

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

VAL/1/Add.2/Suppl.7*
9 May 1985

Special Distribution

Committee on Customs Valuation

Original: English/
French

INFORMATION ON IMPLEMENTATION AND ADMINISTRATION OF THE AGREEMENT

Supplement

Legislation of the European Economic Community

The following communication has been received from the delegation of the European Communities.

-
1. Attached are copies in English and French of the latest Community Regulations in the field of customs valuation (viz. Council Regulations (EEC) Nos. 320/85 and 1055/85 and Commission Regulations (EEC) Nos. 220/85 and 321/85).
 2. Regulations (EEC) Nos. 220/85 and 1055/85 are measures which the Community has made as a consequence of the Decisions taken in 1984 by the Committee on Customs Valuation of the GATT in respect of the treatment of interest charges and carrier media bearing software (cf. GATT documents VAL/6/Rev.1 and VAL/8).
 3. Its decision on the valuation of carrier media bearing software is being implemented by the Community on an autonomous basis without prejudice to its right to negotiate its tariff on software in any future round of multilateral trade negotiations within the GATT or to the possibility of the adoption of an alternative autonomous tariff measure producing equivalent effects.

* English and French only

COUNCIL REGULATION (EEC) No 320/85
of 6 February 1985
amending Regulation (EEC) No 1224/80 on the valuation of goods for customs
purposes

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community, and in particular Article 113
thereof,

Having regard to the proposal from the Commission,

Whereas, under Council Regulation (EEC) No 319/85
of 6 February 1985 amending Regulation (EEC) No
2151/84 on the customs territory of the Commu-
nity⁽¹⁾, Greenland is excluded from the customs
territory of the Community;

Whereas, as a result, Article 14 (3) of Council Regula-
tion (EEC) No 1224/80 of 28 May 1980 on the valua-

tion of goods for customs purposes⁽²⁾, as amended by
Regulation (EEC) No 3193/80⁽³⁾, should be amended;

HAS ADOPTED THIS REGULATION:

Article 1

In Article 14 (3) of Regulation (EEC) No 1224/80 'or
Greenland' is hereby deleted.

Article 2

This Regulation shall enter into force on the day of its
publication in the *Official of the European Communi-
ties*.

It shall apply as from the date on which the Treaty
amending, with regard to Greenland, the Treaties
establishing the European Communities enters into
force.

This Regulation shall be binding in its entirety and directly applicable in all Member
States.

Done at Brussels, 6 February 1985.

For the Council
The President
G. ANDREOTTI

⁽¹⁾ See page 32 of this Official Journal.

⁽²⁾ OJ No L 134, 31. 5. 1980, p. 1.

⁽³⁾ OJ No L 333, 11. 12. 1980, p. 1.

COUNCIL REGULATION (EEC) No 1055/85
of 23 April 1985
amending Regulation (EEC) No 1224/80 on the valuation of goods for customs purposes

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas, by Decision 80/271/EEC⁽¹⁾, the Council approved, on behalf of the Community, the Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade;

Whereas the major provisions of the Agreement were implemented by adoption of Council Regulation (EEC) No 1224/80 of 28 May 1980 on the valuation of goods for customs purposes⁽²⁾, as last amended by Regulation (EEC) No 320/85⁽³⁾;

Whereas Article 18 (1) of the Agreement establishes a Committee on Customs Valuation for the purpose *inter alia* of furthering the objectives of the Agreement and carrying out such other responsibilities as may be assigned to it by the Parties to the Agreement;

Whereas the application of the Agreement brought about certain changes in the customs treatment of carrier media bearing software; whereas experience has shown that such changes do not contribute to the harmonious development of world trade;

Whereas the Parties meeting within the framework of the Committee have decided that it would be consistent with the Agreement for Parties who wish to do so to take account only of the cost or value of the carrier medium itself in determining the customs value of imported carrier media for use in data processing equipment and bearing data or instructions, provided that the cost or value of the data or instructions is distinguished from the cost or value of the carrier medium;

Whereas adoption of the aforementioned practice would contribute to a more harmonious development of world trade and is therefore acceptable to the Community; whereas Regulation (EEC) No 1224/80 should be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

The following Article is inserted in Regulation (EEC) No 1224/80:

Article 8a

1. Notwithstanding Articles 2 to 8, in determining the customs value of imported carrier media for use in data processing equipment and bearing data or instructions, only the cost or value of the carrier medium itself shall be taken into account. The customs value of imported carrier media bearing data or instructions shall not, therefore, include the cost or value of the data or instructions, provided that such cost or value is distinguished from the cost or value of the carrier medium in question.

2. For the purposes of this Article:

- (a) the expression "carrier medium" shall not be taken to include integrated circuits, semiconductors and similar devices or articles incorporating such circuits or devices;
- (b) the expression "data or instructions" shall not be taken to include sound, cinematographic or video recordings.

Article 2

This Regulation shall enter into force on 1 May 1985.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 23 April 1985.

For the Council

The President

F. M. PANDOLFI

⁽¹⁾ OJ No L 71, 17. 3. 1980, p. 1.

⁽²⁾ OJ No L 134, 31. 5. 1980, p. 1.

⁽³⁾ OJ No L 34, 7. 2. 1985, p. 33.

COMMISSION REGULATION (EEC) No 220/85

of 29 January 1985

amending Regulation (EEC) No 1495/80 implementing certain provisions of Articles 1, 3 and 8 of Council Regulation (EEC) No 1224/80 on the valuation of goods for customs purposes

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1224/80 of 28 May 1980 on the valuation of goods for customs purposes⁽¹⁾, as amended by Regulation (EEC) No 3193/80⁽²⁾, and in particular Article 19 (1) (b) thereof,

Whereas with a view to ensuring uniform application of the provisions of Regulation (EEC) No 1224/80, Commission Regulation (EEC) No 1495/80⁽³⁾, as amended by Regulation (EEC) No 1580/81⁽⁴⁾, implements certain provisions of Articles 1, 3 and 8 of that Regulation ;

Whereas Article 3 (c) of Regulation (EEC) No 1495/80 deals with interest payable under a financing arrangement relating to the purchase of imported goods ;

Whereas the Parties to the Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade concluded in the framework of the multilateral trade negotiations of 1973 to 1979, meeting within the Committee established under Article 18.1 of that Agreement, have decided on a uniform treatment for customs valuation purposes of charges for interest under a financing arrangement relating to the purchase of imported goods ;

Whereas the Community, in accepting that decision, has placed itself under an obligation to ensure that its rules concerning customs valuation conform with the provisions of that decision ;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Customs Valuation Committee,

HAS ADOPTED THIS REGULATION :

Article 1

Regulation (EEC) No 1495/80 is hereby amended as follows :

⁽¹⁾ OJ No L 134, 31. 5. 1980, p. 1.

⁽²⁾ OJ No L 333, 11. 12. 1980, p. 1.

⁽³⁾ OJ No L 154, 21. 6. 1980, p. 14.

⁽⁴⁾ OJ No L 154, 13. 6. 1981, p. 36.

1. The phrase 'Articles 1, 3 and 8' of is deleted from the title.

2. Article 3 is replaced by the following :

Article 3

1. Provided that they are distinguished from the price actually paid or payable, the following shall not be included in the customs value determined under Article 3 of Regulation (EEC) No 1224/80 :

- (a) a charge for the right to reproduce the imported goods in the Community ;
- (b) a buying commission.

2. Charges for interest under a financing arrangement entered into by the buyer and relating to the purchase of imported goods shall not be included in the customs value determined under Regulation (EEC) No 1224/80 provided that :

- (a) the charges are distinguished from the price actually paid or payable for the goods ;
- (b) the financing arrangement has been made in writing ;
- (c) where required, the buyer can demonstrate that :
 - such goods are actually sold at the price declared as the price actually paid or payable, and
 - the claimed rate of interest does not exceed the level for such transactions prevailing in the country where, and at the time when, the finance was provided.

3. The provisions of paragraph 2 shall apply, *mutatis mutandis*, where customs value is determined under a method other than the transaction value.

4. The provisions of paragraphs 2 and 3 shall apply regardless of whether the finance is provided by the seller, a bank or another natural or legal person.

Article 2

1. This Regulation shall enter into force on 1 March 1985.

2. The provisions of Article 3 (c) of Regulation (EEC) No 1495/80 shall continue to apply to goods for which the material time for valuation for customs purposes is prior to 1 March 1985.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 29 January 1985.

For the Commission
COCKFIELD
Vice-President

COMMISSION REGULATION (EEC) No 321/85

of 6 February 1985

amending Regulation (EEC) No 3178/80 on air transport costs to be included in the value for customs purposes

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1224/80 of 28 May 1980 on the valuation of goods for customs purposes⁽¹⁾, as amended by Regulation (EEC) No 3193/80⁽²⁾, and in particular Article 19 thereof,

Whereas, under the terms of Council Regulation (EEC) 319/85 of 6 February 1985 amending Regulation (EEC) No 2151/84 on the customs territory of the Community⁽³⁾, Greenland is excluded from the customs territory of the Community;

Whereas the Annex to Commission Regulation (EEC) No 3178/80 of 5 December 1980 on air transport costs to be included in the value for customs purposes⁽⁴⁾ should be amended as a consequence;

Whereas the implementation in Greece of the provisions of Regulation (EEC) No 3178/80 must be deferred until 1 January 1986;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Customs Valuation Committee,

HAS ADOPTED THIS REGULATION:

Article 1

The Annex to Regulation (EEC) No 3178/80 is hereby amended as follows:

1. In paragraph 3 of the Introductory Notes, 'and as regards Greenland' is deleted.
2. Under the heading 'I. EUROPE' in the lists, the following are inserted in alphabetical order in appropriate columns:

'LIST I (Germany)

Third countries	Airport of departure	Airport of arrival								
		Berlin	Bremen	Düsseldorf/ Cologne	Frankfurt	Hamburg	Hanover	Munich	Nuremberg	Stuttgart
1	2	3	4	5	6	7	8	9	10	11
Greenland	all airports	63	65	66	63	65	63	58	60	61

LIST II (Benelux)

Third countries	Airport of departure	Airport of arrival					
		Antwerp	Brussels	Ostend	Amsterdam	Rotterdam	Luxembourg
1	2	3	4	5	6	7	8
Greenland	all airports	68	68	74	70	69	65

⁽¹⁾ OJ No L 134, 31. 5. 1980, p. 1.

⁽²⁾ OJ No L 333, 11. 12. 1980, p. 1.

⁽³⁾ See page 32 of this Official Journal.

⁽⁴⁾ OJ No L 335, 12. 12. 1980, p. 3.

LIST III (France)

Third countries	Airport of departure	Airport of arrival											
		Ajaccio	Bordeaux	Clermont-Ferrand	Dinard	Lyon	Marseilles	Mulhouse	Nantes	Nice	Paris	Strasbourg	Toulouse
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Greenland	all airports	57	65	65	72	64	61	65	69	60	72	65	61

LIST IV (Italy)

Third countries	Airport of departure	Airport of arrival											
		Alghero	Brindisi	Catania	Florence/Pisa	Genoa	Milan	Naples	Palermo	Rimini	Rome	Turin	Venice
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Greenland	all airports	55	46	45	54	60	57	49	47	57	51	62	54

LIST V (United Kingdom, Denmark, Ireland)

Third countries	Airport of departure	Airport of arrival							
		United Kingdom						Denmark all airports	Ireland all airports
		Belfast	Birmingham	London	Manchester	Prestwick/ Glasgow	Southend		
1	2	3	4	5	6	7	8	9	10
Greenland	all airports	85	78	80	81	90	77	67	75

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

It shall apply from 1 February 1985.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 20 6 February 1985.

For the Commission
COCKFIELD
Vice-President