GOVERNMENT OF PAKISTAN

MODEL CUSTOMS COLLECTORATE OF APPRAISEMENT-EAST)

CUSTOM HOUSE, KARACHI

C.No. (507)/KAPE/DC(PCT)/2015

Dated: - 03.10.2015.

PUBLIC NOTICE NO. 17/2015.

Subject: CLASSIFICATION OF TELECOMMUNICATION ANTENNA

The issue regarding classification of telecommunication item namely "Antenna Type A-4 Port" imported by M/s Pakistan Mobile Communication Limited (PMCL) was forwarded by MCC Islamabad vide letter No Si/BG/Imp/17/2015/595 dated 24.03.2015. Besides, MCC, Appraisement-West, Custom House, Karachi have also forwarded identical issue of classification of 'directional antenna' by M/s C.M. Pak Limited, Islamabad. Both the importers declared the imported item under PCT 8517.7000 whereas MCC Islamabad and MCC Appraisement-West, Karachi classified the same under PCT 8529,1090 and 8517.6990, respectively. M/S Pakistan Mobile Communication and M/S Telenor have also approached the Collectorate to ascertain appropriate classification of telecommunication antenna as the Directorate of Internal Audit has raised the objection that the subject goods are classifiable under PCT heading 8517.6290 as against the declared PCT heading 8517.7000.

- 2. As per submission of various importers, classification of the antenna was being done under PCT heading 8517.7000. However, after the observations of Internal Audit, clearance Collectorates are classifying the said item under PCT heading 8517.6290. The importers argue that the goods are classifiable under PCT heading 8517.7000 being parts of telecom sector.
- Classification Discussion: During the course of hearing viewpoint of MCC Islamabad, MCC
 Appraisement West, M/s Telenor Pakistan (Pvt) Ltd, Pakistan Mobile Communication Ltd and
 other importers' contentions and probable PCT headings were discussed and summarized as
 under.

(i) 8529.1090

This heading pertains to aerials/antennas suitable for use solely or principally with the apparatus of headings 85.25 to 85.28. The afore-mentioned heading covers parts/antennas/aerials for transmission and reception apparatus for radio broadcasting or television, radar apparatus and monitors. As the article in the instant case is the telecom antenna for cellular technology, it falls within the ambit of PCT heading 85.17. Hence, heading 8529.1090 cannot be maintained as it deals with apparatus of heading 85.25 to 85.28.

(ii) 8517.7000 Before discussing subject heading of parts, it is necessary to define and understand antenna. An antenna or aerial is a device which converts electrical signals into electromagnetic waves and vice versa. It is usually used with a radio transmitter or receiver (whether radio, television or cellular). In a transmitting antenna, the signal from an electronic circuit causes electrons in the antenna to oscillate. These moving electric charges generate electromagnetic radiation which is transmitted through the air or space. The disc shaped microwave antenna is highly directional; it uses a parabolic reflector to focus received signals on a small antenna element. In reception mode, the antenna receives electromagnetic signals and converts them into an electrical signal.

From above functioning of antenna it is very much clear that it is a complete article with specified function, hence it cannot be treated as a part of a device. Therefore, heading 8517.7000 is ruled out.

(iii) 8517.6290

Preamble to the heading 8517.62 is reproduced as under:-

Machines for the reception, conversion and transmission or regeneration of voice, images or other data including switching and routing apparatus.

As earlier discussed, the function of antenna is transmission and reception of waves. The antenna being equipment for transmission or reception of signals in wireless network appropriately falls within the preamble of 8517.62 as mentioned above. Therefore, antenna is appropriately classifiable under PCT heading 8517.6290.

(iv) 8517.6990

It is pertinent to mention here that 8517.6990 comes after 8517.6290 as per arrangement provided in Pakistan Customs Tariff. As antenna has coverage under the scope of 8517.6290 by virtue of its function, hence 8517.6990 is ruled out. Moreover, rule 3(a) of General Rules of Interpretation (GRI) specifies that the heading which provides the most specific description shall be preferred to headings providing a more general description. As the most specific description is covered under 8517.6290, therefore, 8517.6990 cannot be maintained.

4. In the light of above discussion and after thorough examination of the product, its characteristics and usage thereof, the Classification Committee has concluded to classify the afore-mentioned antenna under PCT heading 8517.6290 in terms of GIR-1 read with GIR-3(a) being a complete article having specified function.

(Muhammad Tahir)

ADC-II/ Chairman PCT Committee

Copy for information:

- i. The Chief Collector of Customs (Appraisement-South), Custom House, Karachi.
- The Chief Collector of Customs (Enforcement-South), Custom House, Karachi.
- The Chief Collector of Customs (Central/North) Custom House, Lahore / Islamabad.
- The Director General, Intelligence & Investigation-FBR, Mauve Area-1, G-10/4, Islamabad.
- v. The Chief (Tariff), Customs Wing, Federal Board of Revenue, Islamabad.
- vi. The Collector, MCC Appraisement (East / West)/Preventive, Custom House, Karachi.
- vii. The Collector of Customs, MCC, Port Mohammad Bin Qasim, Karachi.
- viii. The Collector of Customs, MCC (Appraisement/Preventive), Custom House, Lahore.
- ix. The Collector, MCC Hyderabad/ Gawadar/ Quetta/ Multan/ Sambrial/Faisalabad/ Rawalpindi/ Peshawar/Gilgit-Baltistan.
- x. The Director, Directorate of Intelligence & Investigation (Customs), Karachi/Lahore/ Faisalabad / Rawalpindi/Quetta/Peshawar.
- xi. The Collector of Customs Adjudication I & II, Customs House, Karachi.
- xii. The Collector, MCC (Adj/Appeals), Lahore/Faisalabad/Rawalpindi/ Peshawar/ Quetta.
- xiii. The Secretary Customs Tariff-I, Federal Board of Revenue, Islamabad.
- xiv. M/s Pakistan Mobile Communication Limited (PMCL), Lahore (54000).
- M/s Telenor Pakistan, 15 Silver Square, F-11 Markaz, Islamabad.
- xvi. M/s C. M. Pak, 7 Mart Road, G-9/4-1, Islamabad.
- M/s Pakistan Mobile Communication Ltd, Mobilink House, 1-A, IBC Kohistan Road, F-8, Markaz, Islamabad.
- xviii. The Karachi Chamber of Commerce & Industry, Karachi.
- xix. The Karachi Customs Agents Association, Custom House, Karachi.
- xx. All Concerned /Notice Board.