

**Meeting on the WSC proposal on Multicomponent ICs. WCO Brussels, March 12, 2008 -
Notes**

Mr. Clark welcomed the Delegates and industry representatives and highlighted the good cooperation and support between WCO and industry in the past. Mr Clarke asked all attendees to briefly introduce themselves.

Mr. Ushyk thanked WCO Delegates for their interest and availability for this meeting.

Mr. Koolen then gave the industry presentation (see attached). In the conclusions, industry urged governments to include the proposal in the WCO HS 2012 Review, and underlined industry's continued willingness to find solutions and address any WCO Member concerns. It also stressed the necessity to act in a timely manner and to distinguish between semiconductor and PCB or end systems. Industry specifically asked about the next procedural steps and deadlines and what more industry could do at this point to support the inclusion of MCO ICs in HS2012. Samples of the products in question were presented by *Mr. Cognetti* and *Mr. Kim*.

Q&A session:

Q) What does JISSO stand for? Who belongs to that organisation?

A) JISSO is an organisation which includes both semiconductor and PCB industry. Industry will send further information to the Delegates.

Q): Experts are not in the room. WCO is ready to discuss but industry should provide clear examples/semiconductor product family which are deemed to be problematic – from the classification view point – in the future. Important to know where those products are currently classified. Then adjustments to the legal text can be done, where reasonable. E.g. where are pressure sensors now classified? Also very important, trade relevance- provide trade flows data.

A): Regarding the specific example of microprocessors: although MPU are explicitly mentioned under 8542, not all products are classified there, as “physical” description in the definition would not cover them. They are mainly classified under 8473, in data processing.

Q) There is understanding regarding the technology changes. Countries like Mexico have some semiconductor companies operating in the country as well, and understand the dynamics of semiconductor industry. Willing to listen to the problematic cases, willing to hear from the companies present in Mexico. Simplification, not complication, should guide HS revision. Open for discussion.

A): Industry is ready to discuss and accommodate concerns. Important for the industry is to have a view on concerns.

Q) The legal language of definition should be self standing. As far as he could see, some of the elements in the proposed explanatory notes (EN) should be brought back to the main text, as EN have different legal force in different jurisdictions. Language proposed not “legal” enough. It is a two step process, first definition, then ENotes in a second moment. Definition must be precise, technology neutral, then durable- as it cannot be easily changed. Enotes can be changed more easily. Concentrate on the definition, as it is now it does not stand alone. Need more legal language in the text to differentiate from PCB

A)A solution seems to be to move some available language from Enotes to definition. Willing to work offline to find solutions

Q: Are USB memory stick meant to be covered by the definition?

A): No

ICC: Closing remarks: The official deadline for any Administrations to submit a document for the next HS Review Subcommittee meeting (May 13-23) will be tomorrow – 13th March. However all semiconductor industry associations should also be in contact their Administrations as soon as possible to be able to submit a late paper can be submitted so as to have an initial discussion at the May meeting.

Attendance:

WCO Delegates:

AUSTRALIA

Mr Larry Roux, Director, Trade Policy

CANADA

Mr. Vincent LoMonaco, Director, Trade Policy

CHINA

Mr. Xia Yang, Deputy Division Director, Classification Centre, Guangzou Customs District

Ms Wu Xiajing, Deputy Section Chief, Classification Centre, Shanghai Customs District

Mr. Yuan Ziwei, Second Secretary (Customs), China Mission to the EC

DENMARK

Mr. Hindsdal, Head of Classification Centre

EUROPEAN COMMUNITY

Mr. Eric Jouangrand, Administrateur Principal, DG Taxud

Mr. Erwin Doeringer, Assistant, DG Taxud

INDIA

Mr. V. Chaturvedi, First Secretary (Trade), India Embassy Brussels

JAPAN

Mr. Kaoru Omoto, Director Tariff Classification, Ministry of Finance, Japan

KOREA

Mr. Choi Young-Cheug, Assistant Director, Korea Customs Valuation Classification Institute

MEXICO

Mr S. Figueroa, Tariff Policy Director:

UNITED STATES

Ms I. O'Rourke, Attorney, US Customs

Ms H. Pinnock, Attorney, US Customs

Mr. Frederick Schottman, Nomenclature Analyst, US International Trade Commission

WCO

Mr. Craig Clark, Deputy Director, Trade & Tariff Affairs, WCO

Mr. Ron Heller, Technical Officer

Mr. Ed de Jong, Technical Officer

International Chamber of Commerce (ICC):

Richard W. Uschky, ICC Representative to the WCO – HSC/RSC

Semiconductor industry representatives:

Mr. Carlo Cognetti, Group Vice President Corporate Packaging & Automation, STMicroelectronics.

Semiconductor industry association in Europe.

Mr. Merten Koolen, Senior Director Industry Relations & Trade Programs, NXP Semiconductors.

Semiconductor industry association in Europe.

Mr. Joseph Kim, Senior Technology Advisor, Intel Corporation. **Semiconductor industry association in the US.**

Mr. Akihiko Oyama, Chief Specialist, Toshiba. **Semiconductor industry association in Japan.**

Ms Flora Petrucci, Trade & Statistics Manager. **Semiconductor industry association in Europe.**
Mr. Martin Spät, Director. **Semiconductor industry association in Europe.**