

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
C/W/29
29 September 1961
Limited Distribution

COUNCIL
25 September - 6 October 1961

Original: English

CONSULAR FORMALITIES

Memorandum on the Abolition of Consular Formalities Presented by the Governments of Denmark, Finland, Norway and Sweden

1. On 7 November 1952, the CONTRACTING PARTIES to the GATT adopted a recommendation aiming at the abolition of consular formalities not later than 31 December 1956. It was pointed out on this occasion that the complexity of such formalities and the excessive charges accompanying them are among the most serious of the invisible barriers to international trade.

On the date prescribed a number of contracting parties had not yet implemented the terms of the recommendation. The CONTRACTING PARTIES thus adopted a new recommendation on 30 November 1957 according to which the contracting parties should, pending full compliance with the recommendation of 7 November 1952,

(a) abolish the requirement of separate consular invoice forms and accept in lieu thereof the commercial invoice (legalized if necessary) completed with information previously contained in the consular invoice, and

(b) require that consular charges should be paid at destination and not in the exporting country.

2. As can be seen from document C/W/26 circulated by the GATT secretariat, a number of contracting parties have taken measures to simplify or abolish consular formalities. However, some contracting parties still maintain consular formalities and these countries do not seem to be in a different position as to the necessity to control import licences, values, origin etc. from countries which do not require such formalities.

3. The experience in the countries which have abolished consular formalities seems to have been a favourable one, both from the administrative and from the commercial point of view. The reduction or abolition of these formalities has implied less administrative work and cost, which furthermore has led to a reduction of the price of goods to the benefit of the final consumer and in general has been of great value to world trade.

The results achieved certainly encourage continued efforts to abolish the remaining consular formalities.

4. Accordingly, it might be useful to initiate a study on the possibilities of further simplifying or abolishing the formalities still in existence without infringing each country's need duly to control its imports, to charge fees to cover that control etc.

For this purpose a special working party or a panel of experts could be set up to make a survey of existing consular formalities and to make a study in cooperation with the International Chamber of Commerce on how these could be simplified and finally abolished.