paragraph 14 of document NC2753.

Concerning the correlation table for subheading 7 019,71 (veils/thin sheets of glass fibres), the Union notes that the only transfer from HS 2017 would be from subheading 7 019,32.

Concerning the correlation table for subheadings 8 462,62 and 8 462,63 (forging machines), the Union shall support keeping all the subheadings proposed for transfer mentioned under HS 2017, including the ones in square brackets.

Concerning the correlation table for subheading 8 519,81 (telephone answering machines), the Union shall support the proposal of the WCO Secretariat in paragraph 26 of document NC2704.

Concerning the correlation table for subheading 8 539,51 (LED), the Union shall support the WCO Secretariat's conclusion in paragraph 24 of document NC2704.

Concerning the correlation table for new subheading 8 541,51 (semiconductor-based transducers), the Union notes that there is no evidence of parts classified separately in the HS 2017 version. Therefore no additional transfers are needed.

Concerning the correlation table for heading 88.06 (unmanned aircraft), the Union shall support option (i) mentioned in paragraph 25 of document NC2704.

Finally, the Union shall support the correction of some editorial errors in the draft Correlation Tables I and II, as set out in the Annex to document NC2753.

III.4. Classification in HS 2022 of certain collections and collectors' pieces of numismatic interest (Request by the Secretariat) (Doc. NC2711, NC2754)

The Union would classify the three products in the new subheading 9 705,31 in HS 2022. The Union notes that both Canada and the WCO Secretariat support the Union's proposal to delete the mention of the "coins generally known in the trade as 'ancients' or 'ancient coins'" from the second paragraph of Item (4) of new Part (A) of HSEs to heading 97.05.

III.5. Classification in HS 2022 of cartridges for 3D printers (Request by the Secretariat) (Doc. NC2712, NC2755)

The Union shall support the proposal for amending the HSEs which specifies that 3D printer cartridges with electronic components or mechanical mechanisms should be classified as parts of 3D printers.

The Union would classify products presented in both documents NC2712 and NC2755 in heading 84.85 in HS 2022 as parts of 3D printers considering the presence of electronic components for connection to a 3D printer.

III.7. Report of the 57th Session of the HS Review Sub-Committee (Doc. NR1434)

III.8. Matters for decision (Doc. NC2709)

(a) Annexes C/4 and D/8 – Amendments to the Explanatory Notes (HS 2022) (Section VI)

(b) Annexes C/5, D/9 and D/22 – Amendments to the Explanatory Notes (HS 2022) (Section VII)

- (c) Annexes C/8 and D/12 – Amendments to the Explanatory Notes consequential to the Article 16 Recommendation of 28 June 2019 (Section XIII)
- (d) Annexes C/13 and D/17 – Amendments to the Explanatory Notes consequential to the Article 16 Recommendation of 28 June 2019 (Section XX)
- (e) Annexes C/14 and D/18 – Possible amendments to the Explanatory Notes in respect of certain amusement park equipment (Proposal by the United States)

The Union shall agree to all proposed amendments in those documents.

- (f) Annexes C/1 and D/5 – Possible amendments to the Explanatory Notes to heading 15.09 in respect of other virgin olive oils, and heading 15.15 in respect of examples of microbial fats and oils

Concerning the HSEs to heading 15.09, the Union shall support the Union's proposal (option 2) and the new Canadian proposal (option 3). In item (D)(2), the Union shall support the use of “or” (option 2) instead of “and/or”.

Concerning the HSEs to heading 15.15, the Union shall support the use of the expression “single cell organism” (option 1), and the use of “or” (option 2) instead of “and/or”. In examples (a) and (b), the Union shall support the use of the expression “obtained from” (option 2).

- (g) Annexes C/3 and D/7 – Possible amendments to the Explanatory Notes in respect of “placebos” and “double-blinded clinical trial kits” in heading 30.06 (Request by Australia)

Concerning the sentence “The placebos of this heading also include [control vaccines] [controlled vaccines] [vaccines which are used as control substances and] that have been licensed for use in recognized clinical trials.”, the Union shall not support adding this sentence to the text of item (12) of the HSEs to heading 30.06, as it is not clear what kind of substances are described by it. If the other Contracting Parties decide to add it, the Union shall support “vaccines which are used as control substances” (option 3), or if flexibility is needed, “control vaccines” (option 1).

Concerning the sentence “[Active ingredients to be trialled can include herbal medicinal products [for therapeutic or prophylactic uses].]”, the Union shall remain flexible for adding it to the text, but shall not support an open list of examples as suggested by the United States.

- (h) Annexes C/6 and D/10 – Amendments to the Explanatory Notes Consequential to the Article 16 Recommendation of 28 June 2019 (Section IX)

The Union shall support the proposal to add Subheading Explanatory Notes to subheadings 4 412,41, 4 412,42 and 4 412,49. The Union shall request that the proposed text needs to be further analysed and improved in order to bring it in line with the current classification practices in the Union (for example, the orientation of the veneers).

- (i) Annexes C/7 and D/11 – Amendments to the Explanatory Notes consequential to the Article 16 Recommendation of 28 June 2019 (Sections XI and XII)

The Union shall support adding “paraseismic wall covering” and “geotextiles” to the list of examples of electronic textiles. In the text on “geotextiles”, the Union shall support the text “a sensor made of fibres or at least being fully integrated in the fibres” (option 2) as previously suggested by the Union.

The Union shall support provisionally adopting the texts approved by the HS Review Sub-Committee.

- (j) Annexes C/12 and D/16 – Amendments to the Explanatory Notes Consequential to the Article 16 Recommendation of 28 June 2019 (Section XVII)

The Union shall support adding the reference to permanently integrated cameras in paragraph 3 of the HSEs to heading 88.06, provided that the Classification Opinion classifying a drone with an integrated camera in heading 85.25 is reviewed and aligned with HS 2022 and HSEN.

In relation to paragraph 4 of the HSEs to heading 88.06, the Union shall support the proposal by China with additional technical criteria introduced by the Union (second option).

- (k) Annexes C/15 and D/19 – Possible amendment to the Explanatory Notes to Chapter 97 in respect of certain cultural articles (Proposal by the United States)

The Union shall not support the list of items mentioned as examples, as these are very specific and limited to explain the scope of the articles to be classified under subheading 9 705,10.

The Union further notes that the definitions and examples provided would not give clarity on how to classify for example “traditional national costumes” or “old cars”.

- (l) Annexes C/16 and D/20 – Amendment to the GIR’s Explanatory Notes (HS 2022)

The Union shall support the original proposal by the WCO Secretariat (option 1, using the term “merely”, but remaining flexible for the expression “not further worked than”) and shall request to align the texts in English and French.

- III.9. Possible amendment of the Explanatory Note to heading 71.04 in relation to synthetic diamonds (Proposal by the Kimberley Process) (Doc. NC2757)

The Union shall agree to the proposed modifications to the new third paragraph to heading 71.04 and to the creation of new item (3) of the subheading Explanatory Notes to subheading 7 104,91.

- III.10. Classification of a micro-electro-mechanical systems (MEMS) element in HS 2022 (Proposal by the Secretariat)

The Union would classify the product in heading 85.41.
