

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Special Distribution

INTEGRATED DATA BASE

LIST NO.3 OF OUTSTANDING QUESTIONS

Note by the Secretariat

1. This is the third list of questions prepared by the Secretariat for the delegations, concerning the preparation of the Integrated Data Base. Its purpose is to obtain guidance from delegations in settling details of the Integrated Data Base.

2. This list of questions concerns the organization of the data base: the recording of the period of validity of customs duties and quantitative restrictions, the recording of product descriptions, the recording of customs duties applicable under the Agreement on Trade in Civil Aircraft and the recording of quantitative restrictions applicable to groups of products.

I. Recording of the period of validity

3. In the initial submissions received for the IDB, the validity period in the coded tariff file has been recorded in several ways by the reporting countries:

- always blank
- always informed as 1 January through 31 December of the reference year
- start date always informed and end date always blank
- start date always blank and end date informed in some cases
- various combinations of the above.

4. The following example illustrates a possible way of reflecting changes in duties and changes in the nomenclature using the validity period.

5. This example covers a three-year period (1 January 1988 through 31 December 1990) and reflects what would possibly be stored in the user IDB after the 1990 submission has been processed. This example is based on the following assumptions:

- The reporting country adopted the HS on 1 January 1988 and its customs tariff is based on a calendar year.
- For item C, there were no changes between 1 January 1988 and 31 December 1990.
- For item D, the duty changed on 1 April 1989.

- On 1 January 1990, the following changes came into effect:

- Item A was split into two items: A.1 and A.2. For item A.1, the duty was the same as that of item A. The duty for item A.2 was different.
- For item B, the duty changed on 1 January 1990.

6. The validity period start date is always informed to indicate when the duty came into force. The end date is blank (undetermined) unless there is a change in either the duty or in the nomenclature.

] "Current" coded tariff file]			
]]			
]Ref. Item Validity Duty]			
]Year no. period rate]			
]]			
]88	A	1988 01-	10%]
]88	B	1988 01-	5%]
]88	C	1988 01-	2%]
]88	D	1988 01-	1%]
]]			
]89	A	1988 01-1989 12	10%]
]89	B	1988 01-1989 12	5%]
]89	C	1988 01-	2%]
]89	D	1988 01-1989 03	1%]
]89	D	1989 04-	0%]
]]			
]90	A.1	1990 01-	10%]
]90	A.2	1990 01-	0%]
]90	B	1990 01-	3%]
]90	C	1988 01-	2%]
]90	D	1989 04-	0%]
]]			

7. In this example, changes in duties (whether taking place at the beginning of or during the course of the reference year) and changes in the nomenclature can be identified by the validity period. However, to distinguish a change in duty from one year to another from a change in the nomenclature, a comparison is necessary.

8. For items where there was no change in the duty for the year of reference, it is always possible to determine when the duty came into force.

9. Note that for items A and B for 1989, the end dates would need to be updated by the Secretariat.

II. Recording of the product descriptions

10. Element "02" of the Textual Tariff file contains a two-digit field to record the level of the product description.

- The level of tariff headings for HS 2-digit, HS 4-digit, HS 5-digit and HS 6-digit should be equal to the number of digits recorded in the tariff heading - "02" for chapter headings, "04" for 4-digit headings, etc.
- The level of any other tariff headings can be recorded using the values of "07" through "98" at the discretion of the country concerned.
- The level of the descriptions of tariff lines should be recorded as "99". If a country has already recorded tariff line descriptions with "00" in the level, this need not be changed since level "00" will be automatically changed to "99" by the IDB conversion program.

11. The Secretariat will modify the conversion programs to incorporate the level into the key of the textual tariff file. There will be no change in the submission formats but the IDB standard format will now have the level recorded in the sub-element of element "02" as follows:

Submission format				IDB standard format			
Element	Sub-element (Lang- uage no.)	Level		Element	Sub- element	Lang- uage	Seq. no.
length: (2)	(1)	(2)	(2)	(2)	(2)	(1)	(2)
02	L	XX	LV	02	LV	L	XX

where "L" is the language code, "XX" is the sequence number of the text lines and "LV" is the level of element "02".

12. Therefore, it will be possible to use the same tariff line number for a heading and for a tariff line as shown in the following example:

Tariff No.	Description		Duty
	Level	Text	
8481	04	Taps, cocks, valves ...	
84811000	99	- Pressure-reducing ...	10%
84812000	99	- Valves for ...	10%
84813000	99	- Check valves	10%
84814000	99	- Safety or ...	10%
848180	06	- Other appliances:	
84818010	99	-- Inner tube valves ...	10%
84818021	08	-- Other:	
84818021	09	--- Taps and valves for kitchens ...	
84818021	99	---- Mixing taps	10%
84818022	99	---- Other	10%
84818023	09	--- Taps and valves for central	
84818023	99	---- Thermostatic	10%
84818024	99	---- Other	10%
84818025	09	--- Regulators:	
84818025	99	---- Heating ...	10%
84818026	99	---- Level ...	10%
84818027	99	---- Other	10%
84818028	09	--- Wedge-gate valves:	

13. It should be borne in mind that the logic of the numbering system used should allow for the possible inclusion of additional levels in the future. For example, should it be required to insert an additional heading between 84818021 " -- Other" (level "08") and "Taps and valves for kitchens" (level "09"), it would be necessary to change the existing level "09" headings to level "10", and to record the new heading as level "09". Therefore it might be preferable to leave some gaps in the values assigned to the level to be able to accommodate future requirements.

III. Recording of customs duties applicable under the Civil Aircraft Agreement

14. With regard to the recording of imports under the Agreement on Trade in Civil Aircraft and the recording of corresponding customs duties, the Secretariat proposed the following solution: wherever civil aircraft imports are identified at the tariff item level, a separate tariff item would be created and the free duty would be recorded as bound under duty type "01"; where civil aircraft imports cannot be identified at the tariff item level, items comprising civil aircraft products would be identified with a free duty recorded as bound under duty type "04" with, if applicable, an "X" recorded in the "partial duty coverage" to indicate that the item includes other products than for civil aircraft.

IV. Recording of quantitative restrictions applying to a group of products

15. During the Seminar on the Integrated Data Base (IDB), in October 1989, one delegation requested that a code be added to the "coded non-tariff file" format to indicate that a quantitative restriction had been developed at the tariff line level from a single measure applied to a group of products. The matter was discussed further in the last meeting of the Informal Advisory Group on the IDB, on 27 November 1989, and delegations requested the Secretariat to prepare a note on the implications of adding such a code to the format of the QR file.

16. In some countries, QRs are administered at a product level which does not always correspond to the detail of the customs tariff nomenclature. Some QRs apply at the customs tariff line level and others are administered at the level of product groups corresponding to two-, four- or six-digit headings of the tariff nomenclature or at the level of product groups which spread over several headings of the nomenclature at different levels.

17. The QR file submitted for the IDB should contain information recorded at the customs tariff line level. Thus, for QRs maintained on product groups which spread over several tariff lines or several headings of the nomenclature, it will be necessary to duplicate the QR as many times as necessary to identify each tariff line or each part of tariff line affected. For example, if a quota is administered globally on meat of bovine animals, which covers two four-digit headings and possibly more tariff lines, the quota will be recorded under each tariff line affected. To reconstitute the "family" of tariff lines pertaining to the global quota, it is necessary to identify each tariff line where the quota has been recorded.

18. To that end, each "family" of tariff lines pertaining to a single QR would be identified by a "QR reference number" recorded in a new field in the format of the coded part of the non-tariff file. The QR reference number would be recorded in a five-digit field placed within the key of the records, between the measure code and the record number (see document IDB/W/4, page 31, for the format of the coded non-tariff file).

19. The reference number would be left blank if the QR applies to a single tariff line only. If a QR applies to a group of tariff lines, the reference number would be used as shown in the example below.

20. A global quota on meat of bovine animals (whether fresh or frozen) applies to two four-digit headings. Assuming that the corresponding six-digit headings are not sub-divided in a given customs tariff, the quota would be recorded at the tariff line level as follows:

TARIFF LINE	MEASURE CODE	QR REFERENCE NB.	RECORD TYPE	GATT BODY
0201.10.00	219	00001	1	QR
0201.20.00	219	00001	1	QR
0201.30.00	219	00001	1	QR
0202.10.00	219	00001	1	QR
0202.20.00	219	00001	1	QR
0202.30.00	219	00001	1	QR

Note: Measure code "219" = Global quota n.e.s.

21. The QR reference number would be a five-digit sequential number recorded by the country submitting the non-tariff file. If five different groups of products were each subject to a different quota, the quotas would be recorded under five "families" of tariff lines. Each "family" would be identified by a reference number "00001" to "00005" respectively. The reference number would be the same for each reference year submitted, i.e. each "family" would keep the same reference number in each subsequent submission.

22. The reference number would be used to retrieve all tariff lines within a given "family". The reference number could also be used to count a given quota as one measure, even though the quota is recorded under several tariff lines covering the products affected.

23. The programs converting the coded non-tariff file would be modified to identify the number of referenced measures and the number of tariff lines covered by each referenced measure. For QRs having the same reference number, all information recorded in the key, with the exception of the tariff line number, should be the same; information referring to the "GATT body(ies)" (record type "1"), "document number(s)" (record type "2") and "Article number(s)" (record type "3"), should also be the same.

24. In the update system, deletions of referenced measures and changes to record types "1", "2" and "3" of referenced measures would be made at the level of the reference number. When referenced measures are created, the consistency of the data recorded under each tariff line bearing the same reference number would be verified.