

GENERAL AGREEMENT ON TARIFFS AND TRADE

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CONSULAR FORMALITIES

Steps taken by CONTRACTING PARTIES in 1954 to abolish Consular Invoices and Visas

1. By the Recommendation of 7 November 1952 (BISD, First Supplement, p.25), the CONTRACTING PARTIES urged governments to abolish, as soon as possible, and in any case not later than 31 December 1956, all consular invoices and visas for commercial invoices, certificates of origin, manifests, etc. In addition, the CONTRACTING PARTIES requested governments which maintain consular formalities to report annually not later than 1 September on the steps they have taken to abolish such formalities (ibid. p.102).

2. The reports received from contracting parties in 1953 were reproduced in full in addenda to L/92, and the requirements of various governments, so far as the CONTRACTING PARTIES had been informed, were summarized in the report of a working party at the Eighth Session (BISD, Second Supplement, p. 59). The second annual reports, received in 1954, are reproduced in the Annex hereto. The following up-to-date summary of the requirements of the contracting parties and of the steps taken during the year towards abolition follow the pattern of the Eighth Session report.

3. The governments of the following countries have stated that they have no regulations requiring consular invoices or consular visas:

Australia	Finland	New Zealand
Austria	Germany	Norway
Belgium (incl. Belgian Congo)	India	Pakistan
Canada	Japan	Rhodesia and Nyasaland
Czechoslovakia	Luxemburg	Union of South Africa
Denmark	Netherlands	

Belgium has been added to the list now that the consular formalities in connexion with import licences for caustic potash and carbonate of potash have been abolished. Japan and Luxemburg have also been added to this list as they have advised that no consular invoices or visas are required. On the other hand, Greece and Italy, which were included in the list in last year's report, have advised that they do maintain certain consular formalities.

4. Several governments state that they do not require consular invoices or visas except in very special circumstances. One of these - the United Kingdom Government - reported that they have made arrangements to abolish the few requirements that still exist by the end of 1954. The others are:

- Ceylon - Steps are being taken to discontinue the one existing requirement by the end of 1956. (L/92/Add.1 and the Annex to this document)
- Greece - In certain circumstances consular formalities are required. (L/92/Add.1 and the Annex to this document)
- Indonesia - Consular invoices are required for the importation of goods from Singapore. (L/92/Add.3)
- Italy - Consular visas have been suspended for several years, but the customs authorities may require a consular visa on a certificate of origin when they doubt the veracity of the documents. (L/92/Add.1 and the Annex to this document)
- Sweden - Consular visas are required in certain circumstances in connexion with veterinary certificates etc. (L/92/Add.1)

5. Five governments - France, Haiti, Peru, Turkey and the United States - have described the system of consular formalities which they maintain. Only the United States has reported on steps taken in 1954 towards abolition. Details of the requirements of these countries will be found in the following documents:

- France - L/92/Add.4 and the Annex to this document.
- Haiti - L/92/Add.1
- Peru - Annex to this document.
- Turkey - L/92/Add.5 and the Annex to this document.
- United States - L/92/Add.1 and the Annex to this document.

6. The CONTRACTING PARTIES also recommended on 7 November 1952, that pending total abolition of consular invoices and consular visas, governments should reduce progressively the incidence of consular fees and the consular authorities in countries of exportation should observe the rules on "standard practices", published on page 26 of BISD, First Supplement. The United States Government states that their requirements are fully in conformity with these standards.

7. The governments of the following countries have submitted no reports:

- | | |
|--------|--------------------|
| Brazil | Dominican Republic |
| Burma | Nicaragua |
| Chile | Uruguay |
| Cuba | |

ANNEX

STATEMENTS SUBMITTED BY CONTRACTING PARTIES IN 1954

Belgium (Translation)

The Belgian Customs Administration requires neither consular invoices nor consular visas on commercial invoices, certificates of origin, manifests, etc.

In the case of imports of caustic potash and carbonate of potash, the Departments of the Central Quotas and Licences Office (Office Central des Contingents et Licences) no longer require, as last year, that certificates of origin be issued, visaed or legalized by the Belgian diplomatic or consular authorities abroad.

Ceylon

No consular formalities are required at present except for purposes of preference in respect of Empire goods trans-shipped en route or shipped from a foreign port after overland transit. In order to qualify for preference, in the absence of a through bill of lading, such goods should be accompanied by a certificate of arrival or landing at, and exportation from, the port of trans-shipment issued by a customs officer. Such certificate is required to be issued by a British consular authority only if it is issued by a foreign customs official. This consular visa is only in the nature of an attestation of the signature of the customs official issuing the required certificate. Steps are being taken to discontinue this requirement by the end of 1956.

France (Translation)

Transport documents and invoices alone are required by the French Customs Administration over and above mandates, licences and, possibly, health certificates which, under the Decision of the CONTRACTING PARTIES, may be required. Certificates of origin are required only for a few goods. In principle, invoices should be visaed by the French consular authorities, but important derogations have been provided for.

Combined invoice forms: Under French Customs Regulations, commercial invoice, consular invoice and certificate of origin may be combined into one single document which is the only one required in that case. Production of the commercial invoice, over and above the consular invoice, is not necessary where the consular invoice itself is required.

Greece (Translation)

The Greek Government has already sent its answer, contained in document L/92/Add.1 of 18 September 1953, in regard to the question of consular formalities; Greek legislation is, therefore, consistent with the rules contained in the Recommendation adopted by the CONTRACTING PARTIES on 7 November 1952, according to which consular visas or certificates of origin of goods and/or invoices are not necessary.

In only one case must goods be accompanied by a consular certificate. This is when goods, not imported direct from the producer country to the consumer country, but which are first in transit through a port or free zone of a third country, or are sent there for processing, and then shipped to various markets. But even in this instance, a certificate issued by the customs authorities of the transit country may take the place of the consular certificate. This measure was adopted for the purpose of avoiding falsification or possible substitution of goods.

For the above reasons, the abolition of this formality in the latter case cannot be envisaged at present.

Under the circumstances, no measures for the elimination of consular formalities are necessary, since subject to the above exception, Greek legislation is consistent with the Recommendation of 7 November 1952.

Italy (Translation)

In principle, the authorization given to the Customs authorities (telegram of the Ministry of Finance No. 26493 of 16 September 1950) not to require, until further notice, a consular visa for certificates of origin and for cargo manifests, does not cancel the Customs authorities' right, conferred on them by the provisions relating to the verification of goods, to insist on a consular visa on certificates of origin submitted by importers when the aforesaid Customs authorities have serious reasons to doubt

the veracity and authenticity of the documents in question and are unable to obtain adequate and suitable confirmation of origin by checking the relevant correspondence and other commercial documents.

It should be added that at the present time an exception is made to the general immunity from consular visas for goods from Mexico, which must be accompanied by invoices attested by the Italian consular authorities in that country.

Japan

No consular formalities are required in connexion with the importation of goods into Japan.

Peru (Translation)

In order to despatch goods to Peru, the consignor or forwarding agent must produce a consular invoice and a bill of lading stamped by the Peruvian Consulate of the port of lading; the consignor or forwarding agent must also satisfy the requirements of the relative articles of the Code of Customs Procedure and Consular Rules of Peru, the text of which is reproduced in Appendices 1 and 2.¹

Consular invoices must be submitted in four copies and drawn up on special forms obtained at consulates on payment of US \$0.20 or the equivalent per copy, or US \$0.80 for a complete set. The consular fee for stamping the set of four invoices is US \$1.00. The charge for stamping the original bill of lading is now US \$1.00 for consignments not exceeding 100 metric tons, US \$2.00 for consignments of over 100 tons and US \$20.00 when the consignment consists of a single product (e.g. wheat, petroleum, etc.) and represents at least one-half of the tonnage of the vessel.

For goods despatched to Peru by post or by air, no consular invoice is required when their value does not exceed US \$100.00; when the value exceeds US \$100.00 the original commercial invoice stamped by the Consulate of Peru must be submitted. Fees charged by Peruvian consulates abroad are payable in the currency of the country and the equivalent value in United States dollars is computed in accordance with the exchange rates of the day.

In Peru, only a consular invoice is required, the production of a commercial invoice being optional. Nor is it necessary to produce a certificate of origin as the consular invoice is deemed to be an authentic declaration of the origin of the goods.

Turkey (Translation)

In the report submitted last year to the secretariat of the GATT, and subsequently published in document L/92/Add.5, the Turkish Government informed the CONTRACTING PARTIES of the provisions of the laws in force dealing

¹ These appendices may be consulted at the GATT secretariat.

with consular formalities. To date, no amendment has been introduced into these laws, as they were described in that report.

As will be seen from that report, Turkey stated it was in favour of the recommendations formulated by the CONTRACTING PARTIES, subject to the points upon which it had made some reservations, such as the maintenance of certificates of origin, of the consular visa on legalization of the latter and the production of such certificates for goods not exceeding US \$100 in value.

In addition, as the above communication indicates, Turkish legal provisions have a certain flexibility and on the whole do not run counter to the recommendations of the CONTRACTING PARTIES. However, Turkey considers in this connexion it will be in a position to introduce certain measures of adjustment and relaxation in conformity with the said recommendations. But these measures can be introduced only by successive stages, since they will require some adjustments in the present wording of laws and regulations.

United Kingdom

As explained in document L/92/Add.1, the United Kingdom does not require consular invoices or consular visas for commercial invoices, certificates of origin or manifests. At the date of that report consular visas were, however, required in three special but relatively unimportant cases affecting imported goods, namely, (i) Commonwealth goods for which preference will be claimed but which have been trans-shipped at a foreign port, (ii) certificates of age for potable spirits, and (iii) rum imported from countries where sugar cane is not cultivated. The United Kingdom indicated at the Eighth Session that it had instituted a review of these requirements with a view to their withdrawal. This review has now been completed and it has been decided no longer to require consular intervention in these cases. The changes will take effect on, or before, 1 January 1955.

United States

In accordance with the Decision of the CONTRACTING PARTIES adopted 7 November 1952, following is a report on steps taken by the United States Government towards the abolition of consular invoices and visas.

The United States considers that its present regulations conform in all respects to the Standard Practices for Consular Formalities recommended by the CONTRACTING PARTIES.

As reported to the CONTRACTING PARTIES in 1953, effective 7 September 1953, authorization was provided to permit informal entries up to \$250.00, thus raising the ceiling from the previous \$100.00 limit. Consequently, with a very few relatively unimportant exceptions, consular invoices are now required only for shipments which are valued over \$250.00 and which are subject to an ad valorem rate of duty or a rate of duty otherwise dependent on value.

Also effective 7 September 1953, the Secretary of the Treasury was granted discretion to require certified invoices with respect to such merchandise as he deems advisable and to establish terms under which merchandise may be imported without a certified invoice. Continuous studies have been under way and are still in progress to see whether further expansion of the exemptions from the consular invoice requirements is possible or whether the present system with respect to certified invoice may be changed materially.

Additional Statement by the United States Government

Since the report to the CONTRACTING PARTIES on steps taken towards the abolition of consular formalities, the United States has announced new regulations extending exemptions from the consular invoice requirements to all importations not exceeding \$500.00 in value, even when the rate of duty depends upon value. The value of shipments exempted from certified invoice requirements when not imported for sale has been increased to \$1,000.00. It is estimated that the new regulations will eliminate certified invoices for approximately 10 per cent of the number of shipments presently requiring such invoices. Studies are continuing to determine what additional exemptions from consular invoices may be authorized.

