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WORKING PARTY 1 ON RESOLUTIONS OF
THE INTERNATIONAL CHAMBER OF COMMERCE

Note from the representative of the
International League of Commercial Travellers and Agents
on the Establishment of a Triptych for Commercial Samples

In connection with the recommendations regarding the establishment of an international convention to facilitate the importation of commercial samples, submitted to the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade (documents GATT/CF.6/36 and CF.6/W/6), the following proposal was made to the CONTRACTING PARTIES by the French Delegation:

That the feasibility be examined of adopting a "carnet de passages" for the temporary importation of samples and specimens, which would relieve commercial travellers of the obligation to deposit the import duties or to provide a corresponding security. To that end, an international body recognised by the various governments would enter into an undertaking with the customs administrations to pay the customs duties and other taxes on samples not re-exported.

The International League of Commercial Travellers and Agents, when approached by the International Chamber of Commerce, declared itself willing in principle to act as guarantor, once it had weighed up the practical aspects of the proposed system and its liabilities thereunder. The conclusions of the League's investigations may be summed up as follows:

1. The whole system envisaged by the League is based on a procedure outlined by the Directorate-General of Swiss Customs, when consulted on the matter.
2. "Our experience", writes the Directorate-General of Swiss Customs, "shows that the importer of commercial samples is often not in a position, when travelling, to guarantee payment of customs duties. Owing to currency restrictions, he frequently does not have sufficient funds with him to make a deposit. At the same time, it is often impossible for him to find a security for payment". "This", the letter adds "is where the system of 'carnet de passages en douane' used for motor traffic may provide some useful hints....."

In place of the carnet de passages used for motor traffic, the national commercial travellers' associations, affiliated to the International League, would issue their members and commercial travellers and agents in general, with a document known as a "samples triptych" in respect of which commercial travellers' associations would guarantee payment of the duties and taxes levied by the customs administration of their country. Thus the Swiss Commercial Travellers' Association would guarantee payment to the Swiss Customs

Administration of the customs duties and other taxes to which foreign commercial travellers entering Swiss territory were liable. Naturally, only commercial travellers from countries with which Switzerland had concluded a customs convention on the lines of the contemplated agreement would enjoy such recognition.

Claims by the customs administration would be covered up to a limit of, say, Sw.frs.3,000 per triptych, unless it proved possible to arrange with the insurance company willing to stand guarantor to the customs administration on behalf of the commercial travellers' association in question to meet any customs claim without limitation as to the sum.

We have received a proposal from a Swiss insurance company prepared to guarantee payment to the Swiss customs of a maximum of Sw.frs.250,000 of dues per year, in return for an annual premium of 1.2 percent of that sum, the first Sw.frs.300.- of a claim being borne, in any case, by the Swiss Commercial Travellers' Association.

Returning to the example of a claim by the customs authorities: the Swiss Association would first have to confirm whether the claim was justified and take steps to obtain repayment of the customs duties from the offending commercial traveller, or, if necessary, from the firm he represented or the foreign association to which he was affiliated. The insurance company acting as guarantor would be called upon only if such steps proved fruitless, i.e., if the debtor's insolvency were established beyond doubt.

3. The International League has been asked why it could not adopt the same procedure as at present followed with the motor-car triptych, which is that the touring club to which the triptych holder belongs undertakes all customs formalities from completing the customs document to final clearance. The reason is that the motor-car triptych covers a single object whose designation and identification entail no particular difficulty. It is quite a different matter, however, with a collection of samples, often consisting of many and varied articles whose designation under customs nomenclature and identification require a precise knowledge of customs regulations. Such a task would present almost insuperable difficulties to the League and its affiliated national organisations, and is one which the commercial traveller, or, more especially, the firm he represents, is better fitted to perform.

To take, for example, the case of a firm manufacturing clocks and watches which, from time to time, makes up a collection of samples for its agents going abroad. It is familiar with the correct customs designation and identification of every single item in the collection and affixes the customs seals itself with equipment obtained from the customs administration. Why then burden the League with a task that those concerned perform themselves satisfactorily and without difficulty? The only problem with which the League wishes to concern itself is one that has not yet been solved on a broad basis, i.e. that of relieving the commercial traveller of the obligation of paying customs duties or providing a security.

4. Just as there would be practical disadvantages in the completion of the customs document by the League, so also would there be difficulties with regard to final clearance. In Switzerland, this formality is performed simply by the person concerned, who may obtain clearance from whatever customs post he passes through on leaving the country. The League, however, would be running a serious risk. The triptych holder might, unwittingly or deliberately, omit to produce his collection for customs examination. This would involve the League in a considerable amount of, necessarily expensive, formalities in order to obtain clearance. In case of failure, it would have to pay the customs duties, together with any fines and supplementary charges which might be imposed. This is where the guarantor insurance company would come in.

5. For what fees would the League be willing to offer its services to triptych holders? We know that in Switzerland certain customs agents make a minimum charge of Sw.frs.7.50 for carrying out all the formalities connected with the issue of a "Passavant à montant déposé" (temporary import permit issued against deposit), which certificate, as its name indicates, requires the holder to deposit the customs duties or to provide a security. The League is not yet in a position to submit a list of charges. However, the maximum fee should, in any case, not exceed the rates at present charged by customs agents. The cost of the premium which the League will have to pay the selected insurance company for the general guarantee deposited with the customs authorities will be transferred to triptych holders by including in the fee each has to pay a charge proportional to the amount of customs duties to which his collection is liable. Preferential rates would be given to members of organisations affiliated to the League.

6. The system contemplated by the International League is based on the suggestions of the Directorate-General of the Swiss Customs at Berne. It was approved by the last Congress of the International League, held at Rotterdam from 16 to 20 September 1952. The Ministry of Finance of the Austrian Government, which was consulted by the general secretariat of the League in Vienna, has signified its agreement in principle with the views of the Swiss customs authorities. The latter are prepared to come to an agreement with the Austrian authorities on the bases outlined above. Such an agreement would provide an opportunity of carrying out an experiment to serve as a test case for the future international convention on the simplification of customs formalities with respect to samples.