GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

VAL/W/22 2 November 1983 Special Distribution

Committee on Customs Valuation

ACCESSION OF BOTSWANA

Note by the Secretariat

1. The following communication, dated 31 May 1983, has been received from the Botswana Government:

"The Department of External Affairs of the Republic of Botswana confirms that Botswana wishes to accede to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (the GATT Valuation Code). Botswana is a member of the Southern African Customs Union, together with the Kingdoms of Lesotho and Swaziland and the Republic of South Africa. The Director-General will be aware that South Africa has already accepted the Agreement which will be implemented in that country on 1 July 1983, and it will be administratively convenient for Botswana to introduce the use of the Code with effect from the same date. A bill to amend Botswana's customs and excise legislation to take account of the change in valuation procedures will be introduced in the next session of the National Assembly scheduled to be held in May/June 1983. The Department of External Affairs requests that an instrument of accession be prepared accordingly."

2. Botswana is not a contracting party to the GATT. However, the Government of Botswana has confirmed that it remains committed to apply the provisions of the General Agreement on a <u>de facto</u> basis, as has been the case so far, in accordance with the recommendation of the CONTRACTING PARTIES OF 11 November 1967 (BISD, 15S/64). In these circumstances, the provision of the Agreement on Customs Valuation that would govern Botswana's accession is Article 22.3.

3. Following informal consultations, the draft terms of accession annexed to this note have been drawn up for consideration and adoption by the Committee at its meeting of 10-11 November 1983. In adopting these terms, the Committee would agree that the requirement of Article 22.3 in this regard would have been fulfilled. It is anticipated that Botswana would accede to the Agreement shortly thereafter by the deposit with the Director-General of an instrument of accession stating its acceptance of the Agreement and, in addition, containing the attached declaration. The Agreement would enter into force for Botswana thirty days following such deposit.

4. It is suggested that, when adopting terms of accession for Botswana, the Committee agree that the terms reflect the particular circumstances of Botswana, that agreement of the Parties to them would not be regarded as a VAL/W/22 Page 2

precedent for other Agreements and other governments, and that each future case should be treated on its own merits in the context of each particular Agreement.

5. It is also suggested that the Committee note that the Botswana Government has indicated that, as a country applying GATT provisions on a <u>de facto</u> basis, Botswana was keeping its option open on the question of acceding to the GATT, that it would revert to this subject in due course, and that its current request had been prompted only by its desire to apply the Agreement on Implemention of Article VII of the GATT.

ANNEX

DRAFT TERMS OF ACCESSION OF BOTSWANA TO THE

AGREEMENT ON CUSTOMS VALUATION

Declaration to be Included in

Botswana's Instrument of Accession

Upon accepting the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade, Botswana would make the following declaration:

"The Government of Botswana declares that, until any such time that it might become a contracting party to the GATT, it will continue to apply <u>de facto</u> the General Agreement on Tariffs and Trade, and in particular Articles I, VII, and XXIII thereof, in its trade with all the Parties to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade to the extent necessary to ensure that advantages which accrue directly or indirectly under the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade are not nullified or impaired, on the understanding that the Parties to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade will equally apply <u>de facto</u> the General Agreement on Tariffs and Trade in their trade with Botswana.

"The Government of Botswana declares its readiness to examine in the Committee on Customs Valuation any difficulty or matter that may arise related to the application of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade between Botswana and another Party."