

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

AIR/TSC/W/49

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Special Distribution

Agreement on Trade in Civil Aircraft

CIVIL/MILITARY IDENTIFICATION FOR DOMESTIC CUSTOMS PURPOSES

Note by the Secretariat
Compiled on the Basis of Signatories' Written Submissions

CANADA

Under current Canadian customs administration practice, "Civil Aircraft" does not include aircraft and aircraft products purchased by or on behalf of the Department of National Defence and the Canadian Coast Guard. Given that aircraft and aircraft engines and parts are imported into Canada duty free, even when for military applications, there appears to be no need to amend the Customs Tariff to provide for a definition of "Civil Aircraft".

EEC

The EEC is drafting an interpretative note to be inserted in the Explanatory Notes to the Common External Tariff (AIR/TSC/W/46, paragraph 5).

JAPAN

The definition of the term "military aircraft" in Japan which clearly provides in document AIR/1, i.e. "to cover only those aircraft procured by the Defence Agency for use by the Self Defence Force", has been fully instructed to all customs houses by the Director-General of the Customs and Tariff Bureau of the Ministry of Finance and has been widely publicized.

NORWAY

In the Norwegian national tariff there is no definition which makes a distinction between military and civil aircraft and parts thereof. However, it is understood that all aircraft and aircraft parts imported by the armed forces for military purposes are considered as military aircraft and thus falling outside the scope of the Agreement. Conversely, all aircraft and parts imported by the non-military sector for civil use are considered as civil aircraft.

SWEDEN

Products of the civil as well as the military aircraft industry are eligible for duty-free treatment on importation to Sweden.

Consequently, the question of distinguishing between "civil" and "military" aircraft has no relevance for Swedish customs purposes. For this reason, the Swedish Customs Tariff does not provide for a definition of these two terms.

SWITZERLAND

The products covered by the Agreement on Trade in Civil Aircraft are included, among other products, in the "list of goods covered by the specific end-use ("revers") system". This list is an integral part of the Swiss customs tariff and is published in the same way as the latter. It gives an exhaustive enumeration of all goods admitted at reduced rates or duty-free, on the basis of their end-use (for example, end-use: civil aviation) and in accordance with a specific customs procedure (the "revers") system.

The differentiation between civil and military aviation, i.e. the definition of what Switzerland considers for the purposes of the above-mentioned Agreement as being military aircraft, and which is reproduced in document AIR/40, has been circulated within the Swiss customs administration.

In order to contribute to general transparency in implementation of the above-mentioned Agreement and after having reviewed the matter, the Swiss authorities are ready to reproduce, as from 1 January 1984, this same definition in the "Preliminary remarks" to the list of goods covered by the specific end-use ("revers") system.

UNITED STATES

The distinction between civil and military aircraft is clearly set forth in the United States Tariff Schedules in Headnote 3b Part 6C to Schedule 6 of the TSUS.

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	<u>Explanatory Note in Customs Tariff</u>	<u>Administrative circular</u>	<u>Identification not needed (no duties imposed)</u>	<u>Other</u>
Austria				
Canada			X	
Egypt				
Japan		X		
Norway			X	
Romania				
Sweden			X	
Switzerland	X under consideration	X		
United States	X			
EEC:	X in preparation			
Belgium				
Denmark				
France				
Germany, F.R.				
Greece				
Ireland				
Italy				
Luxembourg				
Netherlands				
United Kingdom				