



HARMONIZED SYSTEM
REVIEW SUB-COMMITTEE

-
25th Session
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NR0227E1
(+ Annexes I and II)

O. Fr.

Brussels, 29 January 2002.

PROPOSAL BY THE US ADMINISTRATION TO MERGE
HEADINGS 95.01 TO 95.03 INTO A SINGLE HEADING FOR TOYS

(Item III.A.17 on Agenda)

I. BACKGROUND

1. At its 24th Session, the Review Sub-Committee held an exchange of views on a proposal by the **United States** to merge HS headings 95.01 to 95.03 into a single heading. Several delegates expressed support for this proposal, which was aimed at simplifying the provisions relating to "toys".
2. Following these discussions, the Sub-Committee decided to continue examining this item at its next meeting, on the basis of a new document that would incorporate any proposals submitted by Contracting Parties.
3. During the intersession, the Secretariat has received comments from the Administrations of **Azerbaijan, Canada, Iran, Malaysia, Morocco, Russian Federation, Senegal and Uzbekistan**.

II. SECRETARIAT COMMENTS

4. As the Secretariat understands it, the **US** proposal is aimed at (1) simplifying the classification of toys without changing the scope of present headings 95.01, 95.02 and 95.03, and (2) bringing the texts into alignment with trade practice.
5. As regards the comments by administrations, among those which favoured the proposal only the **Canadian** Administration (Annex II.A) appears to support the **United States** in both substance and form. At the 24th Session, in reply to a question from a delegate concerning possible subheadings, the **US** Delegate indicated that his administration had made a proposal without subheadings since it did not consider it necessary for the new heading to be subdivided.

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6. A number of administrations, including the **Russian Federation** and **Malaysia** (Annex II.B), have indicated their agreement and the latter two support the proposed new Note 3. As for the **Senegal** Administration, it proposes an alternative structure with five subheadings.
7. Among the administrations that have submitted proposals to the Secretariat, only one, **Iran** (Annex II.C), is opposed to a possible merging of the headings on the grounds that the toys developing physical and mental abilities, respectively covered by headings 95.01 and 95.03, cannot all be classified in the same heading.
8. The Secretariat must leave it to the Sub-Committee to rule on the suggested regrouping and the desirability of a new Chapter Note 3 to facilitate the classification of toy sets as proposed by the **United States**.

III. CONCLUSION

9. The Sub-Committee is invited to examine the text annexed hereto, in the light of the Secretariat's comments in paragraphs 4 to 8 and the various proposals by administrations reproduced at Annexes I and II.

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