

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Special Distribution

Working Party 5 on Valuation, Nationality
and Consular Formalities

METHODS OF VALUATION FOR CUSTOMS PURPOSES

Note by the Secretariat

At the Seventh Session the contracting parties were requested to submit reports on the steps taken by them to give effect to the principles of Article VII of the General Agreement and to describe the methods they apply in determining the value of imported goods for customs purposes. The reports received have been distributed in L/81/Add.1 and 2.

The reports from governments have been examined by the secretariat and an attempt has been made to tabulate the information contained therein with a view to presenting the most important of the data thus made available in a form which will assist the Working Party. For this purpose the provisions of Article VII have been set down in the form of questions, a few subsidiary questions have been added and, on the basis of the reports received, the secretariat has summarized the ~~answers~~ in simple terms. This material has been prepared in tabular form (MGT/27/53) and one copy for each delegation will be attached to this document. In many instances the information contained in the reports does not make it possible to provide definite answers and, therefore, the tables are tentative and incomplete.

Copies of this table were sent to the governments concerned in August and they were asked to check the accuracy of the data relating to their systems of valuation. Several of these governments have submitted the changes or additions which they wish to introduce in this table. These proposed changes are reproduced in MGT/27/53/Add.1 of which one copy for each delegation is also attached to this document.

When the reports are examined, it may be helpful to know whether any particular practice or method is applied by virtue of a law, by virtue of a decree issued by the executive authorities or under an administrative order. Accordingly an attempt was made in preparing the table to provide this information by inserting in parentheses the letter "L" to indicate that the method employed is prescribed in legislation, "D" to indicate that it is required by decree, or "A" to indicate that it is an administrative instruction to the officials concerned.

Table A is devoted to the contracting parties which are members of the Customs Co-operation Council and which, therefore, are already applying, or may in the future apply, the Brussels Definition of Value. It will be seen in L/81/Add.1 that these governments have furnished an identical statement on the conformity of the Brussels Definition of Value with the provisions of Article VII. Insofar as the Brussels Definition contains mandatory rules and governments are applying this Definition, their practices will be found to be uniform; on certain points, however, the Brussels Definition allows some latitude and here the practices of governments may be found to differ. Table B is devoted to the other contracting parties which have submitted reports.

~~Insufficient~~ information has been received concerning the conversion of foreign currencies and, therefore, most of the answers to these questions have been left open. To facilitate an examination of this feature of the problem, relevant extracts from national regulations, etc. are reproduced in Table C.