

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
MTN/3B/W/10
27 June 1974
Special Distribution

Multilateral Trade Negotiations

GROUP 3(b) - IMPORT DOCUMENTATION

Statement by Canadian Delegation

As the secretariat states, in paragraph 4 of MTN/3B/8, work in GATT on the subject of import documentation significantly pre-dates the preparatory work in these negotiations. Indeed, the CONTRACTING PARTIES have since 1952 been dealing with the subject of Consular formalities. The problems of import documentation and Consular formalities are among the most irritating in the Inventory of Non-Tariff Measures. In the view of my delegation, we must in this group move ahead in an effort to reduce the trade restrictive effects of the problems covered by the general heading Consular formalities and import documentation.

We believe that the time has come for the participants in this Group to initiate a systematic and substantive examination of notifications in the Non-Tariff Measures Inventory relating to Import Documentation with a view to:

- (a) identifying precisely the nature of the trade problems involved; and
- (b) examining areas where solutions should be sought.

Under the first heading we believe we should be identifying problems under three general categories:

- problems arising from the nature or the form of the documentation;
- problems arising from the information required in the documents;
- problems arising from penalties or procedures related to documentation requirements.

Problems of the first type include excessively detailed or vague forms, which prove burdensome for traders who must complete them. In this regard, Article VIII of the General Agreement clearly "recognizes the need for minimizing the incidence and complexity of import and export formalities and for decreasing the incidence and simplifying import and export documentation requirements". Turning to the Non-Tariff Measure Inventory to illustrate this type of problem, we might look at number 229

which concerns United States Customs invoice form 5515. I do not wish at this moment to examine the notification in any detail, other than to indicate that a number of countries consider that this form is overly complicated and requires a great deal of information not directly related to the clearance of importations, and some of the data required is additional to the normal commercial information one expects to be required on customs invoices.

The best way to achieve a reduction in the trade effects of these problems would seem to be the simplification and harmonization, to the extent possible, of customs entry and invoice forms. In this regard, my delegation feels that we should encourage a considerable speeding up of CCC and ECE work in developing standard forms. We feel that a marked acceleration in their efforts will be necessary if we hope to see this work completed within the time frame of the present negotiations.

Secondly, a number of participating countries have registered their concerns by notifying in the Inventory, requirements that certain types of information be included in customs invoices. This information is generally required by the importing country to facilitate the administration of laws relating to valuation for duty or anti-dumping. It seems to my delegation that many of these problems might disappear when solutions are reached concerning valuation and other practices.

We consider that the third category Customs procedures and practices, which relate to documentation or the processing of documentation, are among the most irritating and trade restrictive of problems in this area. If we look at the Inventory, there are a number of notifications which illustrate these problems. Notification number 247 informs us that the United States has designated a specified number of ports of entry for the clearance of furs and fur products. This can result in substantially increased transportation costs and loss of security of shipments. We understand that entry can be effected through non-designated ports of entry but only after the exporter has obtained a special permit. We also consider that the heavy penalties for minor errors in documentation which are imposed by some South American countries fall into this category. These are, in our view, contrary to the provisions of paragraph 3 of Article VIII of the General Agreement. We should also consider under this category notification 246 which provides an illustration of excessive delays in Customs clearance procedures and uncertainties caused traders as to when their liabilities for Customs duties will be discharged, as well as number 185 concerning a requirement to provide shipping weights in advance of shipment. It is unlikely that these problems can be resolved by simplifying or harmonizing documentation. My delegation considers that they must however be dealt with as a matter of priority.

I hope that these suggestions will assist us in moving ahead with our work.