

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MTN/NTM/W/20/Add.5  
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Special Distribution

Multilateral Trade Negotiations

Original: Spanish

Group "Non-Tariff Measures"

Sub-Group "Customs Matters"

## CUSTOMS VALUATION

### Addendum

1. At its meeting in May 1975, the Sub-Group "Customs Matters" agreed "that participants should transmit to the GATT secretariat in writing by 15 September 1975 specific suggestions, accompanied by notes explaining the objectives of these suggestions, for the elements that they wished to have included in any new set of international rules on customs valuation to be adopted in the context of the Multilateral Trade Negotiations" (MTN/NTM/4, paragraph 6 and GATT/AIR/1189).
2. This agreement was confirmed at the October 1975 meeting of the Sub-Group. The Sub-Group also agreed that the written submissions contained in MTN/NTM/W/20 and agenda would, inter alia, constitute the basis for the discussion at its next meeting.
3. A communication from Mexico has been received and is reproduced hereunder.
4. Delegations who have not yet submitted their comments are invited to do so without delay.

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ELEMENTS WHICH THE MEXICAN GOVERNMENT SUGGESTS SHOULD BE INCLUDED IN  
ANY NEW SET OF INTERNATIONAL RULES ON CUSTOMS VALUATION TO BE ADOPTED  
IN THE CONTEXT OF THE MULTILATERAL TRADE NEGOTIATIONS

With reference to the draft principles drawn up in GATT (document MTN/NTM/W/7, page 13, Annex 1, Section I), the Mexican delegation presents the following remarks:

1. As a general position, it is considered that there would be no difficulty in subscribing to paragraphs 3 to 8, provided they are accepted by the other contracting parties.
2. Paragraph 1 could not be accepted because it is in contradiction with Mexico's legislation and does not correspond to the Brussels valuation principles.
3. Paragraph 2 could not be accepted because it is not consistent with our legislation. For Mexico, the system of official prices contains safeguard mechanisms against dumping practices.
4. Paragraph 9 could not be accepted because it is not relevant to customs valuation but to general trade legislation.

As regards the draft Interpretative Notes drawn up within GATT (document MTN/NTM/W/7, page 13, Annex 1, Section II):

- (a) In paragraph 1, the first sub-paragraph could not be accepted because it is based on the positive concept of value, which is contrary to the Brussels definition requiring the notional concept of value to be used.

As regards the second and third sub-paragraphs, there would be no difficulty in accepting them inasmuch as they are consistent with the Brussels valuation.

- (b) With respect to paragraphs 2, 3, 4 and 5 concerning the system in general and the concept of "like merchandise", it is considered that their administration would give rise to difficulties that could be solved by adoption of the Brussels valuation system.
- (c) As regards paragraph 6, it is pointed out that the system proposed and the Brussels system are mutually exclusive, in that in this GATT document free competition is viewed from the aspect of the trade, whereas the Brussels document views it from the aspect of the State. In these circumstances, it would be appropriate to examine the possibility that it is Article VII of the General Agreement that should be aligned with the Brussels customs valuation system, and not the reverse.