

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

VAL/1/Add.11/Suppl.2*
21 March 1985

Special Distribution

Committee on Customs Valuation

INFORMATION ON IMPLEMENTATION AND ADMINISTRATION OF THE AGREEMENT

Legislation of Norway

Supplement

The attached communication has been received from the delegation of Norway.

Referring to our communication contained in VAL/9/Add.2, dated 15 January 1985 in which the Ministry of Finance in Norway announced a revised version of our present Regulations on Customs Value (ref. VAL/1/Add.11 + Corr.1 + Suppl.1) conforming with the Decision made by the Committee on Customs Valuation in GATT on 26 April 1984 (VAL/6), the following amendment with effect from 15 January 1985 has been made as concerns the Note to paragraph 2.

Note to paragraph 2 shall now read:

"The price paid or payable is the total payment which need not necessarily take the form of a transfer of money. Payment may be made by way of letters of credit or negotiable instruments and may be made directly or indirectly. Indirect payment would be the settlement by the buyer, whether in whole or in part, of a debt owed by the seller. Activities undertaken by the buyer on his own account, other than those for which an adjustment is provided in paragraph 9, are not considered to be an indirect payment to the seller, even though they might be regarded as of benefit to the seller. The costs of such activities shall not, therefore be added to the price actually paid or payable. The price actually paid or payable refers to the price of the imported goods. Thus the flow of dividends or other payments from the buyer to the seller that do not relate to the imported goods are not part of the customs value. The customs value shall not include the following charges or costs, provided that they are distinguished or can be distinguished from the price actually paid or payable for the imported goods:

- a) costs of construction, erection, assembly, maintenance or technical assistance, undertaken after importation on industrial plant, machinery or equipment;

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- b) the cost of transport after importation;
- c) duties and taxes in Norway;
- d) charges for interest which the buyer shall pay according to a written financing arrangement concerning the purchase of the imported goods.

Ad d):

It is understood that the imported goods are sold at prices which are declared to be the actual price paid or payable and that the rate of interest applied does not exceed the level for the rates of interest prevailing in the country where the financing arrangement is made for such transactions. Where the rate of interest is found to be disproportionately high, the Customs may request the buyer to submit sufficient evidence to prove that the rate of interest used is within the actual level of interest rate in question. These rules are to be applied regardless of whether the financing arrangement is carried out by the seller, a bank or some other financing institutions. The rules concerning interest costs are applicable also, when appropriate, where goods are valued under a method other than the transaction value."

The items 1 a), 1 b) and 2 b) remain unchanged.