

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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CONTRACTING PARTIES  
Twenty-Fifth Session  
12-29 November 1968

## CONSULAR FORMALITIES

### Note by the Secretariat

1. In 1962, the CONTRACTING PARTIES adopted a report prepared by a Panel of Experts which had been established to survey existing consular formalities in the light of the Recommendation of the CONTRACTING PARTIES of 7 November 1952 looking toward simplification and elimination of consular formalities. The Panel noted that a number of contracting parties still regularly required certain consular formalities whilst others still had recourse to consular formalities in special circumstances. The requirements still existing were listed in two annexes (see BISD, 11th Supplement pages 214 ff.).
2. The Panel noted with satisfaction that considerable progress had been made towards the implementation of the 1952 Recommendation, with results which would certainly contribute to stimulating and facilitating trade, and urged in particular that the eight countries which still maintained regular requirements for consular intervention should be invited to report to the next session their reasons for maintaining such requirements and their future policy in this matter. The CONTRACTING PARTIES have, in the intervening years, regularly reviewed implementation of this recommendation and have noted some progress.
3. It seemed appropriate, now that five such reviews have been had, to survey, for the information of the CONTRACTING PARTIES, the position as it stands today. In the following table there is presented the position of the countries maintaining requirements for regular consular intervention in trade. The letter "P" before a country indicates that the country has made progress in removing certain formalities since 1962; an "R" indicates that some retrogression has occurred through introduction of new or more burdensome formalities. The table is thus intended to be comparable with Annex A of the report of the Panel of Experts and has been prepared without reference to the question whether particular countries are or are not on the list of countries which have at one time or another been asked by the CONTRACTING PARTIES to report on progress in elimination of such formalities.
4. The replies of certain countries still requiring consular formalities regularly to the secretariat's inquiry pursuant to the action taken at the twenty-fourth session are being issued separately in L/3089.

LIST OF CONTRACTING PARTIES REGULARLY REQUIRING CONSULAR FORMALITIES

Country	Type and number of documents to be presented at consulate				Fixed fees to be paid for forms and/or legalization <sup>2/</sup>	Percentage fees		Explanation of change since 1962
	Consular invoice	Commercial invoice	Bill of lading	Certificate of origin		at consulate	At importation	
R Argentina	-	4*	-	-	-	1.5% ad valorem, f.o.b. or c.i.f. value	-	The fees for legalizations were re-introduced. None of the other formalities in force prior to 1 October 1961 have been re-introduced. Notified in 1964.
P Brazil	-	4* <sup>3/</sup>	5*	4/*	-	0.44% <sup>5/</sup>	-	6/ Position uncertain, see note.
R Chile	6	7/	7/	-	Yes	-	3% f.o.b.	No change in these consular formalities has been notified. The Dominican Republic reported in 1967 that the fees involved constitute an important source of revenue but that the question of reform was under consideration.
Dom. Rep.		3*	5*					
Haiti	7	7	8*	-	-	2% f.o.b.	-	No change has been reported.
P Nicaragua	-	3*	3*	-	Yes	-	7% f.o.b.	According to the press consular invoices were abolished as of 17 July 1967; the consular legalization of commercial invoices then became obligatory for shipments valued at more than \$150.

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Peru	4	1	5*	-	Yes	-	8% f.o.b.	A code for simplification was reported under consideration in 1966; it was also to abolish consular invoices.
P Portugal	-	3 <sup>8/</sup>	-	Yes <sup>9/</sup>	Yes	-	-	Consular invoice abolished 1967; other easing of requirements (see notes). Further easing of requirements is provided for in pending legislation.
P Turkey	-	1 <sup>10/</sup>	-	3 <sup>10/</sup>	-	-	-	Uruguay has reported fees an important source of revenue but question of reform under consideration.
R Uruguay	4	4	4*	-	Yes	Up to equivalent of 12-14% ad valorem <sup>11/</sup>	-	

1/ The consular action consists in issuing consular invoices (if required) and/or legalizing those of the commercial documents which are marked with an asterisk (\*).

2/ These fees vary up to about US\$20 payable in the currency of the exporting country.

3/ In 1966 Brazil abolished the fee for legalization of commercial invoices on a reciprocal basis to countries which make no charge for legalization of invoices on shipments to Brazil from their ports; the latter include at least half of contracting parties.

4/ Brazil notified in 1964 introduction of a requirement for certification of origin in the country of despatch, as a relaxation of an earlier requirement that origin be certified in the country of origin. It is not clear whether this certificate requires consular legalization.

5/ Percentage equivalent of charges levied in currency of exporting country as applied to larger quantities.

6/ Brazil notified in 1966 and 1967 certain simplifications other than those indicated in notes 3 and 4 above, including reduction of certain fines, elimination of the requirement of consular clearance for merchant ships sailing to Brazil and for aircraft of companies operating scheduled flights to Brazil, elimination of fees on the visa of crew rolls for stops at Brazilian ports after the first Brazilian port of call. Other contracting parties have, however, recently drawn attention to existence of heavy penalties still in effect for documentary errors, requirement that shipping weight be given in some cases and to a burdensome procedure concerning confirmation of prices in connexion with issuance of the "import certificate".

7/ Decree law No. 6 of 6 September 1967 envisaged the introduction of consular fees and formalities by Chile, notably including a requirement that all imports obtain a consular certificate as from 1 January 1968. The secretariat was informed that by virtue of the provisions of Article 92 of a law concerning finance for the year 1968, the provisions of the decree law on consular formalities would not be applied. Chile had not required such certificates for many years although at one time consular legalization of bills of lading and commercial invoices was required. L/3089 contains a statement by Chile concerning the action under consideration with respect to the future of the 1967 legislation.

8/ Consular visa of commercial invoice required only if goods processed subsequent to leaving country of origin or if they have passed through a free port.

9/ Only for goods shipped indirectly. Time for presentation of certificate extended in 1967 to ninety days after presentation of goods for importation, and fee for certificate (scaled to value of shipment) reduced.

10/ Number of cases requiring certificate reduced by law of 1964. Exempt cases include full duty shipments (not at reduced rates), shipments of a c.i.f. value under LT 50 in the case of goods whose origin is marked on the goods; post, plane or passenger goods, baggage goods, if the origin is marked on the goods. Certification of origin may, if required, be legalized at any time within four months after importation.

11/ In 1966 the value of the Uruguayan peso was arbitrarily fixed at the rate of 55 per United States dollar for purposes of converting into Uruguayan pesos values of merchandise for purposes of the calculation of the amount of the consular fee. As the rate in use up to then gave peso values of about one third the new amounts and the tax remained at a fixed fee plus 1 per cent of the calculated peso value, the real tax burden rose from about 4.5 per cent to about 13 per cent ad valorem at the time of the shift for shipments valued between \$500 and \$1,000.