

GENERAL AGREEMENT ON TARIFFS AND TRADE

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TECHNICAL GROUP ON CUSTOMS ADMINISTRATION

Report of the Technical Group to the CONTRACTING PARTIES on Documentary Requirements

On 7 November 1952 the CONTRACTING PARTIES adopted a Code of Standard Practices for Documentary Requirements for the Importation of Goods, and, in order to keep this question under review, asked contracting parties to report by 1 August 1954 on steps taken to bring their practices into conformity with the Code (BISD, First Supplement, pp. 23 and 100). It was the intention of the CONTRACTING PARTIES, pursuant to Article VIII of the General Agreement, that the adoption of this Code should minimize the incidence and complexity of import and export formalities and decrease and simplify the import and export documentation requirements.

On 3 May 1954 the Executive Secretary asked governments to submit the required reports and stated that it would assist him in preparing a report for the Ninth Session if contracting parties would furnish details of their documentary requirements. The reports so far submitted as well as the additional statements made at the meetings of the Technical Group have been distributed to all the contracting parties (see L/196 and addenda 1-8).

No reports have been received from Cuba and Uruguay. The delegates of the Dominican Republic and of Nicaragua made oral statements.

The Technical Group studied the replies of the various governments with a view to ascertaining to what extent the various governments are in conformity with the standard practices under review. In the following report the result of the study is to be found in the order of the various parts of this code.

1. DOCUMENTS REQUIRED

Facts relating to imported goods which are required for customs or other governmental purposes should, to the greatest possible extent, be ascertained from the commercial documents relating to the transaction in question. In principle the following commercial documents should suffice to meet governmental requirements:

- (i) transport documents (bill of lading, consignment note); and
- (ii) commercial invoice, accompanied where necessary by a packing list.

The specification of these documents does not mean that documents such as manifests, customs entry or declaration forms or import licences can be dispensed with. It is also to be understood that in certain circumstances the production of other documents such as certificates of origin, consular invoices, freight or insurance papers, sanitary certificates, etc., may be required.

The examination of the replies in the Technical Group gave rise to the question whether a country which requires consular formalities for the generality of importations was in conformity with the code. Some members stressed the opinion that the standard practice above could not recommend the immediate suppression of consular formalities, since the CONTRACTING PARTIES when they decided on the suppression of consular formalities fixed a period which expires on 31 December 1956 for their final removal in a second recommendation also dated 7 November 1952. The majority of the delegates represented in the Technical Group were, however, of the opinion that the two recommendations must be considered as separate, though related provisions and that governments which generally require consular intervention are not in conformity with the first standard practice.

Some countries require that the commercial invoice shall contain prescribed information including, if necessary, a declaration of origin given by the exporter. Such a system was not considered by the Technical Group as being contrary to the recommendation.

The countries which require the presentation of consular invoices or consular visas on commercial invoices for the generality of importations are listed in document W.9/121.

2. COMBINED INVOICE FORM

Where governments require two or more of the following documents:

- (i) commercial invoice
- (ii) consular invoice
- (iii) certificate of origin

they should alternatively accept, at the trader's option, either separate documents or a combined form taking their place, provided the combined form incorporates all the information normally contained in the separate documents.

Most of the governments which have submitted reports do not require consular invoices. For most of the reporting governments, therefore, this recommendation is relevant only in so far as they require certificates of origin. Generally speaking, such certificates are required only in certain cases, and the countries concerned have no objection to the certification of origin being combined with the commercial invoice. Canada, New Zealand and South Africa provide a combined form of invoice and exporter's declaration. The United States declares that it is only in certain special cases that a certificate of origin is required and this would not justify the use of a combined document, although for goods imported from Cuba a certificate is generally incorporated in the invoice. Turkey indicates that such a combined document could only be accepted if provided with a consular visa.

3. COPIES OF DOCUMENTS

Governments should keep down to a strict minimum the number of copies of documents required. As far as possible any government-issued forms should be supplied to traders free of charge or at approximate cost.

Nearly all the reporting governments have advised that they require only one or two copies of documents in connection with importation and that these are their minimum requirements. Brazil requires five copies of the consular invoice. Greece requires five copies of the commercial invoice. Nicaragua requires eight copies of the consular invoice, eight copies of the commercial invoice and five copies of the bill of lading but the entire system of consular requirements is at present under review, with a view to simplification. Peru and the United States require four, and Chile five, copies of the commercial invoice certified by the consular authorities. Indonesia requires eleven copies of an exchange permit.

So far as concerns forms other than consular forms, most governments state that these can be obtained either from private printers or from the government approximately at cost. Some governments, however, do not report on the charges made for such forms. Three governments - Japan, Sweden, and the United States - furnish some or all of the forms free of charge.

4. COLLECTION OF STATISTICAL INFORMATION

Where statistical information is required by governments, it should as far as possible be taken from the customs and other documents normally submitted by the exporter or importer for customs purposes. The exporter should not be required to fill in statistical forms for the government of the importing country and the importer should not be required to provide statistical information for the country of export. In other words, the government of the exporting country should get its data from the exporter and the government of the importing country from the importer.

It appears that the requirements of all the reporting governments are in conformity with this standard: in no case is a foreign trader required to furnish information for a statistical purpose.

5. TARIFF CLASSIFICATION OF GOODS

It should not be obligatory for the exporter or shipper to classify his goods according to the customs tariff of the country of import. Such classification should be done by the importer, if required, subject of course to review by customs authorities.

The reports indicate that requirements are in conformity with this standard, although some governments state that in exceptional circumstances they request the exporter to provide a breakdown of values between different tariff headings.

6. WEIGHTS AND MEASURES

While governmental authorities should be free to require their import and export documents to be made out in terms of the weights and measures in force in their territory, commercial documents expressed in terms of the weights and measures of the country of exportation or in terms of any weights or measures used internationally in the trade concerned should be accepted in support of import documents. Similarly, export invoices expressed in terms of the weights and measures of the importing country or in terms of any weights or measures used internationally in the trade concerned should be accepted in support of export documents.

The requirements of all save one of the reporting governments appear to be in conformity with this standard. Peru states that it insists on having the consular invoices based on the decimal metric system.