The following letter has been received from the Secretary General of the Customs Co-operation Council:

"I have the pleasure of transmitting, under separate cover, in English and French, the texts of the above draft Customs Conventions together with the relevant parts of the Report on the 31st/32nd Sessions of the Permanent Technical Committee.1

"As you will see from the text of the draft Convention on professional equipment, the Committee has taken into account the comments made by your Group of Experts and approved by the CONTRACTING PARTIES. The draft will be submitted to the Council for approval at its XVIIIth Session, which will be held from 5 to 10 June next.

"The draft Customs Convention on the A.T.A. carnet also drawn up at the last Session of the Committee, is to be applicable in connection with all temporary importation procedures and in particular on the temporary importation of the professional equipment envisaged in the above draft Convention. It will be re-examined by the Committee at its next Session in September/October 1961 in the light of any further observations that Members and the international organisations concerned might make. The Committee intends to finalize the text at that Session and to submit the draft to the Council for approval in December next.

"I should be very grateful if the draft Conventions could be brought to the knowledge of the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade and if such comments or observations as they may wish to make on the draft carnet Convention could be communicated to the Secretariat of the Council at their earliest convenience in order that Council Members may take them into account when examining the text."

1The relevant texts are attached to this document (Appendix I(a) Convention on Professional Equipment; Appendix I(b) relevant parts of the CCC report; Appendix II(a) Carnet Convention; Appendix II(b) relevant parts of the CCC report).
DRAFT CUSTOMS CONVENTION ON THE TEMPORARY IMPORTATION OF PROFESSIONAL EQUIPMENT

PREAMBLE

The States signatory to the present Convention,

Meeting under the auspices of the Customs Co-operation Council and the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade, (GATT), in consultation with United Nations Educational, Scientific and Cultural Organisation (UNESCO),

Having regard to proposals made by representatives of international trade and other interests for the extension of temporary duty-free importation procedures,

Convinced that the adoption of general rules on the temporary duty-free importation of professional equipment would facilitate the international exchange of specialised skills and techniques,

Have agreed as follows:

CHAPTER I
Definitions

Article 1

For the purposes of the present Convention:

(a) the term "import duties" means Customs duties and all other duties and taxes payable on, or in connection with importation and shall include all internal taxes and excise duties chargeable on imported goods, but shall not include fees and charges which are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to domestic products or a taxation of imports for fiscal purposes;

(b) the term "temporary admission" means temporary importation free of import duties and free of import prohibitions and restrictions, subject to re-exportation;

(c) the term "the Council" means the organisation set up by the Convention establishing a Customs Co-operation Council, done at Brussels on 15th December 1950;

(d) the term "person" means both natural and legal persons, unless the context otherwise requires.
CHAPTER II
Temporary admission

Article 2

Each Contracting Party bound by any Annex to the present Convention shall grant temporary admission to the equipment referred to in that Annex, subject to the conditions specified in Articles 1 to 23 and in that Annex. The term "equipment" shall be taken to include any relevant ancillary apparatus and accessories.

Article 3

The Contracting Parties to the present Convention which are also Contracting Parties to the Customs Convention on the A.T.A. carnet for the temporary admission of goods done at Brussels on .... shall accept that carnet in lieu of national documents, for the implementation of the present Convention.

Article 4

In cases where a Contracting Party requires security for compliance with the conditions attached to temporary admission, the amount of such security shall not exceed the amount of the import duties chargeable by more than 10%.

Article 5

Equipment granted temporary admission shall be re-exported within six months from the date of importation. For valid reasons the Customs authorities may either grant a longer period or extend the initial period, within the limits laid down by the law and regulations of the country of temporary importation.

Article 6

Equipment granted temporary admission may be re-exported in one or several consignments to any country, through any Customs office open for such operations, and such re-exportation shall not be confined to the Customs office of importation.

Article 7

1. Notwithstanding the requirement of re-exportation laid down by the present Convention, the re-exportation of all or part of equipment badly damaged in duly authenticated accidents shall not be required, provided that it:

(a) is subjected to the import duties to which it is liable; or
(b) is abandoned free of all expense to the Exchequer of the country into which it was temporarily imported; or

c) is destroyed, under official supervision, without expense to the Exchequer of the country into which it was temporarily imported;
as the Customs authorities may require.

2. When all or part of equipment granted temporary admission cannot be re-exported as a result of a seizure, other than a seizure made at the suit of private persons, the requirement of re-exportation shall be suspended for the duration of the seizure.

Article 8

Component parts imported to repair temporarily admitted equipment shall also be granted the facilities provided for in the present Convention.

CHAPTER III

Miscellaneous provisions

Article 9

Any breach of the provisions of the present Convention, any substitution, false declaration or act having the effect of causing a person or goods improperly to benefit from the facilities provided for in the present Convention, may render the offender liable in the country where the offence was committed to the penalties prescribed by the law and regulations of that country and to payment of any import duties chargeable.

Article 10

The provisions of the present Convention shall not preclude the application of prohibitions and restrictions imposed under national regulations on grounds of public morality or order, public security, public hygiene or health, or for veterinary or phytopathological considerations, or by reason of regulations relating to the protection of copyrights, trade marks and patents.

Article 11

For the purposes of the present Convention the territories of Contracting Parties which form a Customs or economic union may be taken to be a single territory.

Article 12

In the application of the present Convention, the Annex or Annexes for the time being in force to which a Contracting Party is bound shall be construed to be an integral part of the Convention, and in relation to that Contracting Party any reference to the Convention shall be deemed to include a reference to such Annex or Annexes.
Article 13

The provisions of the present Convention set out the minimum facilities to be accorded. They do not prevent the application of greater facilities which certain Contracting Parties grant or may grant in future by unilateral provisions or in virtue of bilateral and multilateral agreements.

CHAPTER IV

Final provisions

Article 14

1. The Contracting Parties shall meet together when necessary in order to consider the operation of the present Convention and, in particular, in order to consider measures to secure uniformity in the interpretation and application of the present Convention.

2. Such meetings shall be convened by the Secretary General of the Council at the request of any Contracting Party; provided that where the matter to be considered concerns only one or more Annexes for the time being in force, such request may be made only by a Contracting Party which is bound in respect of such Annex or Annexes. Unless the Contracting Parties concerned otherwise decide, the meetings shall be held at the Headquarters of the Council.

3. The Contracting Parties shall lay down the rules of procedure for the meetings referred to in paragraph 2 of this Article. Decisions of the Contracting Parties shall be taken by a majority of not less than two-thirds of the Contracting Parties present at the meeting and voting; provided that only those Contracting Parties which are bound by any Annex for the time being in force shall be entitled to vote on matters concerning that Annex.

4. The Contracting Parties concerned shall not take a decision on any matter unless more than half of them are present.

Article 15

1. Any dispute between Contracting Parties concerning the interpretation or application of the present Convention shall so far as possible be settled by negotiation between them.

2. Any dispute which is not settled by negotiation shall be referred by the Contracting Parties in dispute to the Contracting Parties, meeting in conformity with Article 14 of the present Convention, which shall thereupon consider the dispute and make recommendations for its settlement.

3. The Contracting Parties in dispute may agree in advance to accept the recommendations of the Contracting Parties as binding.
Article 16

1. Any State Member of the Council and any State Member of the United Nations or its specialised agencies may become a Contracting Party to the present Convention:

(a) by signing it without reservation of ratification;
(b) by depositing an instrument of ratification after signing it subject to ratification; or
(c) by acceding to it.

2. The present Convention shall be open until .................for signature at the Headquarters of the Council in Brussels by the States referred to in paragraph 1 of this Article. Thereafter, it shall be open for their accession.

3. In the case envisaged in paragraph 1 (b) of this Article, the present Convention shall be subject to ratification by the signatory States in accordance with their constitutional procedures.

4. Any State, not being a Member of the Organisations referred to in paragraph 1 of this Article, to which an invitation to that effect has been addressed by the Secretary General of the Council at the request of the Contracting Parties, may become a Contracting Party to the present Convention by acceding thereto after its entry into force.

5. Each State referred to in paragraph 1 or 4 of this Article shall at the time of signing, ratifying or acceding to the present Convention declare the Annex or Annexes in respect of which it shall be bound. It may subsequently declare itself to be bound in respect of one or more further Annexes, by notification given to the Secretary General of the Council.

6. The instruments of ratification or accession shall be deposited with the Secretary General of the Council.

Article 17

1. The present Convention shall enter into force in relation to any Annex thereto three months after five of the States referred to in paragraph 1 of Article 16 thereof have signed the Convention without reservation of ratification or have deposited their instruments of ratification or accession and have declared themselves to be bound in respect of that Annex.

2. For any State ratifying or acceding to the present Convention after five States have signed it without reservation of ratification or have deposited their instruments of ratification or accession and have declared themselves to be bound in respect of the same Annex or Annexes, the present Convention
shall enter into force, in relation to such Annex or Annexes, three months after the said State has deposited its instrument of ratification or accession together with a declaration that it will be bound in respect of such Annex or Annexes.

3. For any State which after signing the present Convention without reservation of ratification, or having ratified or acceded to it, declares itself to be bound in respect of any further Annex after five States have declared themselves to be bound in respect of that Annex, the present Convention shall enter into force in relation to such Annex three months after the said State has declared itself to be so bound.

Article 18

1. The present Convention is of unlimited duration but any Contracting Party may denounce it at any time after the date of its entry into force under Article 17 thereof.

2. The denunciation shall be notified by an instrument in writing, deposited with the Secretary General of the Council.

3. The denunciation shall take effect six months after the receipt of the instrument of denunciation by the Secretary General of the Council.

4. The provisions of paragraphs 2 and 3 of this Article shall also apply in respect of the Annexes to the present Convention, any Contracting Party being entitled, at any time after the date of their entry into force under Article 17 thereof, to declare that it is no longer bound in respect of one or more Annexes. Any Contracting Party which denounces all the Annexes in respect of which it was bound shall be deemed to have denounced the Convention.

Article 19

1. The Contracting Parties meeting in conformity with Article 14 of the present Convention may recommend amendments thereto.

2. The text of any amendment so recommended shall be communicated by the Secretary General of the Council to all Contracting Parties, to all other signatory or acceding States, to the Secretary General of the United Nations, to the CONTRACTING PARTIES to GATT, and to UNESCO.

3. Within a period of six months from the date on which the proposed amendment is so communicated, any Contracting Party or, in the case of an amendment concerning only an Annex for the time being in force any Contracting Party bound in respect of that Annex may inform the Secretary General of the Council,

(a) that it has an objection to the amendment proposed, or

(b) that, although it intends to accept the proposal, the conditions necessary for such acceptance are not yet fulfilled in its country.
4. If a Contracting Party sends the Secretary General of the Council a communication as provided for in paragraph 3(b) of this Article, it may, so long as it has not notified the Secretary General of its acceptance of the proposed amendment, submit an objection to the proposed amendment within a period of nine months following the expiry of the six-month period referred to in paragraph 3 of this Article.

5. If an objection to the proposed amendment is stated in accordance with the terms of paragraphs 3 and 4 of this Article, the amendment shall be deemed not to have been accepted and shall be of no effect.

6. If no objection to the proposed amendment in accordance with paragraphs 3 and 4 of this Article has been stated, the amendment shall be deemed to have been accepted as from the date specified below:

   (a) if no Contracting Party has sent a communication in accordance with paragraph 3(b) of this Article, on the expiry of the period of six months referred to in paragraph 3;

   (b) if any Contracting Party has sent a communication in accordance with paragraph 3(b) of this Article, on the earlier of the following two dates:

      (i) the date by which all the Contracting Parties which sent such communications have notified the Secretary General of the Council of their acceptance of the proposal, provided that, if all the acceptances were notified before the expiry of the period of six months referred to in paragraph 3 of this Article, that date shall be taken to be the date of expiry of the said six-month period;

      (ii) the date of expiry of the nine-month period referred to in paragraph 4 of this Article.

7. Any amendment deemed to be accepted shall enter into force six months after the date on which it was deemed to be accepted.

8. The Secretary General of the Council shall, as soon as possible, notify all Contracting Parties of any objection to the proposed amendment made in accordance with paragraph 3(a), and of any communication received in accordance with paragraph 3(b), of this Article. He shall subsequently inform all the Contracting Parties whether the Contracting Party or Parties which have sent such a communication raise an objection to the proposed amendment or accept it.

9. Any State ratifying or acceding to the present Convention shall be deemed to have accepted any amendments thereto which have entered into force at the date of deposit of its instrument of ratification or accession.
10. Any State which, after signing the present Convention without reservation of ratification or having ratified or acceded to it, declares itself to be bound in respect of any further Annex shall be deemed to have accepted any amendments thereto which have entered into force at the date of its notification to the Secretary General of the Council.

Article 20

1. Any State may, at the time of signing the present Convention without reservation of ratification, or of depositing its instrument of ratification or accession or at any time thereafter, declare by notification given to the Secretary General of the Council that the present Convention shall extend to all or any of the territories for whose international relations it is responsible and the Convention shall extend to the territories named in the notification three months after the date of the receipt thereof by the Secretary General of the Council but not before the Convention has entered into force for the State concerned.

2. Any State which has made a declaration under paragraph 1 of this Article extending the present Convention to any territory for whose international relations it is responsible may notify the Secretary General of the Council, in accordance with the provisions of Article 18 of the present Convention, that the territory in question will no longer apply the Convention.

Article 21

No reservation to the present Convention shall be permitted.

Article 22

The Secretary General of the Council shall notify all Contracting Parties, the other signatory and acceding States, the Secretary General of the United Nations, the CONTRACTING PARTIES to the GATT and UNESCO of:

(a) signatures, ratifications, accessions and declarations under Article 16 of the present Convention;

(b) the date of entry into force of the present Convention and of each of the Annexes in accordance with Article 17;

(c) denunciations and declarations under Article 18;

(d) any amendment deemed to have been accepted in accordance with Article 19 and the date of its entry into force;

(e) declarations and notifications received in accordance with Article 20.
Article 23

In accordance with Article 102 of the Charter of the United Nations, the present Convention shall be registered with the Secretary of the United Nations at the request of the Secretary General of the Council.

In witness whereof the undersigned plenipotentiaries have signed the present Convention.

Done at Brussels this day of in the English and French languages, both texts being equally authentic, in a single original which shall be deposited with the Secretary General of the Council who shall transmit certified copies to all the States referred to in Article 16, paragraph 1, of the present Convention.
ANNEX A

EQUIPMENT FOR THE PRESS OR FOR SOUND OR TELEVISION BROADCASTING

I. DEFINITION AND CONDITIONS

1. Definition

For the purposes of the present Annex the term "equipment for the press or for sound or television broadcasting" means equipment necessary for representatives of the press or of broadcasting or television organisations visiting a country for purposes of reporting or in order to transmit or record specified sound broadcasting or television programmes.

2. Conditions of grant of temporary admission

The equipment:

(a) shall be owned by a natural person resident abroad or by a legal person established abroad;

(b) shall be imported by a natural person resident abroad or by a legal person established abroad;

(c) shall be capable of identification on re-exportation; provided that in the case of blank sound or image recording media the most flexible means of identification shall be applied;

(d) shall be used solely by or under the personal supervision of the visiting person;

(e) shall not be the subject of a hire contract or similar arrangement to which a person resident or established in the country of temporary importation is a party, provided that this condition shall not apply in the case of joint radio and television programmes.

II. ILLUSTRATIVE LIST

A. Equipment for the press, such as:

Typewriters;

Photographic or cinematographic cameras;

Sound or image transmitting, recording or reproducing apparatus;

Blank sound or image recording media.
B. Sound broadcasting equipment, such as:

- Transmission and communication apparatus;
- Sound recording or reproducing apparatus;
- Testing and measuring instruments and apparatus;
- Operational accessories (clocks, stop-watches, compasses, generating sets, transformers, batteries and accumulators, heating and ventilating apparatus, etc.);
- Blank sound recording media.

C. Television broadcasting equipment, such as:

- Television cameras;
- Telekinema;
- Testing and measuring instruments and apparatus;
- Transmission and retransmission apparatus;
- Communication apparatus;
- Sound or image recording or reproducing apparatus;
- Lighting equipment;
- Operational accessories (clocks, stop-watches, compasses, generating sets, transformers, batteries and accumulators, heating and ventilating apparatus, etc.);
- Blank sound or image recording media;
- Film "rushes";
- Musical instruments, costumes, scenery, and other stage properties.

D. Vehicles designed or specially adapted for the purposes specified above.
ANNEX B
CINEMATOGRAPHIC EQUIPMENT

I. DEFINITION AND CONDITIONS

1. Definition

For the purposes of the present Annex, the term "cinematographic equipment" means equipment necessary for a person visiting a country in order to make a specified film or films.

2. Conditions of grant of temporary admission

The equipment:

(a) shall be owned by a natural person resident abroad or by a legal person established abroad;

(b) shall be imported by a natural person resident abroad or by a legal person established abroad;

(c) shall be capable of identification on re-exportation; provided that in the case of blank sound or image recording media the most flexible means of identification shall be applied;

(d) shall be used solely by or under the personal supervision of the visiting person, provided that this condition shall not apply in the case of equipment imported for the production of a film under a co-production contract to which a person established or resident in the country of temporary importation is a party and which is approved by the competent authorities of that country under an inter-governmental agreement concerning cinematographic co-production;

(e) shall not be the subject of a hire contract or similar arrangement to which a person established or resident in the country of importation is a party.

II. ILLUSTRATIVE LIST

A. Equipment, such as:

Cameras of all kinds;
Testing and measuring instruments and apparatus;
Camera "dollies" and booms;
Lighting equipment;
Sound recording or reproducing apparatus;
Blank image or sound recording media;
Film "rushes";
Operational accessories (clocks, stop-watches, compasses, generating sets, transformers, batteries and accumulators, heating and ventilating apparatus, etc.);
Musical instruments, costumes, scenery, and other stage properties.

B. Vehicles designed or specially adapted for the purpose specified above.
ANNEX C

OTHER PROFESSIONAL EQUIPMENT

I. DEFINITION AND CONDITIONS

1. Definition

For the purposes of the present Annex the term "other professional equipment" means equipment, of a kind not referred to in the other Annexes to the present Convention, necessary for the exercise of the calling, trade or profession of a person visiting a country to perform a specified task. It does not include equipment which is to be used for internal transport or for the industrial manufacture or packaging of goods or (except in the case of hand-tools) for the exploitation of natural resources, for the construction, repair or maintenance of buildings or for earth moving and like projects.

2. Conditions of grant of temporary admission

The equipment:

(a) shall be owned by a natural person resident abroad or by a legal person established abroad;

(b) shall be imported by a natural person resident abroad or by a legal person established abroad;

(c) shall be capable of identification on re-exportation;

(d) shall be used solely by or under the personal supervision of the visiting person.

II. ILLUSTRATIVE LIST

A. Equipment for erection, testing, commissioning, checking, control, maintenance or repair of machinery, plant, means of transport, etc., such as:

Tools;

Measuring, checking or testing equipment and instruments (temperature, pressure, distance, height, surface, speed, etc.) including electrical instruments (voltmeters, ammeters, measuring cables, comparators, transformers, recording instruments, etc.) and jigs;

Apparatus and equipment for taking photographs of machines and plant during or after erection;

Apparatus for survey of ships;
B. Equipment necessary for businessmen, business efficiency consultants, productivity experts, accountants and members of similar professions, such as:

    Typewriters;
    Sound transmitting, recording or reproducing apparatus;
    Calculating instruments and apparatus.

C. Equipment necessary for experts undertaking topographical surveys or geophysical prospecting work, such as:

    Measuring instruments and apparatus;
    Drilling equipment;
    Transmission and communication equipment.

D. Instruments and apparatus necessary for doctors, surgeons, veterinary surgeons, midwives and members of similar professions.

E. Equipment necessary for archeologists, paleontologists, geographers, zoologists and other scientists.

F. Equipment necessary for entertainers, theatre companies and orchestras, including all articles used for public or private performances (musical instruments, costumes, scenery, animals, etc.).

G. Equipment necessary for lecturers to illustrate their lectures.

H. Vehicles designed or specially adapted for the purposes specified above, such as mobile inspection units, travelling workshops and travelling laboratories.
11. The Committee examined the observations and suggestions made by Members and by certain international organisations concerning the draft Customs Convention on the temporary importation of professional equipment, as approved at its last Session.

The following decisions were taken on points of principle, the finalisation of the text being left to a Working Party.

Preamble and various Articles

12. It was agreed to substitute the words "State" for "Government" in the Preamble and in various Articles.

Undertaking to grant temporary admission (Art. 2)

13. The Convention consists in effect, of three separate Conventions (i.e. as many Conventions as there are Annexes), which have been combined into one for essentially practical reasons. It was agreed to amend this Article to make it clear that any State wishing to become a Contracting Party must accept both the body of the Convention and at least one of the Annexes.

The Committee also considered, in view of this combining of three Conventions into one, that unless other international obligations so require, the contractual obligations in respect of the Convention apply only between Contracting Parties which have accepted the same Annex(es).

The Netherlands Delegate would have preferred the inclusion of a provision to this effect in the Convention itself.

A.T.A. carnet (Art. 3)

14. Taking into account the considerations of the Group of GATT Experts on temporary importation the Committee agreed to maintain the first version of Article 3. This clearly defines the relationship with the A.T.A. Convention, which will be opened for signature at the same time as the Professional Equipment Convention.
Restrictions other than import restrictions (Art. 10)

15. The Committee took no action on a proposal by the Italian Delegation to insert a provision in this Article concerning control of the production and exportation of films harmful to national prestige or liable to endanger international relations.

It was considered that there is nothing in the Convention to prevent Contracting Parties from applying their national regulations in this field.

16. The Committee took note of the GATT interpretation of the term "public security", viz. that its scope is not limited to internal security but also covers external security, namely measures taken by a government in time of war or other emergency in international relations (Article XXI (b) (iii) of the General Agreement).

Annexes

17. Vehicles - In order to make it clear that the Convention does not affect commitments deriving from international agreements on the temporary admission of vehicles, the Committee decided to insert in the list of equipment in each Annex a reference to vehicles designed and specially adapted for the purposes envisaged in the Annex concerned.

Films - Means of identification

18. Having regard to the difficulty of identifying unexposed film stock and certain types of sound recording media, it was agreed to recommend, in the appropriate Annexes, that the measures taken in this connection should be applied as flexibly as possible.

The Delegate of Spain pointed out that this provision might encourage the fraudulent importation of unexposed films which might be replaced at the time of exportation by other exposed films which could even be national films.

The Committee considered that the amendment contemplated could not have the effect of facilitating such substitution since the Customs authorities would remain free to take any preventive measures they deemed necessary.

19. The Committee examined the draft Convention finalised by the Working Party and adopted the text reproduced as Appendix II to this Report which is submitted for the Council's approval.
This text calls for the following comments:

**Articles 19 and 22 (Communications and notifications by the Secretary General of the Council)**

20. Communications and notifications to the CONTRACTING PARTIES of GATT (Article 19, paragraph 2, and Article 22) are to be addressed to the Executive Secretary of that Organisation and not to the individual Contracting Parties belonging to it.

**Annexes A and B**

21. **Part 1, paragraph 2 (e), "job contracts"**

The Committee did not adopt the proposal made by the Belgian Delegation to include "job contracts" in this paragraph.

**Part 2, Illustrative list, "film rushes"**

At the request of the Belgian Delegation, it was stated that "film rushes" (mentioned in the Illustrative Lists: item C in Annex A and item A in Annex B) are short lengths of positive film produced from negative film sent for development immediately a scene has been shot, in order to check the results obtained.

**Annex B, paragraph 2 (d) (Conditions on which temporary admission is granted)**

22. The Danish, Norwegian and Swedish Delegations, while not opposed to the text of this item, stated that they would wish to study the matter during the intersession before taking up a final position.

**Annex C, paragraph 2 (Conditions on which temporary admission is granted)**

23. To make the scope of the Convention more clear the Swedish Delegation supported by the Delegations of Denmark, Ireland, Norway and the United Kingdom proposed addition of a fifth paragraph worded as follows:

"The equipment

.........

(e) shall be of subsidiary importance in relation to the specialised skill of the visiting person."

Nine delegations considered that this clause would be impossible to apply in practice, since the Customs authorities would be incapable of weighing the technical value of the equipment against the value of the skill of the person accompanying it.
The five delegations mentioned above maintained their point of view.

Annex C. Illustrative List

24. **Item A** (Equipment for erection, etc., of machinery, plant, etc.)

The Committee did not accept a Belgian proposal to insert a clause under this item restricting temporary admission to cases in which the work is carried out for the account of the foreign firm which supplied the machinery or plant.

**Item F** (Equipment necessary for entertainers, etc.)

The Committee agreed with the view expressed by the United Kingdom Delegation that circus equipment, including the "big top", lighting equipment, etc., which are, of course, necessary for the exercise of the special skill of circus artists, falls within the scope of this heading. There is a distinction between circus equipment and the equipment for certain fairgrounds which provide amusements for visitors involving no special skill on the part of the promoters.
PREAMBLE

The States signatory to the present Convention,

Meeting under the auspices of the Customs Co-operation Council and the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade (GATT) in consultation with the United Nations Educational, Scientific and Cultural Organisation (UNESCO),

Having regard to proposals made by representatives of international trade and other interests for facilitating the procedure for the temporary duty-free importation of goods,

Convinced that the adoption of common procedures for the temporary duty-free admission of goods would afford considerable advantages to international commercial and cultural activities and would secure a higher degree of harmony and uniformity in the Customs systems of the Contracting Parties,

Have agreed as follows:

CHAPTER I
Definitions

Article 1

For the purposes of the present Convention:

(a) the term "import duties" means Customs duties and all other duties and taxes payable on, or in connection with importation and shall include all internal taxes and excise duties chargeable on imported goods, but shall not include fees and charges which are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to domestic products or a taxation of imports for fiscal purposes;

(b) the term "temporary admission" means temporary importation free of import duties in accordance with the conditions laid down by the Conventions referred to in Article 2 of the present Convention or by the national laws and regulations of the country of importation;

(c) the term "A.T.A. carnet" (Admission Temporaire - Temporary Admission) means the document reproduced as the Annex to the present Convention. This document shall be printed in English or French and the official language, or one of the official languages, of the country of departure or of the country of importation;
(d) the term "issuing association" means an association approved by the Customs authorities of any Contracting Party for the issue of A.T.A. carnets in the territory of this Contracting Party;

(e) the term "guaranteeing association" means an association approved by the Customs authorities of the country of importation to guarantee the payment of the amounts referred to in Article 5 of the present Convention;

(f) the term "the Council" means the Organisation set up by the Convention establishing a Customs Co-operation Council, done at Brussels on 15th December 1950;

(g) the term "person" means both natural and legal persons, unless the context otherwise requires.

CHAPTER II
Scope

Article 2

1. Each Contracting Party shall accept in lieu of its national Customs documents and as due security for the amounts referred to in Article 5 of the present Convention A.T.A. carnets valid for its territory and issued and used in accordance with the conditions laid down in the present Convention for goods temporarily imported under the Conventions to which it is a party and which provide for the use of such carnets.

2. Each Contracting Party may also accept A.T.A. carnets issued and used under the same conditions for goods temporarily imported under other international temporary importation Conventions or under its national law or regulations.

3. Goods imported for processing or repair shall not be imported under cover of A.T.A. carnets.

CHAPTER III
Issue and use of A.T.A. carnets

Article 3

1. Issuing associations shall issue A.T.A. carnets with a period of validity not exceeding one year from the date of issue. They shall indicate on the cover of the A.T.A. carnet the countries in which it is valid and the name of the corresponding guaranteeing associations.

2. Once an A.T.A. carnet has been issued no extra item shall be added to the list of goods enumerated on the reverse of the front cover of the carnet and, as the case may be, on the continuation sheets annexed thereto (General List).
Article 4

Goods imported under cover of an A.T.A. carnet shall be re-exported within the period determined by the Customs authorities of the country of temporary importation which shall not, in any case, exceed the period of validity of the carnet.

CHAPTER IV

Guarantee

Article 5

1. Each guaranteeing association shall undertake to pay to the Customs authorities of the country in which it is established the amount of the import duties and any other sums payable in the case of non-compliance with the conditions of temporary admission in respect of goods imported into that country under cover of A.T.A. carnets issued by a corresponding issuing association. It shall be liable jointly and severally with the persons from whom the sums mentioned above are due, for payment of such sums.

2. The liability of the guaranteeing association shall not exceed the amount of the import duties by more than ten per cent.

3. When the Customs authorities of the country of importation have unconditionally discharged an A.T.A. carnet in respect of certain goods they can no longer claim from the guaranteeing association payment of the amounts referred to in paragraph 1 of this Article in respect of these goods. A claim may nevertheless still be made against the guaranteeing association if it is subsequently discovered that the discharge of the carnet was obtained improperly or fraudulently or that there had been a breach of the conditions of temporary admission.

4. Customs authorities shall not in any circumstances require from the guaranteeing association payment of the amounts referred to in paragraph 1 of this Article when a claim has not been made against the guaranteeing association within a year of the date of expiry of the validity of the carnet.

CHAPTER V

Regularisation of A.T.A. carnets

Article 6

1. The guaranteeing association shall have a period of six months from the date of the claim made by the Customs authorities for the amounts referred to in paragraph 1 of Article 5 of the present Convention in which to furnish proof of the re-exportation of the goods under the conditions laid down in the present Convention or of any other proper discharge of the A.T.A. carnet.
2. If such proof is not furnished within the time allowed the guaranteeing association shall forthwith deposit or pay provisionally, such amounts. This deposit or payment shall become final after a period of three months from the date of the deposit or payment. During the latter period the guaranteeing association may still furnish the proof referred to in the preceding paragraph with a view to recovery of the amounts deposited or paid.

3. For countries whose regulations do not provide for the deposit or provisional payment of import duties, payments made in conformity with the provisions of the preceding paragraph shall be regarded as final, it being understood, that the sums paid shall be refunded when proof of the re-exportation of the goods under the conditions laid down in the present Convention or of any other proper discharge of the A.T.A. carnet has been furnished to the Customs authorities.

**Article 7**

1. Evidence of re-exportation of goods covered by an A.T.A carnet shall be provided by the re-exportation certificate completed in that carnet by the Customs authorities of the country into which the goods were temporarily imported.

2. If the re-exportation of goods has not been certified in accordance with paragraph 1 of this Article the Customs authorities of the country of temporary importation may, even if the period of validity of the carnet has already expired, accept as evidence of re-exportation of the goods

   (a) the particulars entered by the Customs authorities of another Contracting Party on the A.T.A. carnet on importation or re-importation or a certificate of the Customs authorities of another Contracting Party based on the particulars entered in a voucher on importation or on re-importation, provided that the particulars relate to an importation or re-importation which can be proved to have taken place after the re-exportation which it is intended to establish;

   (b) any other documentary proof that the goods are outside that country.

3. In any case in which the Customs authorities of a Contracting Party waive the requirement of re-exportation of certain goods admitted into their territory under cover of an A.T.A. carnet the guaranteeing association shall be discharged from its obligations only when the Customs authorities of the country of temporary importation have certified in the carnet that the position regarding goods not re-exported has been regularised.

**Article 8**

In the cases referred to in paragraph 2 of Article 7 of the present Convention, the Customs authorities shall have the right to charge a regularisation fee.
CHAPTER VI

Miscellaneous provisions

Article 9

Customs certificates on A.T.A. carnets used under the conditions laid down in the present Convention shall not be subject to the payment of charges for Customs attendance at Customs offices and posts during the normal business hours.

Article 10

In the case of the destruction, loss or theft of an A.T.A. carnet while the goods to which it refers are in the territory of one of the Contracting Parties, the Customs authorities of that Contracting Party shall, at the request of the issuing association, subject to such conditions as those authorities may prescribe, accept a replacement document, the validity of which expires on the date of expiration of validity of the carnet which it replaces.

Article 11

1. When goods temporarily imported cannot be re-exported as a result of a seizure, other than a seizure made at the suit of private persons, the requirement of re-exportation within the periods provided for in Article 4 of the present Convention shall be suspended for the duration of the seizure.

2. The Customs authorities shall, so far as possible, notify the guaranteeing association of seizures made by or on behalf of the Customs authorities of goods admitted under cover of A.T.A. carnets guaranteed by that association and shall advise it of the measures they intend to take.

Article 12

A.T.A. carnets or parts of A.T.A. carnets intended to be issued in the country into which they are imported and which are sent to an issuing association by a corresponding foreign association, by an international organisation or by the Customs authorities of a Contracting Party, shall be admitted free of import duties and free of any import prohibitions or restrictions. Corresponding facilities shall be granted at exportation.

Article 13

For the purpose of the present Convention the territories of Contracting Parties which form a Customs or economic union may be taken to be a single territory.
Article 14

In the event of fraud, contravention or abuse, the Contracting Parties shall, notwithstanding the provisions of this Convention, be free to take proceedings against persons using A.T.A. carnets for the recovery of the import duties and other charges payable and also for the imposition of any penalties to which such persons have rendered themselves liable. In such cases the associations shall lend their assistance to the Customs authorities.

Article 15

The Annex to the present Convention shall be construed to be an integral part of the Convention.

Article 16

The provisions of the present Convention set out the minimum facilities to be accorded. They do not prevent the application of greater facilities which certain Contracting Parties grant or may grant in future by unilateral provisions or in virtue of bilateral and multilateral agreements.

CHAPTER VII

Final provisions

Article 17

1. The Contracting Parties shall meet together when necessary in order to consider the operation of the present Convention and, in particular, in order to consider measures to secure uniformity in the interpretation and application of the present Convention.

2. Such meetings shall be convened by the Secretary General of the Council at the request of any Contracting Party. Unless the Contracting Parties otherwise decide, the meetings shall be held at the Headquarters of the Council.

3. The Contracting Parties shall lay down the rules of procedure for the meetings referred to in paragraph 2 of this Article. Decisions of the Contracting Parties shall be taken by a majority of not less than two-thirds of the Contracting Parties present at the meeting and voting.

4. The Contracting Parties shall not take a decision on any matter unless more than half of them are present.

Article 18

1. Any dispute between Contracting Parties concerning the interpretation or application of the present Convention shall so far as possible be settled by negotiation between them.
2. Any dispute which is not settled by negotiation shall be referred by the Contracting Parties in dispute to the Contracting Parties, meeting in conformity with Article 17 of the present Convention, which shall thereupon consider the dispute and make recommendations for its settlement.

3. The Contracting Parties in dispute may agree in advance to accept the recommendations of the Contracting Parties as binding.

Article 19

1. Any State Member of the Council and any State Member of the United Nations or its specialised agencies may become a Contracting Party to the present Convention:

   (a) by signing it without reservation of ratification;

   (b) by depositing an instrument of ratification after signing it subject to ratification; or

   (c) by acceding to it.

2. The present Convention shall be open until ............... for signature at the Headquarters of the Council in Brussels by the States referred to in paragraph 1 of this Article. Thereafter, it shall be open for their accession.

3. In the case envisaged in paragraph 1 (b) of this Article, the present Convention shall be subject to ratification by the signatory States in accordance with their constitutional procedures.

4. Any State, not being a Member of the Organisations referred to in paragraph 1 of this Article, to which an invitation to that effect has been addressed by the Secretary General of the Council at the request of the Contracting Parties, may become a Contracting Party to the present Convention by acceding thereto after its entry into force.

5. Each State referred to in paragraph 1 or 4 of this Article shall at the time of signing, ratifying or acceding to the present Convention make a declaration by which it undertakes to accept A.T.A. carnets

   (i) for the purposes of one or more international Conventions relating to the temporary importation of goods, or

   (ii) for goods temporarily imported under its national law or regulations,

and shall specify the Convention or Conventions (or the goods) to which such declaration relates.
6. Each such State may make declarations under both sub-paragraph (i) and sub-paragraph (ii) of paragraph 5 of this Article at the time of signing, ratifying, or acceding to the present Convention, and may thereafter make further such declarations by notification given to the Secretary General of the Council.

7. The instruments of ratification or accession shall be deposited with the Secretary General of the Council.

Article 20

1. The present Convention shall enter into force in relation to declarations made under paragraph 5 of Article 19 above three months after [three?/five?] of the States referred to in paragraph 1 of Article 19 have signed the present Convention without reservation of ratification or have deposited their instruments of ratification or accession and

(i) have all undertaken to accept A.T.A. carnets for the purposes of the same Convention, being a Convention referred to in sub-paragraph (i) of Article 19 above, or

(ii) have all undertaken to accept A.T.A. carnets for goods temporarily imported under their national law or regulations.

2. For any State ratifying or acceding to the present Convention after [three?/five?] States have signed it without reservation of ratification or have deposited their instruments of ratification or accession, the present Convention shall enter into force three months after the said State has deposited its instrument of ratification or accession together with

(i) a declaration made under sub-paragraph (i) of paragraph 5 of Article 19 above specifying a Convention or Conventions in respect of which [three?/five?] States have previously made such declarations, or

(ii) a declaration made under sub-paragraph (ii) of paragraph 5 of Article 19 above, provided that [three?/five?] States have previously made such declarations.

3. For any States which after signing the present Convention without reservation of ratification or have ratified or acceded to it makes a further declaration under paragraph 6 of Article 19 above, the present Convention shall enter into force into relation to such declaration three months after the date thereof, but not before the date of entry into force of the Convention in accordance with paragraph 1 of this Article.
Article 21

1. The present Convention is of unlimited duration but any Contracting Party may denounce it at any time after the date of its entry into force under Article 20 thereof.

2. The denunciation shall be notified by an instrument in writing, deposited with the Secretary General of the Council.

3. The denunciation shall take effect six months after the receipt of the instrument of denunciation by the Secretary General of the Council.

4. The provisions of paragraphs 2 and 3 of this Article shall also apply in respect of the declarations envisaged under paragraphs 5 and 6 of Article 19 of the present Convention, any Contracting Party being entitled, at any time after the date of their entry into force under Article 20 thereof, to declare that it is no longer bound in respect of one or more such declarations. Any Contracting Party which denounces all declarations referred to above shall be deemed to have denounced the Convention.

Article 22

1. The Contracting Parties meeting in conformity with Article 17 of the present Convention may recommend amendments thereto.

2. The text of any amendment so recommended shall be communicated by the Secretary General of the Council to all Contracting Parties, to all other signatory or acceding States, to the Secretary General of the United Nations, to the CONTRACTING PARTIES to the GATT and to UNESCO.

3. Within a period of six months from the date on which the proposed amendment is so communicated, any Contracting Party may inform the Secretary General of the Council,

   (a) that it has an objection to the amendment proposed, or

   (b) that, although it intends to accept the proposal, the conditions necessary for such acceptance are not yet fulfilled in its country.

4. If a Contracting Party sends the Secretary General of the Council a communication as provided for in paragraph 3 (b) of this Article, it may, so long as it has not notified the Secretary General of its acceptance of the proposed amendment, submit an objection to the proposed amendment within a period of nine months following the expiry of the six-month period referred to in paragraph 3 of this Article.

5. If an objection to the proposed amendment is stated in accordance with the terms of paragraphs 3 and 4 of this Article, the amendment shall be deemed not to have been accepted and shall be of no effect.
6. If no objection to the proposed amendment in accordance with paragraphs 3 and 4 of this Article has been stated, the amendment shall be deemed to have been accepted as from the date specified below:

(a) if no Contracting Party has sent a communication in accordance with paragraph 3 (b) of this Article, on the expiry of the period of six months referred to in paragraph 3;

(b) if any Contracting Party has sent a communication in accordance with paragraph 3 (b) of this Article, on the earlier of the following two dates:

(i) the date by which all the Contracting Parties which sent such communications have notified the Secretary General of the Council of their acceptance of the proposal provided that, if all the acceptances were notified before the expiry of the period of six months referred to in paragraph 3 of this Article, that date shall be taken to be the date of expiry of the said six-month period;

(ii) the date of expiry of the nine-month period referred to in paragraph 4 of this Article.

7. Any amendment deemed to be accepted shall enter into force six months after the date on which it was deemed to be accepted.

8. The Secretary General of the Council shall, as soon as possible, notify all Contracting Parties of any objection to the proposed amendment made in accordance with paragraph 3 (a), and of any communication received in accordance with paragraph 3 (b), of this Article. He shall subsequently inform all the Contracting Parties whether the Contracting Party or Parties which have sent such a communication raise an objection to the proposed amendment or accept it.

9. Any State ratifying or acceding to the present Convention shall be deemed to have accepted any amendments thereto which have entered into force at the date of deposit of its instrument of ratification or accession.

Article 23

1. Any State may, at the time of signing the present Convention without reservation of ratification, or of depositing its instrument of ratification or accession or at any time thereafter, declare by notification given to the Secretary General of the Council that the present Convention shall extend to all or any of the territories for whose international relations it is responsible and the Convention shall extend to the territories named in the notification three months after the date of the receipt thereof by the Secretary General of the Council but not before the Convention has entered into force for the State concerned.
2. Any State which has made a declaration under paragraph 1 of this Article extending the present Convention to any territory for whose international relations it is responsible may notify the Secretary General of the Council, in accordance with the provisions of Article 21 of the present Convention, that the territory in question will no longer apply the Convention.

Article 24

No reservation to the present Convention shall be permitted.

Article 25

The Secretary General of the Council shall notify all Contracting Parties the other signatory and acceding States, the Secretary General of the United Nations, the CONTRACTING PARTIES to the GATT and UNESCO of:

(a) signatures, ratifications and accessions under Article 19 of the present Convention, and the declarations referred to in paragraphs 5 and 6 of that Article;

(b) the date of entry into force of the present Convention and of each of such declarations in accordance with Article 20;

(c) denunciations and declarations under Article 21;

(d) any amendment deemed to have been accepted in accordance with Article 22 and the date of its entry into force;

(e) declarations and ratifications received in accordance with Article 23.

Article 26

In accordance with Article 102 of the Charter of the United Nations, the present Convention shall be registered with the Secretariat of the United Nations at the request of the Secretary General of the Council.

In witness whereof the undersigned plenipotentiaries have signed the present Convention.

Done at Brussels this day of in the English and French languages, both texts being equally authentic, in a single original which shall be deposited with the Secretary General of the Council who shall transmit certified copies to all the States referred to in Article 19, paragraph 1 of the present Convention.

..............
During its last Session the Committee had set up a Working Party to prepare a first draft of a carnet de passages en douane for the temporary admission of goods (A.T.A. carnet) and had decided that the Working Party should meet again a week before the opening of the present Session in order to:

(a) finalise the preliminary draft A.T.A. carnet which had resulted from the initial discussions in the Working Party during the Committee's last Session (Report, Doc.7875, paragraphs 57, 58), and

(b) prepare a preliminary draft Customs Convention on the A.T.A. carnet for the temporary admission of goods (Report, Doc.7875, paragraph 60).

The Working Party had met under the Chairmanship of Mr. QUELOZ (Switzerland), the following countries being represented: Austria, France, Germany, Italy, Sweden, Switzerland and the United Kingdom. An Observer from the International Information Bureau of Chambers of Commerce (BIIICC) had also been present.

The Committee considered the Working Party's Report (Doc.8252) and, after revision, provisionally adopted the text of the Convention and the model A.T.A. carnet reproduced as Appendix III to the present Report.

These texts call for the following comments:

Preliminary draft Convention

Article 1 (Definitions)

Paragraph (a). The Committee agreed that the term "import duties" was to be taken to apply only to the duties and taxes referred to in that paragraph which would be levied at importation, excluding those levied at a later stage.

Article 2 (Field of application)

Paragraph 1. The Delegate of Italy pointed out that this paragraph, which created an obligation for Contracting Parties to the A.T.A. Convention to accept A.T.A. carnets in the cases provided for in the two Conventions on temporary
admission (professional equipment and fairs), might restrict the field of application of the A.T.A. Convention and even that of the other two, since certain countries might not wish to use the A.T.A. carnet in both cases of temporary admission.

The Swedish Delegation supported this point of view.

The GATT representative said that the paragraph, as now worded, reflected the wishes expressed by the GATT Working Party which had examined the draft.

The Committee finally decided by a majority to maintain paragraph 1 in the form adopted by the Working Party.

**Paragraph 2.** The GATT representative pointed out that under this paragraph a Contracting Party to the A.T.A. Convention may refuse to accept A.T.A. carnets in certain cases of temporary admission, and that the extent of this provision should be specified.

The Committee decided to consider this question at its next Session.

**Paragraph 3.** It was agreed that the processing of raw materials into "resultant products" at fairs, exhibitions, etc., should not be regarded as a form of "processing" excluded from the scope of the Convention by Article 2, paragraph 3.

**Article 5 (Guarantee)**

**Paragraph 1.** The representative of the BIICC made it clear that the Guaranteeing Associations could in no case cover the enhancement in value resulting from the processing of raw materials into resultant products. The Delegate of the United Kingdom stated that, if this were so, A.T.A. carnets could not be used in his country for the importation of these raw materials.

The Delegate of Norway pointed out that the expression "any other sums payable" left doubts as to the liabilities actually covered by the guarantee.

The Committee agreed that the guarantee could not cover penalties.

**Paragraph 2.** The Delegate of Sweden considered that the Guaranteeing Association should not be required to pay more than the actual import duties; the additional 10% would increase the amount of the guarantee and the cost of the carnet.

**Article 7 (Evidence of re-exportation)**

**Paragraph 2.** The Committee felt that Contracting Parties should be free to accept or refuse the evidence of re-exportation referred to.
General observations

Use of the A.T.A. carnet

45. **Scope.** As drafted, the carnet could, in principle, be used for any type of temporary admission.

46. **Transit.** At the request of the Delegate of Italy, the Committee’s attention had been drawn, in the Working Party’s Report, to the fact that the carnet could also be used, subsidiarily, to cover inland transport from the border to an inland Customs office in the country of temporary importation, where the temporary admission formalities could take place.

It was decided not to provide for special "transit" vouchers, as this would entail the inclusion of special provisions in the Convention; the vouchers in the carnet could be used for this purpose, subject to procedural details to be specified in domestic regulations.

The Italian Delegation considered that it would probably be difficult to use the importation voucher in the case of transit.

47. **Goods sent by post.** The Delegate of the United Kingdom suggested that in view of the difficulties which seemed to be encountered in certain countries in the use of the E.C.S. carnet in respect of samples sent by post, it might be preferable to exclude postal traffic from the scope of this Convention.

The Committee took no decision in this respect.

Observations concerning the lay-out of the A.T.A. carnet

48. **Format.** The Committee adopted the following size for the A.T.A. carnet: overall size: 396 by 210 mm.; counterfoils: 99 by 210 mm.; vouchers 297 by 210 mm.

49. **Language in which printed.** The Committee felt that it was essential that the carnet should be printed in one of the two official languages of the Council. The choice of the language should rest with the persons concerned. It was decided to insert a provision to this effect in Article 1, paragraph (c) of the Convention.

In addition, users should be allowed to add a second language, which could be either that of the country of departure or that of the country of importation, as might be convenient to them.

The only official text would be that in a Council language, and this would have to conform to the model appended to the A.T.A. Convention.
50.  "Holder" and "Represented by". The Committee decided to add a new item "Represented by", immediately after the name of the "Holder", on all the vouchers.

This would enable the declaration in the vouchers to be signed by the holder himself, by one of his employees, by one of his representatives in the country of importation, or by a Customs agent.

The item "Represented by" was also added on the front cover, at the request of the representative of the BIICC, who wished to ensure that the Customs would not call for a written authority from the holder of the carnet, it being understood that the responsibility of the "issuing association" would hold good in respect of all representatives of the holder whether named on the cover of the carnet or on the vouchers.

Notes on the use of the carnet

51.  The Committee decided to insert in the notes on the use of the carnet a provision requiring Arabic numerals to be used throughout.

52.  The Committee agreed that the draft Convention, as appended to this Report, would be re-examined at its next Session in the light of any further observations that Members and the international organisations concerned might make.

Finally, the Committee instructed the Secretariat to transmit the draft Convention to the Executive Secretary of the GATT, together with the relevant part of the Report.