



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Customs
Customs Tariff

Brussels
Taxud/A-4/KVM D(2020) 1848493

REPORT

of the 32nd meeting of the

**Customs Expert group
Tariff and Statistical Nomenclature Section
HS/WCO Coordination Sector**

**3-5 March 2020
Brussels**



Minutes of the Expert Group

**32nd Customs Expert Group
Tariff and Statistical Nomenclature Section
(HS/WCO Coordination Sector)
held in Brussels from 3rd to 5th March
in the Albert Borschette Conference Centre,
36, rue Froissart, Brussels (commencing 10h00, ending 18h00).**

1. Approval of the agenda and of the minutes of previous meeting

- 1.1. Adoption of the agenda
Doc. TAXUD/463519/2020
- 1.2. Adoption of the minutes of the 30th meeting of the Customs Expert Group (November)
Doc. TAXUD/8759424/2019

2. Nature of the meeting

Non-public meeting to discuss issues related to the Harmonized System.

3. List of points to be discussed

- 3.1. Commission Communication under article 34 paragraph 7 a) iii) of Regulation (EU) 952/2013 of the European Parliament and of the Council of 9th October 2013

Measures taken in the framework of article 34 paragraph 7 a) of Regulation (EU) 952/2013 of the European Parliament and of the Council of 9th October 2013:

- Amendments of the Explanatory Notes to the Harmonized System
- Classification Opinions of the Customs Cooperation Council

Doc. TAXUD/463556/2020

The discussion of this item will be followed by expressions of delegations' opinions.

- 3.2. Post-coordination of the 56th meeting of the HS Review Sub-Committee
Doc. WCO NR1403
- 3.3. Pre-coordination of the 65th meeting of the HS Committee. Study of all available documents on the agenda of the aforementioned Committee and fixing of a joint position.

Doc. WCO NC2694

3.4. Possible amendment to the HSEN concerning semiconductor transducers

Doc. TAXUD/463563/2020

3.5. Possible amendment to the HSEN to heading 90.21

Doc. TAXUD/463568/2020

3.6. Possible amendment to the HSEN to heading 44.07

Doc. TAXUD/463575/2020

3.7. Classification of derivatives of isothiazolinones

Doc. TAXUD/463577/2020

3.8. Classification of certain electronic textiles

Doc. TAXUD/463580/2020

3.9. Classification of MCPs

Doc. TAXUD/463589/2020

3.10. Any other business

3.11. Meeting between the EU and the associated countries (5th March from 15:00 to 18:30)

Consultation between the EU and the associated countries to prepare for 65th session of the Harmonised System Committee of the World Customs Organisation.

Doc. WCO NC2694

1. Approval of the agenda and of the minutes of previous meeting

1.1. Adoption of the agenda

Doc. TAXUD/463519/2020

Five Member States (CY, CZ, MT, PL and SI) were not represented.

The agenda was adopted.

1.2. Adoption of the minutes of the 30th meeting of the Customs Expert Group (November)

Doc. TAXUD/8759424/2019

One delegation noted that the third sentence in the second paragraph of agenda item 3.2.V.4. should read “Other delegations were not in favour.”

The minutes were adopted with the above mentioned correction.

2. Nature of the meeting

Non-public meeting to discuss issues related to the Harmonized System.

3. List of points discussed

3.1. Commission Communication under article 34 paragraph 7 a) iii) of Regulation (EU) 952/2013 of the European Parliament and of the Council of 9th October 2013

Measures taken in the framework of article 34 paragraph 7 a) of Regulation (EU) 952/2013 of the European Parliament and of the Council of 9th October 2013:

- **Amendments of the Explanatory Notes to the Harmonized System**
- **Classification Opinions of the Customs Cooperation Council**

Doc. TAXUD/463556/2020

One delegation noted editorial comments on the Commission Communication.

All MS represented expressed a favourable opinion concerning the draft Communication.

3.2. Post-coordination of the 56th meeting of the HS Review Sub-Committee

Doc. WCO NR1403

The Chair informed the delegations about the results of the meeting of the HS Review Sub-Committee and thanked the Chair of the RSC for her excellent work. Discussion on the specific agenda items can be found under item 3.3.V.1.-2.

3.3. Pre-coordination of the 65th meeting of the HS Committee. Study of all available documents on the agenda of the aforementioned Committee and fixing of a joint position.

Doc. WCO NC2694

The Chair presented the items on the agenda of the 65th meeting of the HSC for discussion in order to determine the EU position.

**3.4. Possible amendment to the HSEN concerning semiconductor transducers
Doc. TAXUD/463563/2020**

Two delegations noted that they agreed with the contents of the document and one delegation made some editorial comments.

The CEG agreed to have an electronic consultation for the updated document which will then be sent to the WCO Secretariat.

**3.5. Possible amendment to the HSEN to heading 90.21
Doc. TAXUD/463568/2020**

Some delegations made editorial comments, but two delegations suggested to send the document unchanged.

The CEG decided to send the document to the WCO Secretariat after minor editorial changes.

**3.6. Possible amendment to the HSEN to heading 44.07
Doc. TAXUD/463575/2020**

One delegation explained that they sent the submission a while ago. It is necessary to go forward with it to determine the classification. The delegation can provide some examples of products to be classified in heading 44.09, but need to look for examples of products of heading 44.07.

Several delegations noted that the distinction between headings 44.07 and 44.09 is not always easy. They noted that just deleting the text in the HSEN is not the solution. They suggested to ask the WCO Secretariat for historical documents. One delegation explained that wood itself is rounded sometimes, so it might not be intentional.

The CEG decided that there is a need to classify the product(s) first, but it is necessary to await for the conclusion of the ongoing work of the CCC/PG (mechanical/miscellaneous/textile sector).

**3.7. Classification of derivatives of isothiazolinones
Doc. TAXUD/463577/2020**

Discussion on this agenda item was postponed.

**3.8. Classification of certain electronic textiles
Doc. TAXUD/463580/2020**

One delegation noted that the product descriptions are long, and only mention how the products are used. More information on the composition of the products could be needed. It could also be proposed to delete the two examples from the list of the examples of electronic textiles. Another delegation was not in favour of deleting these examples.

The CEG decided to send the document to the WCO Secretariat.

3.9. Classification of MCPs Doc. TAXUD/463589/2020

Several delegations noted that their administrations were not sure whether either of the products could be classified in heading 85.42. One delegation noted that it considers the second product to be an MCO, rather than an MCP. Another delegation reminded that there is a need to classify according to the new Note 12(b)(3) of HS2022.

The CEG decided to consult the mechanical/miscellaneous/textiles sector on the classification.

3.10. Any other business

One delegation asked how the UK will take part in the HSC meeting. The Chair noted that the UK is participating in the HSC in its own rights.

One delegation asked about the state of play of the Council guidelines for the coordination of EU positions in WCO meetings. The Chair informed the CEG that those Council guidelines were in the finalisation phase in the Council, and that Commission services are preparing a draft Council decision for the elaboration of EU positions to be expressed in the WCO for HS matters.

One delegation asked information about the publication and implementation of Article 8 of the HS convention (concerning the limit of two reservations). The Chair noted that all Contracting Parties have received a notification from the WCO Secretariat that Article 8 has been modified and that there were no objections. The EU has to apply this Recommendation together with other Contracting Parties.

3.11. Meeting between the EU and the associated countries (5th March from 15:00 to 18:00)

Consultation between the EU and the associated countries to prepare for 65th session of the Harmonised System Committee of the World Customs Organisation.

Doc. WCO NC2694

The Working Group had an exchange of views on the items put on the agenda of the 65th HSC session.

4. Conclusions/recommendations/opinions

See point 3 – list of points discussed.

5. Next steps

See point 3 – list of points discussed.

6. Next meetings

18-19 May 2020 – (RSC 25-29 May 2020) – tbc

3 July 2020 – tbc

7-9 September 2020 – (HSC 10-25 September) – tbc

10-11 November 2020 – (RSC 18-27 November) – tbc
(SSC 11-14 January 2021)

7. List of participants

Commission: TAXUD/A4

Member States:

BELGIUM	F.O.D. Financiën/S.P.F. Finances
BULGARIA	Bulgarian Customs Agency
CZECH REPUBLIC	NOT PRESENT (General Directorate of Customs)
DENMARK	Danish Customs Agency
GERMANY	Generalzolldirektion
ESTONIA	Estonian Tax and Customs Board
IRELAND	Office of the Revenue Commissioners
GREECE	Ministry of Finance, General Secretariat for Public Revenue, GD of Customs and Excise
SPAIN	Agencia Estatal de Administracion Tributaria
FRANCE	Direction Générale des Douanes et Droits Indirects
ITALY	Agenzia delle Dogane
CROATIA	Customs Directorate
CYPRUS	NOT PRESENT (Ministry of Finance, Customs and Excise Department)
LATVIA	State Revenue Service
LITHUANIA	Customs Department, Ministry of Finance
LUXEMBURG	Administration des Douanes et Accises
HUNGARY	Customs and Finance Guard
MALTA	NOT PRESENT (Customs Department)
NETHERLANDS	Ministry of Finance
AUSTRIA	Bundesministerium für Finanzen
POLAND	NOT PRESENT (Ministry of Finance)
PORTUGAL	Autoridade Tributária e Aduaneira, Ministério das Finanças
ROMANIA	National Customs Authority
SLOVENIA	NOT PRESENT (Customs Directorate)
SLOVAKIA	Financial Directorate of the Slovak Republic
FINLAND	Finnish Customs
SWEDEN	Swedish Customs