

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

AIR/W/6
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Special Distribution

Agreement on Trade in Civil Aircraft

TECHNICAL SUB-COMMITTEE

Meeting of 29-30 April 1980

Note by the Chairman

The Technical Sub-Committee met from 29 to 30 April 1980 under the Chairmanship of Mr. R. Wright (Canada). It addressed the two points under its terms of reference (AIR/3).

Point 1

1.1 Proposal for regular statistical reporting

The representative for the United States proposed that Signatories consider regular and uniform reporting of trade data for the products covered by the Agreement.

Some delegations felt that there might be technical difficulties involved. Generally the proposal was considered useful.

The Sub-Committee would revert to the matter at its next meeting.

1.2 Proposal relating to the Harmonized Commodity Description and Coding System

The representative for the United States proposed that the Technical Sub-Committee review Chapter 88 and related chapters of the Harmonized Commodity Description and Coding System with a view to recommending any changes necessary to ensure compatibility of the draft nomenclature with the Annex to the Aircraft Agreement. Generally, the proposal was considered positively. The United States representative was invited to prepare a first draft of proposed amendments to the Harmonized Commodity Description and Coding System, in consultation with interested delegations. The secretariat would circulate the proposal well in advance of the next meeting.

1.3 Tariff classification matters

The representative of the United States responded to various questions raised by the EEC and Japan regarding the TSUS classification of specific products, as well as a question concerning the status of the United States customs regulations on aircraft.

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It was agreed that the secretariat would keep an informal record of such questions and answers, it being understood that classification opinions given were not binding.

During discussions on the tariff treatment of certain articles in the TSUS, the United States representative explained that, because the superior heading to TSUS items 680.46 through 681.24 excludes "parts of aircraft", most articles provided for under these items which are "parts of aircraft" would actually be classifiable under TSUS item 694.62 (if all certification requirements are complied with). The United States representative undertook to check with the United States Customs Service regarding the effect this language would have on the classification of parts of articles provided for in these items.

The United States representative pointed out that certain articles for use in civil aircraft would continue to be classified under the provisions of item 680.46, because of the United States' definition of the term "parts" (in general headnote 10(ij) of the TSUS) as products solely or chiefly used as parts of a particular article. For example, if a speed changer which is "certified for use in civil aircraft" (item 680.61 in the Annex to the Aircraft Agreement) is designed in such a manner that it has several uses, such as in automobiles, tractors and aeroplanes, and if none of these uses predominated over all other uses, such a speed changer would not be considered to be a "part" of any of these articles and would therefore be classified under item 600.61.

Point 2

2.1 Proposals for modification of the product coverage

The Sub-Committee examined proposals by Canada (AIR/W/4), by the EEC (AIR/W/3) and by Sweden (AIR/W/5). The EEC circulated a supplementary list of products.

AIR/W/6/Add.1 gives an annotated list of products discussed, arranged in CCCN order, with TSUS and Canadian tariff classification.

It was understood that the discussion and elaboration of this list did not prejudice any Signatory's position on whether these products should be included in the Annex to the Agreement.

The list would be examined by each member of the Sub-Committee, in the light of the trade interests involved, and with a view to further discussion at the next meeting.

The date for the next meeting of the Technical Sub-Committee was set for the week before the meeting of the Aircraft Committee in early July 1980.