ANNEX VII

MODIFICATION OF THE HARMONIZED COMMODITY DESCRIPTION AND CODING SYSTEM IN ORDER TO FACILITATE COLLECTION AND COMPARISON OF DATA UNDER THE MONTREAL PROTOCOL

1. Implementation of Articles 4 and 7 of the Montreal Protocol would be greatly facilitated if a regular system for reporting of imports and exports could be used.

2. The Harmonized Commodity Description and Coding System (HS), developed under the auspices of the Customs Cooperation Council, provides an opportunity for countries to report import and export information through an international trade record-keeping system. Both imports and exports are classified under the same nomenclature. Under the system, the classification for a product can be composed of 8 to 10 digits. All developed countries must have the same six digits for a group of products. Developing countries are required to have the same first four digits.

3. Under the HS system most of the controlled substances fall under the following headings:

Chapter 29.

"290340 Halogenated derivatives of acyclic hydrocarbons containing two or more different halogens".

Chapter 38.

382390 ... chemical mixtures not covered elsewhere...

4. HS 290340 covers the pure controlled substances and HS 382390 most of the mixtures of controlled substances. However both headings also include many other substances such as the non-fully halogenated CFCs.

5. The system is a hierarchic system so designed that the two last digits ("40" in the case of pure substances) can be further broken down into different subgroups (by using the digits "41", "42", etc.). This possibility is used, for instance, for hexachlorobenzene and DDT. It has so far not been used for the heading 290340. The last two digits in each chapter or subheading e.g. 382390 is used for substances not covered elsewhere. Under chapter 38 subheading 3823 so far only 382310-382360 and 382390 have been used.
6. This makes it possible to amend HS to identify the controlled substances within 290340 and to create separate headings for mixtures such as 382370 with additional subheadings such as 382371, 382372, etc. The Working Group is suggesting the following:

(a) Pure substances

(290340) - Halogenated derivatives of acyclic hydrocarbons containing 2 or more different halogens

Add the following subheadings:
-- Perhalogenated* derivates (of acyclic hydrocarbons containing two or more different halogens)
--- Only fluorinated and chlorinated
  290341 ---- Trichlorofluoromethane (CFC 11), Dichlorodifluoromethane (CFC 12),
           Trichlorotrifluoroethane (CFC 113), Dichloropentrafluoroethane
           (CFC 114), Chloropentafluoroethane (CFC 115)
  290342 ---- Other (=other fully halogenated derivates with only fluorine and
           chlorine)
           --- Other (=other fully halogenated derivates with other halogens than
                   fluorine and chlorine)
  290343 ---- Bromochlorodifluoromethane (Halon 1211),
           Bromotrifluoroethane (Halon 1301),
           Dibromopentafluoroethane (Halon 2402)
  290344 ---- Other (fully halogenated derivates not covered before)
  290349 ---- Other (=not fully halogenated derivates of acyclic hydrocarbons
           containing 2 or more different halogens).

(b) Mixtures

Create a new subheading:

(382370) - Mixtures comprising at least one prehalogenated derivative of an
acyclic hydrocarbon containing 2 or more halogens

382371 -- Only fluorinated and chlorinated
382372 -- Other

7. Heading 290341 and 290343 identify the pure controlled substances as listed
in Annex A to the Montreal Protocol and 382371 and 382372 identify mixtures
containing these substances. Heading 290349 covers all other products within
290340 which are not fully halogenated substances.

The notes to Chapter 38 of HS will need expanding to make clear that any mixture
containing a controlled substance under the Montreal Protocol must be entered
under 382371 or 382372 regardless of its size or proportion within the mixture.

* Perhalogenated = fully halogenated

/...
Countries are encouraged in their national nomenclatures to go further and identify the controlled substances in more detail.

8. We suggest that the Parties, at their first meeting and after proper considerations by the Signatories and the Secretariat, request the Executive Director of UNEP to bring this matter to the attention of the Customs Cooperation Council which is the international authority responsible for the Harmonized Commodity Description and Coding System.