

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MTN/3B/11
16 May 1974

Special Distribution

Multilateral Trade Negotiations

GROUP 3(b) - IMPORT DOCUMENTATION

Note by the Secretariat on the Meeting of May 1974

1. The Group met on 9-10 May 1974 to continue the study relating to import documentation (BTN Chapters 1-99). The Group had before it a note by the secretariat (MTN/3B/8) which set out the main problems to be discussed at this meeting.

Common requirements for import documents

2. Some delegations emphasized that the task of the Group was to draw up guidelines for the simplification and harmonization of import documentation. Some delegations expressed the view that commercial invoices should be the basis for customs valuation and that no customs invoices should be required. Concerning the content of these commercial invoices, some of these delegations proposed that special declarations concerning the correctness of the invoice and the origin of the goods should be required only in cases where they were strictly indispensable; in these cases the text of these declarations should be harmonized. The precise text of this proposal is annexed to this note (Annex A). Some delegations doubted the feasibility of using commercial invoices as the basis for customs valuation and pointed to the practical need to obtain certain data for customs clearance purposes. Some delegations said that there was a risk that harmonization of customs invoices might lead to excessive demands for information. Some delegations also stressed that it was not for GATT to draw up forms but rather to determine the type of information required for entry documentation.

3. Some delegations expressed the wish that the aim should be the abolition of customs invoices. In order to achieve this aim, the Group should try to produce a list of common requirements so that the countries at present demanding customs invoices could receive all necessary information by means of customs entry forms. Some other delegations felt that if the necessary information was included in commercial invoices, then customs invoices would not be required but that in the absence of alternative means to obtain the required information, customs invoices continued to be necessary. Some delegations considered that in those cases countries should try to simplify and harmonize customs invoices so that exporters could use the same form when exporting at least to most of the countries concerned.

4. Some delegations said that in the field of import documentation there were a number of possible approaches: one would be to establish guidelines or sets of principles; another one would consist of bilateral negotiations on particular measures that exist in this field.

5. Some delegations pointed out that the adoption of the Brussels Definition of value would contribute to the simplification of customs documentation requirements. These delegations pointed out that the CCC was working on amendments to this definition which would make its acceptance easier for countries which were not yet applying it. Other delegations mentioned that while the question of valuation was the subject of an ad referendum solution established by Working Group 2 of the Committee on Trade in Industrial Products, consideration of valuation was relevant to the work of the Group. These delegations, however, were not convinced that the Brussels system was necessarily the ideal one. These delegations also stated that under the Brussels definition no standardized documentation existed as yet and that work in this area should be carried out in the Customs Co-operation Council.

6. Some delegations suggested two approaches to limit the amount of data required for import documentation. One approach would be to establish a positive list of items that could be required for customs clearance purposes and the second one would be to establish a negative list of data which in no case should be required. Some delegations commented that the suggested negative list might in practice lead to great difficulties and added that in their view work should concentrate on a list of maximum requirements. It was on this basis that proposals had been made in the context of Working Group 2 of the Committee on Trade in Industrial Products (Annex I of MTN/3B/8).

7. Some delegations, commenting on the two lists contained in Annex I of MTN/3B/8 expressed the opinion that certain items should be deleted from the lists; reference was made in particular to items 11 and 14 of the proposed list of common invoice requirements. Some delegations, however, opposed the deletion of these items and some other delegations made proposals for additional items to be included in each of the lists. In this connexion some delegations referred to experience which their countries had made in the field of standardized invoice requirements.

8. The Group agreed that at this stage there was a need to concentrate on the kind of information required by the customs authorities rather than the nature of the documents in which this information might appear. The Group therefore instructed the secretariat to prepare an analysis of the existing situation on the basis of work already carried out by the Customs Co-operation Council and any other information at its disposal.

Consular formalities

9. Some delegations pointed out that a considerable number of the notifications in the Inventory dealt with consular formalities and fees. These delegations drew attention to the provisions of Article VIII:1 and the Recommendation of the CONTRACTING PARTIES adopted in 1952 which provides for the abolition of all consular fees and formalities. These delegations emphasized that the 1952 Recommendation had been moderately successful in that a number of countries had abolished, or were about to abolish, these requirements. However, as a number of countries still maintained these restrictions, some of these delegations had proposed an interpretative note to Article VIII for their abolition by a date to be agreed upon (Annex B). In the view of these delegations countries still maintaining these requirements might make a positive contribution in the multilateral trade negotiations by abolishing them.

10. Some delegations stated that the problem of consular formalities was of relatively minor importance and that it was legitimate for countries to request payment for the actual costs of services rendered. Negotiations could be held to the extent that consular fees went beyond such costs and with respect to formalities, to the extent that they went beyond the requirements of administrative control.

Work in other organizations

11. Some delegations stated that work was progressing satisfactorily in the Economic Commission for Europe and in the Customs Co-operation Council. Other delegations expressed the hope that this work could be accelerated somewhat.

12. The Group agreed that, whilst duplication of work should be avoided, it should nevertheless proceed with a view to formulating - at a later stage - general principles on the type of information required for the clearance of imported goods.

13. The secretariat was requested to continue to follow as closely as possible the work of these organizations, and to report thereon.

Date of next meeting

14. The Group agreed to hold a further meeting on 20 and 21 June 1974.

ANNEX A

Draft Proposal Referred to in Paragraph 2

The CONTRACTING PARTIES recommend that:

- (a) Special declarations to be inserted in the commercial invoice concerning the correctness of the invoice and the origin of the goods should be required only in cases where they are strictly indispensable.
- (b) In order to facilitate the use of such declaration this should read:
"We certify this invoice to be true and correct" - and if necessary a short statement could be included reading "and that the goods are of origin".

ANNEX B

Draft Interpretative Note to Article VIII of the General Agreement
Referred to in Paragraph 9

ad. Article VIII

Consistent with paragraph one and the recommendations of the CONTRACTING PARTIES on consular formalities of 1952, 1957 and 1962, consular formalities, such as requirements for presentation of commercial documents to consular officers and fees associated therewith, are to be abolished no later than except where necessary to administer measures applied under Articles XX and XXI.