Each contracting party was asked, in document L/71, to submit by 30 April 1953 a statement of its present principles and practices in determining the nationality of imported goods. The statements received before 31 July 1953 were distributed in L/71/Add.1.

The statement of the Union of South Africa is reproduced herewith.
1. **Purposes for which origin is required to be established**

In the Union of South Africa the following are the purposes for which origin is at present required to be established:

(a) Admission at differential rates of duty.

(b) Admission under import restrictions to safeguard balance-of-payments.

(c) Trade statistics.

2. **Definition of origin**

The natural produce of any country, although not specifically defined in any law or regulation relating to the importation of goods into the Union of South Africa, is ordinarily accepted as the origin of that country.

Goods manufactured in one country from national raw materials or from imported raw materials and goods manufactured in more than one country are for customs, import control and trade statistical purposes subject to the definition in section 71 of the Customs Act No. 35 of 1944 - see Annex A, and also the combined certificate of value and origin (Appendix B) in Annex C.*

In regard to trade statistics it may be added that any goods which do not conform to the definition of origin in the preceding paragraph are recorded separately as not certified as to origin. Particulars thereof, however, are in practice not published separately but included together with those of the country with which they can be associated or identified.

3. **Treatment of goods which have passed through one or more countries on the way to the country of importation**

(a) The differential rates of duty at present applied in the Union of South Africa are those mentioned in sections 64, 65 and 65 bis of the Customs Act No. 35 of 1944, as amended, vide Annex A. However, in terms of section 7(1) of the Geneva General Agreement on Tariffs and Trade Act, 1948 (Annex B), whenever the rate of duty specified in the Customs Tariff in respect of any goods is in excess of the rate of duty specified in respect of those goods in Schedule XVIII to the General Agreement on Tariffs and Trade (GATT), the rate specified in Schedule XVIII to GATT is applied instead of the rate specified in

* These annexes are not reproduced in this document, but the originals are available in the office of the secretariat.
the Customs Tariff to goods produced or manufactured in the territory of contracting parties to GATT in respect of which the Agreement is being applied in the Union of South Africa. These lower GATT rates are applied also to the products of non-GATT countries with which the Union of South Africa has concluded most-favoured-nation agreements.

The minimum rates of duty shown in the Customs Tariff and in Part II of Schedule XVIII to GATT are applicable to the products of certain countries only and can only be applied when such products are imported direct from the country of origin or, as provided for in section 70 of the Customs Act, from some other country which also enjoys the same minimum rate.

In those cases where maximum and special suspended rates of duty have been brought into operation, the intermediate rates nevertheless apply to products of countries (other than contracting parties to GATT) with which South Africa has bilateral trade agreements, but only on direct importation from the country of origin or some other country the products of which also enjoy the intermediate rates.

Goods the origin of the territory of contracting parties to GATT in respect of which the Agreement is being applied in the Union of South Africa are not subject to maximum and special suspended duties, irrespective of the country from which the goods are imported. In other words, the so-called "direct importation" clause does not apply to goods entitled to most-favoured-nation rates of duty under the GATT.

On the other hand where no maximum rate has been brought into operation, no rate higher than the intermediate rate shown in the Customs Tariff is applied to the products of any country.

It will be clear from the foregoing that where "direct importation" is a requirement for admission at differential rates of duty, the country of origin is not the only criterion, and evidence of the direct despatch from the country of origin (or some other country to the like products of which the same rates are applicable) after the receipt of a relative order from the Union of South Africa must be produced.

In most instances such evidence is readily available, but in the case of goods shipped from a port in a country other than the country of origin, evidence in the form of through rail certificates or bills of lading showing that when the goods left the factory or other place of despatch in the country of origin, they were intended for a destination in the Union of South Africa must be produced in addition to evidence that the order was placed prior to despatch of the goods.
(b) The South African import control regulations do not draw any distinction between direct and indirect shipment of goods. Under these regulations, goods which may have passed through one or more countries en route therefore receive treatment no different from that which would have been accorded them had they been imported direct from the country of origin.

(c) Section 161 of the Customs Act No. 35 of 1944 provides that statistics of the import and export trade of the Union of South Africa shall be compiled and tabulated by the Commissioner of Customs and Excise and published at such times and in such manner as the Minister of Finance may direct. The main import tabulation provides for a classification according to commodity and country of origin. In the latter classification, the actual country of origin is indicated irrespective of whether the goods may have passed through one or more countries on the way to the Union of South Africa.

4. Proof of origin

(a) Regulation No. 22 issued in terms of the Customs Act No. 35 of 1944 provides that the person entering goods on importation shall produce, if required by the proper officer, all documents relating to those goods, and the invoice, which shall be in the form prescribed in Appendix A thereto, shall contain a certificate of value and origin by the supplier or manufacturer, as the case may be, in the form prescribed in Appendix B: provided that in the case of post office parcels not exceeding £10 in value and which do not contain merchandise for sale, the certificate shall be in the form prescribed in Appendix C - see Annex C.

(b) The certificate of origin, in the form prescribed in clauses 5 to 7, inclusive, of Appendix B to the Customs Regulations (Annex C) is required to be signed and dated by the supplier or manufacturer, as the case may be, and the relative signature duly witnessed.

(c) Except where there may be reason to suspect otherwise, it is the normal practice for the South African Customs authorities to accept the country of origin declared on the required standardised invoice supported by the relative certificate in the prescribed form. It is, however, always open to customs officers to resort to physical examination of the goods in any consignment, or to take such other appropriate action within the powers conferred on them by law as may be deemed expedient, in verification of particulars declared in respect of imported goods.