GENERAL AGREEMENT ON TARIFFS AND TRADE

Recommendations and a Code of Rules to reduce and simplify Importation Formalities published today

At the Seventh GATT Session, which ended on 2 November, the Contracting Parties adopted

(a) a code of **Standard Practices** relating to **Documentary Requirements for the Importation of Goods** and

(b) a **Recommendation** that **Consular invoices and consular visas** for commercial invoices should be abolished as soon as possible. Pending abolition, the Contracting Parties adopted a code of rules or **Standard Practices** which should be observed by the consular authorities.

The **Standard Practices for Documentary Requirements for the Importation of Goods** and the **Standard Practices for Consular Formalities** are published today in two leaflets, together with a preface by the Executive Secretary, Eric Wyndham White.

**Background.** In the Preface which is included in the leaflets the Executive Secretary states: "The initiative for this attempt to persuade governments to reduce the diversity and complexity of documentation and to eliminate consular visas and formalities came from those actually engaged in the conduct of trade. Resolutions drawing attention to the difficulties both on account of the expense and clerical work imposed on traders and to the need to abolish consular formalities were adopted by the International Chamber of Commerce at its Lisbon (13th) Congress in 1951 and were submitted to the Contracting Parties."

The Contracting Parties examined these problems at their Sixth Session. Two sets of draft Recommendations were drawn up; these were circulated to governments and to the International Chamber of Commerce for intersessional study and comment. At their Seventh Session, following study by a working party, which consulted with representatives of the International Chamber of Commerce, the Contracting Parties adopted a Code of **Standard Practices** relating to **Documentary Requirements for the importation of goods**. They recommended that consular visas for commercial invoices should be abolished as soon as possible and in any case not later than 31 December 1956. They recommended that, pending total abolition, governments should reduce progressively the incidence of consular fees. They also adopted a series of rules which should be observed by the consular authorities in the exporting country, pending abolition of consular invoices and consular visas for commercial invoices.

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Significance. In his Preface the Executive Secretary states that when the Contracting Parties examined these problems they took note of the points advanced by the International Chamber of Commerce. "They noted that, for instance, an error of compilation or the misplacement of any one document, such as a transport paper or a consular invoice or a certificate of origin, can result in severe hardship out of proportion to the usefulness of the documents. They noted that the complexity of consular formalities required by some countries and the excessive charges accompanying them are among the most serious of the invisible barriers to international trade and that exporters are often obliged to fill in a disproportionate number of copies of the documents required. They noted that the consular fee charged is often a high percentage of the value of the goods. So far as consular invoices and visas are concerned, the Contracting Parties noted that a large part of the world's trade is in fact carried on without them."

"Application of these recommendations would give effect to the recognition, in GATT Article VIII, of the need to decrease and simplify documentary requirements and to limit fees and charges to the approximate cost of services rendered."

"In adopting these recommendations relating to documentary requirements and consular formalities and fees the Contracting Parties have made a practical contribution to facilitating the task of the trading community. At a time when commercial enterprise is operating in difficult and frustrating conditions this is a step in the right direction", the Executive Secretary concludes.

Note: Copies of the two leaflets, in English, French or Spanish, are available free of charge from the GATT Secretariat.