

**NOTIFICATIONS UNDER THE DECISIONS A.3 AND A.4 CONCERNING THE
INTERPRETATION OF THE AGREEMENT ON IMPLEMENTATION
OF ARTICLE VII OF THE GENERAL AGREEMENT
ON TARIFFS AND TRADE 1994**

COSTA RICA

The following information, dated 25 January 2002, has been received from the Permanent Mission of Costa Rica.

In conformity with the procedures established by the Committee on Customs Valuation in Section A.3 of document G/VAL/5, we submit herewith the Government of Costa Rica's notification concerning the treatment of interest charges in the customs value of imported goods.

Pursuant to the Decision adopted by the Committee on Customs Valuation on the treatment of interest charges in the customs value of imported goods (G/VAL/6/Rev.1), adopted by the Tokyo Round Committee on 26 April 1984 (G/VAL/M/9, paragraph 38) and rectified (French and Spanish versions only) by the said Committee on 24 September 1984 (VAL/M/10, paragraph 17), and in compliance with the Decision on notification and circulation of national legislation adopted by the Committee on Customs Valuation on 12 May 1995 (G/VAL/5), the Government of Costa Rica hereby notifies that the Decision in question has been applied since Tuesday, 5 September 2000.

The said Decision is contained in Article 256 of Law No. 8013, published in Special Section No. 57-A of the official journal "La Gaceta" of 5 September 2000, which reads as follows:

"Article 256: Treatment of Interest Charges

Charges for interest under a financing agreement entered into by the buyer and relating to the purchase of imported goods shall not be regarded as part of the customs value provided that:

- (a) The charges are distinguished from the price actually paid or payable for the goods;
- (b) the financing arrangement was made in writing;
- (c) where required, the buyer can demonstrate that:

- (i) such goods are actually sold at the price declared as the price actually paid or payable;
- (ii) the claimed rate of interest does not exceed the level for such transactions prevailing in the country where, and at the time when, the finance was provided."

The provisions of this Article shall apply if the buyer, a banking institution or another natural or legal person provides the financing. It shall also apply, if appropriate, where goods are valued under a method other than the transaction value."
