

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

VAL/Spec/36

19 October 1992

Limited Distribution

Committee on Customs Valuation

DRAFT REPORT (1992) OF THE COMMITTEE ON CUSTOMS VALUATION

1. The Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade entered into force on 1 January 1981. The following are Parties to the Agreement and members of the Committee established under it: Argentina, Australia, Austria, Botswana, Brazil, Canada, Cyprus, Czech and Slovak Federal Republic, European Economic Community, Finland, Hong Kong, Hungary, India, Japan, Republic of Korea, Lesotho, Malawi, Mexico, New Zealand, Norway, Romania, South Africa, Sweden, Switzerland, Turkey, United States, Yugoslavia and Zimbabwe. In addition, Poland has accepted the Agreement subject to ratification.

2. The following contracting parties have observer status: Bangladesh, Cameroon, Chile, Colombia, Côte d'Ivoire, Cuba, Egypt, Indonesia, Israel, Malaysia, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Singapore, Sri Lanka, Thailand, Trinidad and Tobago and Zaire. Four non-contracting parties, Bulgaria, the People's Republic of China, Ecuador and the Russian Federation are also observers. In view of the special responsibilities and functions assigned to it under the Agreement, the Customs Co-operation Council has been accorded permanent observer status. Two other international organizations (IMF and UNCTAD) have attended the meetings of the Committee in an observer capacity.

Developments since the Committee's last report (28 November 1991)

3. During the period under review, the Committee has held two meetings:

- 14 May 1992 (VAL/M/29); and
- 3 November 1992 (VAL/M/30 to be issued)

4. At its meeting of 14 May 1992, in response to a request by the Russian Federation, contained in document VAL/W/55, the Committee decided to grant observer status to the Russian Federation.

5. During the reporting period, the Committee examined the implementation and administration of the Agreement by Argentina, Cyprus, the European Communities, India, Malawi and Romania. At its meeting of 14 May 1992, the Committee concluded its examination of the implementing legislation of Cyprus, and decided to revert to that of Malawi, once Malawi had submitted additional information regarding its legislation. The Indian notification dated 1 October 1991 concerning an amendment to Rule 10 of the Customs Valuation Rules, 1988 of India was also the subject of further discussion at that meeting. The Committee took note of the various questions raised and the corresponding answers, and agreed to conclude its examination of the Indian amendment with the understanding that it be included in the

agenda of a future meeting if requested by a Party. At its meeting of 3 November 1992, the Committee took note of and reviewed the supplementary legislation submitted by Argentina, the European Communities and Romania.

6. Detailed oral reports on the work of the twenty-third (16-20 March 1992) and twenty-fourth (19-23 October 1992) sessions of the Technical Committee of the Customs Co-operation Council were presented to the meetings of the Committee on Customs Valuation. The Technical Committee, at its March session, adopted an Explanatory Note on Confirming Commissions.

7. The Committee took note of current technical assistance activities on the basis of a summary note prepared by the Customs Co-operation Council, which was circulated as Committee document VAL/W/29/Rev.7.

8. The Committee took note of the comments submitted by Australia, contained in document VAL/W/53, on the question of linguistic consistency between the English, French and Spanish texts of the introductory sub-paragraph of Article 8.1(b). The Committee also took note of the statement made by the observer from the Customs Co-operation Council on this matter.

9. On the basis of a background note by the Secretariat (VAL/W/56), the Committee held its twelfth annual review under Article 26 at its meeting of 3 November 1992.