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The EU to decide New Tariff Classification of “Digital Cameras”
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On July 13, 2007, the Regulation and the Explanatory Notes were adopted by voting at the EU, Customs Code Committee, Tariff and Statistical Nomenclature Section as follows:

1. Conclusion

Products that meet all the following criteria i.e. Resolution: 800×600 pixels (or higher) AND Duration of a single sequential video recording: 30 minutes or more AND Frame rate: 23 frames per second (or higher) shall be deemed as Video Camera Recorders (Camcorders).

Therefore, products with specifications that do not meet any one of the above three criteria shall be deemed as “Digital Cameras.”

2. Process until reaching the conclusion and its impact to the industry

For the past two years, the industry has been faced with the imminent threat of the possible tariff imposition for the past three years import and also for the future import which was based on the initial criteria proposed by the EU authorities. However, as a result of strategic and proactive lobbying activities initiated by CIPA in cooperation with European camera associated industry, the EU authorities have finally come to respect major opinions of the industry and accepted the additional two criteria conditioning that all of the above three criteria shall be met simultaneously (or at the same time).

With regard to the impact of taxation, the threat of retroactive tariff imposition for the past three years import has virtually disappeared as there are only very few products already sold by member companies in the EU market that meet all of the above three criteria. For products that are to be launched in the EU market from now on, respective member companies are supposed to make decisions and take necessary measures on their own.

3. Our vision for future – Basic standpoint –

Arbitrary and unilateral tariff classification having been executed by the EU authorities for the products eligible for the ITA is infringement of the ITA. Thus, the CIPA will continue to make claims for the invalidity of the relevant action similar to this case in the trade area from now on so that other IT products will not be affected by such action.