Subject: Uruguay Round Negotiating Group on MTN Agreements and Arrangements. Informal Meeting at the Level of Customs Experts

A further meeting at the level of customs experts will be held on Thursday, 31 May 1990, at 3 p.m. to discuss the proposals made in relation to the Agreement on Implementation and Application of Article VII (Customs Valuation Code).

The relevant documents include: MTN.GNG/NG8/W/9, 33, 54 and 57; MTN.GNG/NG8/7 (paragraphs 32-38), MTN.GNG/NG8/13 (paragraphs 8-9), MTN.GNG/NG8/14 (paragraphs 76-87), MTN.GNG/NG8/16 (paragraphs 15-22) and MTN.GNG/NG8/17 (paragraphs 6-9).

Two new informal papers introduced at the Negotiating Group meeting of 1 May 1990 are attached.

The discussion of this Agreement is inscribed as the second agenda item for the meeting of the Negotiating Group on the following day, Friday, 1 June 1990 at 10 a.m.

Both meetings will be held in the Centre William Rappard.

Governments participating in the multilateral trade negotiations which wish to attend this informal meeting are invited to inform the secretariat of the names of their customs experts and other representatives as soon as possible.

Technical Barriers to Trade Division

Let/1667
Submitted by India

Amendment to the Protocol to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade

Paragraph 7 bis

Agree that developing countries, parties to the Agreement, shall have the flexibility in applying the provisions of Article 1 of the Agreement, read with Articles 8 and 17 and the Protocol, in cases where:

(i) the declared value is appreciably lower than the transaction value in a series of transactions of identical or similar goods imported at or about the same time; or

(ii) the goods are imported from a country other than the country of manufacture and the declared value is appreciably lower than in transactions of identical or similar goods directly imported from the country of manufacture.

In such cases the customs administration may require the importer to provide further explanation, evidence or documents in support of the declared value. On being so required, the importer shall demonstrate to the satisfaction of the Customs, with such evidence and documents as are considered necessary, that the declared value represents the total amount actually paid or payable for the imported goods. If the importer does not provide the justification or if the importer is not able to prove to the satisfaction of the customs administration that the declared value represents the total amount actually paid or payable for the goods, it shall be deemed that it is not possible to determine the customs value under the provisions of Article 1. In such cases, the customs administration shall proceed to determine the Customs value in accordance with the methods of valuation laid down in Articles 2 to 7 of the Agreement.
Submitted by the Preferential Trade Area for Eastern and Southern African States (PTA)

Amendments to the Protocol to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade

Paragraph 3

Recognize that developing countries which include reference to officially established minimum values in their current valuation procedures may wish to make a reservation to enable them to retain such values.

Paragraph 6

Recognize that certain developing countries have problems in the implementation of Article 1 insofar as it relates to importations into their countries by sole agents, sole distributors and sole concessionaires. The Parties to the Agreement agree that, in order to establish the price at which the merchandise is sold or would be offered for sale in the ordinary course of trade under fully competitive conditions, developing countries may have to include discounts allowed to sole agents, distributors and concessionaires, and discounts allowed to other parties which have entered into special trading agreements.

Paragraph 7(b)

Agree that developing countries, parties to the Agreement, shall have the flexibility in applying the provisions of Article 1 of the Agreement, read with Articles 8 and 17 and the Protocol, in cases where:

(i) the declared value is lower than the transaction value for identical or similar goods imported at or about the same time; or

(ii) the goods are imported from a country other than the country of manufacture and the declared value is appreciably lower than in transactions of identical or similar goods directly imported from the country of manufacture.

In such cases the customs administration may require the importer to provide further justification, evidence or documents in support of the declared value. On being so required, the importer shall demonstrate to the satisfaction of the Customs, with such evidences and documents as are considered necessary, that the declared value represents the total amount actually paid or payable for the imported goods. If the importer does not provide the justification or if the importer is not able to prove to the satisfaction of the customs administration that the declared value represents the total amount actually paid or payable for the goods, it shall be deemed that it is not possible to determine the customs value under the provisions of Article 1. In such cases, the customs administration shall proceed to determine the Customs value in accordance with the methods of valuation laid down in Articles 2 to 7 of the Agreement.