COMPARATIVE STUDY OF
METHODS OF VALUATION FOR CUSTOMS PURPOSES

Report of the Technical Group on Customs Administration
on the Replies to Questionnaire *

approved by the CONTRACTING PARTIES at the Fortieth Meeting
of the Ninth Session on 2 March 1955

Contents

I. General report
II. Points arising out of countries' replies
III. Questionnaire
IV. Schedule of replies to questionnaire

* Originally issued as document G/88 of 2 March 1955.
I. General Report

1. Membership. The Technical Working Party was appointed at the Ninth Session of the CONTRACTING PARTIES as follows:

   Chairman: Mr. A.R. Ashford (United Kingdom)

   Brazil                           Germany                          The Netherlands
   Canada                           Greece                           New Zealand
   Ceylon                           Haiti                             Pakistan
   Chile                            India                             Sweden
   France                           Italy                             United Kingdom
   United States

2. In accordance with its terms of reference, the Technical Group has made a technical and factual study of the replies submitted by governments to the questionnaire on valuation (L/228) which are contained in L/228/Addenda 1-9. The Dominican Republic, Uruguay and Peru have not furnished replies.

3. The particulars furnished by the various contracting parties regarding their methods of valuation have been summarized in the attached schedule, but insofar as the study has revealed any points of unusual character of particular importance, they are referred to specially in the later sections of this report. First, however, it may be useful to describe in general terms the main systems by which values are established for the purpose of charging customs duties.

4. Valuation criteria. It emerges from the replies that three main criteria are used:

   (1) the price at which goods comparable with the exported goods are sold in the internal markets of the exporting country ("current domestic value");

   (2) the price at which the imported goods are sold from the exporting country to the importing country ("transaction value");

   (3) the price at which goods comparable with the imported goods are sold in the markets of the importing country ("import market value").

While national legislation introduces various refinements of detail into the definitions of value which are actually applied, these definitions are broadly based on one or other of the above criteria.

5. Current domestic value. Countries adopting this criterion base their value for duty purposes on the price at which goods comparable with those imported are sold under fully competitive conditions on the domestic markets of the country from which the goods were exported. All countries except one
require this price to be declared by the exporter; arrangements are normally made for any necessary verification of the price by officials of the importing country stationed in the exporting country. No account is taken, for customs purposes, of export sales at prices less than the current domestic value. Where, however, the price at which the goods are sold to the importer is higher than the current domestic value, most countries using this system usually require that the actual sale price must be taken as the basis of value for duty purposes. Countries using this system normally establish their values at an f.o.b. level, but some countries do so at a stage earlier, i.e., an internal market price without inclusion of charges up to the f.o.b. point.

6. **Transaction value.** A second large group of countries base their value for duty purposes on the price at which the goods are sold to the country of importation, under fully competitive conditions. This can be looked at either from the standpoint of the exporting country as the export price at which the goods would be sold for exportation, or, alternatively, from the standpoint of the importing country as the import price at which the goods would be purchased. Except where the definition is subject to further qualifying conditions, the difference is often little more than a question of whether the sale price is to be taken at an f.o.b. or c.i.f. level.

7. An important group of countries in this category are the nine contracting parties which have adopted the Brussels definition of value, which, briefly stated, establishes a notional standard of value, being the price which the goods would fetch on sale in the open market in the country of importation at the time and place of importation, and then sets out a number of considerations by which to judge whether the actual sale price of the imported goods does or does not correspond with the notional standard of value.

8. The countries which adopt the transaction value as the basis for establishing the value for duty purposes do, in practice, find that the invoice price at which the goods are sold to the importer is usually acceptable as providing the value on which duty is to be paid. They are, however, under the necessity of establishing methods of valuation to be used when the price at which the goods pass from the foreign exporter to the importer is not acceptable as the basis on which to charge duty. In some cases this is done by uplifting the invoice price, in other cases by basing the value on the price at which the goods are sold after importation, with various deductions.

9. **Import market value.** The study reveals that a few countries have legislation requiring duty to be based on the price (generally on the whole-sale level) at which goods comparable with the goods in question are currently sold in the internal markets of the importing country. In such cases deductions are made for duty, and for charges arising after importation. This basis is only applied to a very small proportion of importations, and it is clear that import market value is less significant as a valuation criterion than the two criteria previously mentioned.
10. Differences in practice. It emerges from the detailed replies which have been furnished that, apart from the nine countries which are operating a common definition of value under the Brussels Convention, there are numerous differences in practice even between countries which are using the same criterion for establishing value for customs purposes. Thus, countries which have regard to the current domestic value in the country of exportation do not all take the same time for establishing that value, some having regard to the time of the export sale, others to the time the goods are shipped from the port of exportation. Again, some countries establish the value at an f.o.b. level, others at a point prior to the f.o.b. level and others at a subsequent point, equivalent to c.i.f. Most of these countries require duty to be based on the actual export price if it is higher than the current domestic value, but this is not invariably the case (see New Zealand, page 10). In the countries which take as their criterion the transaction value there is considerable variation as to the time and place laid down for the purposes in the definition of value. In some countries it is the time and place of the export sale, in others the time and place of exportation, and in others the time and place of importation. The level of the price to be considered varies from ex-works to c.i.f.

11. Currency conversion. The method of converting prices which are not expressed in the currency of importation varies in detail from country to country, but in general it can be said that an official rate of exchange is adopted.

12. Residual assessments. All countries have procedures for establishing an acceptable value for duty purposes in cases where the commercial transaction is such that no satisfactory evidence of value can be produced by the importers. The method used varies according to the basis of valuation adopted and may involve either a suitable adjustment of the invoice price, calculation of import values by reference to the selling prices of the imported goods in the country of importation or valuation by reference to comparable goods. Establishment of values on the basis of cost of production in the country of origin is only rarely resorted to.
II. Points arising out of Contracting Parties' replies to the questionnaire

1. Do you have any administrative or legal provisions which permit valuation for customs purposes to be based on arbitrary or fictitious values, in the sense that such values are not related to the value of the imported merchandise in question or of like imported merchandise? If so, give particulars of any such provisions, of the class or nature of the importation to which they are applied, and of the method by which the values used are determined.

Some countries have provisions giving very wide powers of decision, in residual cases to a Minister (Australia and Canada), or a high official (Rhodesia and Nyasaland). The delegations concerned said that in the rare cases where such provisions are called into play, the Minister or the high official would endeavour to establish a fair and reasonable value. The Canadian provision does not apply to GATT countries.

In the United States of America there are some arbitrary elements in the statutory limitations on certain deductions and additions which fall to be made in computing United States value and cost of production when it is necessary to use either of these methods for establishing the value for duty purposes. The United States delegate stated that the application of the "United States value" and the "cost of production" (Section 402) is probably not unprecedented in the practice of other countries which inevitably have to use similar criteria if the value cannot be determined in a normal way. The difference as compared with other countries seemed to him to lie in the fact that other countries can use administrative measures more flexibly, whereas under the American system, the administration has no right to act without precise legal provisions. However, consideration has been given to changing these provisions of law to remove the arbitrary elements.

2. Do you have any administrative or legal provisions which permit valuation for customs purposes to be based on the values of comparable domestic products? If so, give particulars of any such provisions, of the class or nature of the importations to which they are applied, and of the method by which the values used are determined.

The United States of America have a provision requiring the value of six classes of products to be established on the basis of the price at which comparable goods of United States origin are sold in the United States.

In theory, the Burmese definition of value would permit the market price of domestic goods to be taken into consideration in fixing values, but it was stated that in practice this did not happen.

In Cuba and Japan provision exists for duty to be based on the value of products of domestic origin where no other means of establishing the value can be found, but this provision is rarely resorted to in practice.
3. Is valuation, apart from the cases mentioned in 1 and 2, based on a definition of value which seeks to establish as a standard the actual value of the imported merchandise on which duty is to be assessed or of like imported merchandise? If so, indicate what provision is made for establishing this standard and furnish a copy of the legal provision containing the definition.

All the countries included in the schedule have definitions of value which seek to establish as a standard the actual value of the imported merchandise or like merchandise. The application of these definitions is brought out in the replies to Questions 4, 5, 6, 7 and 8.

The replies for Austria and Sweden relate to the current legislation, but it is stated that these countries expect to put into force at a very early date the Brussels Definition of Value.

As regards Brazil, it was stated that the Brazilian tariff contains only 16 items for which the rate of duty is ad valorem (out of 3,800 tariff items). However, Brazil is considering the adoption of an ad valorem tariff and also of the Brussels Definition of Value.

In Japan, the normal basis for establishment of the value for duty purposes is the invoice price plus charges up to the c.i.f. point, but where such evidence is not available, the value is established at a c.i.f. level by reference to the value of like goods recently imported, or if necessary by reference to the value of like goods sold in the internal markets of the exporting country.

Attention was drawn to two exceptional features in the application of the Canadian valuation system. One relates to goods of the kind which are liable to fall sharply in price at the end of the season or marketing period. Where, as a result of the advance of the season or marketing period, the market price of such goods has declined to a level that does not reflect their normal price, the value for duty may be taken to be the average price, weighted as to quantity, at which the like or similar goods were sold for home consumption in the country of export during a reasonable period, not exceeding six months, immediately preceding the date of shipment of the goods to Canada. For the purposes of the operation of this provision, exporters of such goods are required to declare, additionally, the highest price at which such goods were sold under comparable conditions during the preceding six months. The information so furnished is not used as the basis for appraisal, but as a means of indicating cases which may require investigation. The second relates to end of the day sales of cut flowers. Canadian customs collectors are in a position to fix minimum prices based on average market prices in the preceding season and duty is charged on the basis of these fixed prices in any case where it exceeds the actual selling price. Importers may, however, request that the duty be adjusted by reference to actual values and investigation is then made to determine the fair market value on the day and in the place of exportation. Where the value so determined is lower than the fixed price an adjustment is made.

Some countries have in force systems of fixed import values to which ad valorem rates of duty are applied. In France such values are applied to mineral oils. They are fixed by the fuel section of the Ministry of Commerce on the basis of prices ruling during the previous three-month period. It is stated that this system facilitates the assessment of internal taxes which are required to be collected at the same time as the customs duties.
India and Pakistan also have a system of fixed values for a number of products for which it is considered simpler both for traders and customs authorities not to assess the duty on the actual value. In the case of each product concerned the value fixed is based on the average values of importations during the preceding year, and the price is only fixed after consultation with the principal Chambers of Commerce. When fixed, the values normally remain in force for one year.

In this connexion attention was drawn to the following extract from the notes in the Analytical Index of the General Agreement regarding the discussion of fixed values at Havana (page 23), and in reference to Article VII of GATT:

"It was noted in the summary record that the system of tariff valuation in force in India "for non-ordinary products was in order insofar as the actual value could not be readily ascertained under paragraph 3 (b) GATT 2 (b), and that paragraph 3 (c) GATT 2 (c) met the problem of India in respect of those particular products for which they found it necessary periodically to fix a value."

This question was also discussed in the Working Party on Valuation at the Eighth Session of the CONTRACTING PARTIES in October 1953. The discussion in that Working Party showed that there was general agreement that the system of fixed values as operated by India and Pakistan was not inconsistent with the principles of paragraph 2 (c) of Article VII.

In Chile an ad valorem duty is applied to only one tariff item, No. 954, (chemical products not specified elsewhere) and the rate is applied to fixed values, different values being fixed for different goods. These values are reviewed annually, and enter into force one month after they have been officially published. If important changes take place the values can be changed at any time. In this connexion attention was drawn to the Interpretative Note 2 to Article 35 of the Havana Charter.

3 (a) Do you base your valuation for duty on the value of (a) the merchandise actually imported, or (b) like merchandise? If (b) do you use the price at which the merchandise is generally sold or offered for sale to the equivalent class of trade, e.g. jobbers, wholesalers, retailers, etc? (Additional question circulated on 24 November.)

In general, the countries using landed value as a method of valuation determine it by reference to the merchandise actually imported, whereas the countries using current domestic value or import market value have regard to the value of like merchandise. In the latter case regard is usually had to the class of trade involved.

The discussions indicated that the principal aspects in the valuation system of the United States which have been objected to by exporters in other countries are the application of the provisions in Section 402 of the Tariff Act for the determination of "foreign value" on the basis of merchandise "freely offered for sale" and in "the usual wholesale quantities". Under judicial interpretations of these terms, if the goods are freely offered to
all purchasers, but at different prices depending on the class of purchaser, then the highest price would have to be taken since that would be the only price at which anyone could buy. Also, the "usual wholesale quantity" is determined by the quantity most frequently sold. It will be seen that in these circumstances, the dutiable value could be based on sales to retailers rather than sales to wholesalers, since the price to the retailers may be the price at which the goods are available to all purchasers, and the quantity most frequently sold is sold to retailers. The United States delegate drew attention to the fact that valuation methods in his country have been under continuing study in recent years with a view to improving them wherever possible, and consideration of the foregoing features has been an important part of that study.

4. What is the time which is accepted in your legislation as the time of sale, or offer for sale, for valuation purposes?

5. What is the place accepted in your legislation as the place of sale, or offer for sale, for valuation purposes?

The time and the place of valuation vary according to the basis of valuation used. Where the current domestic value is the basis, the time and place of valuation are usually either the time and place of the export sale, or else the time and place of exportation. Where transaction value is the basis of valuation, the time and place of valuation may be either the time and place of importation or the time and place of the sale for exportation. Where the import market value is the basis, the time is usually the time of importation.

It will be noted from the replies that there are a number of minor differences in these respects, even between countries using the same main criterion. As regards place of valuation, the different definitions of value in force result in duty being charged as between one country and any other, on the basis of various price levels, e.g., ex-works, f.o.b., c.i.f., e.i.f. plus landing charges and value in bonded warehouse. Time of valuation varies similarly in the various definitions but in practice, for the large proportion of shipments for which the invoice price is acceptable as the basis for charge of duty, that price is often accepted without particular regard to the date at which the sale was actually made, although some countries impose the further condition that the interval between the sale and the importation should not be too great and that there shall not have been any significant fluctuation in price in the interval.
6. State whether, and to what extent, valuations are based on:
(a) the internal price of the goods in the market of the exporting country;
(b) the export price in the exporting country; or
(c) the landed price in the importing country.

On the information furnished in reply to this question, countries can be classified in the five headings shown below. It has been thought more informative to include under the landed price heading all the countries which base their value for duty at a c.i.f. level irrespective of whether their definition takes as a standard the value in the country of importation or the export value plus charges to the c.i.f. point.

<table>
<thead>
<tr>
<th>Internal price in country of export</th>
<th>Export price</th>
<th>Landed price</th>
<th>Import market price</th>
<th>Fixed values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>Australia</td>
<td>Austria</td>
<td>Belgium</td>
<td>Belgium</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Belgian Congo</td>
<td>Brazil</td>
</tr>
<tr>
<td>Brazil</td>
<td></td>
<td>Burma</td>
<td>Burma*</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>Canada</td>
<td>Ceylon</td>
<td>Ceylon*</td>
<td>Chile*</td>
</tr>
<tr>
<td>Cuba</td>
<td>Cuba</td>
<td>Czechoslovakia</td>
<td>France*</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Germany</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Greece</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Haiti</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>India*</td>
<td>France</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Indonesia</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Italy</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Japan</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td></td>
<td>Luxembourg</td>
<td>Neth. Antilles</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>New Guinea</td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td>Nicaragua</td>
<td></td>
<td>Norway</td>
<td>Pakistan*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pakistan</td>
<td></td>
</tr>
<tr>
<td>Rhodesia and Nyasaland</td>
<td>Rhodesia and Nyasaland</td>
<td>Surinam</td>
<td>Sweden</td>
<td>Turkey</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Un. S. Africa</td>
<td>Un. S. Africa</td>
<td></td>
<td></td>
<td>United Kingdom</td>
</tr>
<tr>
<td>United States</td>
<td>United States</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* For certain items only.
Valuation by reference to products of domestic origin in Cuba, Japan and the United States of America is referred to on page 5.

In France, pharmaceutical products put up for retail sale are valued on the basis of the retail selling price, and in Belgium, the Netherlands and Luxembourg they are valued on the basis of the retail selling price less 15 per cent.

In New Zealand, where the value is established in the current domestic value in the country of exportation, this value is in all cases increased by 10 per cent in order to arrive at the value for duty purposes. This increase represents a flat rate addition for freight and insurance.

7. Where the price depends upon quantity, is the price used for valuation uniformly that which relates to quantities comparable to the quantity to be valued? If not, please state what quantity basis is used.

In most cases valuation is determined by reference to the price for a quantity of goods comparable to the quantity which is actually imported. The exceptions are Cuba, Japan, Nicaragua, Rhodesia and Nyasaland, the Union of South Africa and the United States of America, which require values to be established by reference to the usual wholesale quantities in the principal markets of the country of exportation. In the case of the United States of America, the price used for establishing the value for customs purposes is based on the price at which the greatest number of sales are made, and not the price at which there is the greatest volume of trade.

8. To what extent, and subject to what conditions, is the price at which the merchandise has been sold or is offered for sale (i.e., the invoice value) accepted as the basis for valuation? Where invoice value is not so accepted as a basis (because for example, the transaction does not take place under fully competitive conditions):

(a) Do you use, uniformly or as appropriate (state which), any of the following bases -

- the invoice price subject to corrections,
- the sales price of the imported product on the importing market, adjusted to take account of expenses and profits incurred after importation,
- the cost of production of the imported product?

(b) If not, how do you assess the value? (Give particulars of any such methods).
The invoice price at which the goods pass to the importer is, in practice, the value on which duty is paid in the majority of cases, both in the case of countries whose definition is framed in terms of the current domestic value in the country of exportation and also the countries whose definition is framed in terms of the export or landed value. Where, however, the invoice price is not acceptable, most of the former have regard to the current domestic value of comparable goods, while the latter usually establish the value either by uplifting the invoice price or making suitable deductions from the importer's resale price. The cost of production is only rarely resorted to as a means of establishing the value for duty purposes.

9. If your administrative or legal regulations provide for the use of alternative methods of valuation, state to what extent the customs officer or appraiser is free to choose between such alternatives or is obliged to adopt that which gives the higher value, or is obliged to make use of them in accordance with prescribed rules.

No country has reported that its customs officers have freedom of choice between different methods of valuation. While some countries have two alternative standards in force, it is stated that customs officers are obliged to proceed to apply these alternatives as directed by the law, usually the highest value; they have no freedom of choice in the matter.

In the case of the United States of America, while it is true that the customs officials have no choice as to the methods of valuation which have to be applied (which must be applied in accordance with the law), the point was brought out that the exporter and importer do not know in advance what basis will ultimately be applied. The exporter and importer are only required to state the transaction price; it is the appraiser who determines the alternative values which may in fact prove to be the basis on which duty is charged.

10. Do you exclude from the value of imported goods the amount of internal taxes from which the imported product has been exempted in the exporting country?

Do you limit this exclusion to specified taxes (such as purchase tax, etc.), or do you grant it to any internal tax or charge from which exemption has in fact been granted by the exporting country?

In almost all cases the value for duty purposes excludes the amount of internal taxes in the exporting country from which the exported product has been relieved.

In the Federal Republic of Germany while it is accepted that the value for duty purposes should not include the amount of any internal tax from which relief has been given in the country of exportation, it is stated that steps may be taken soon to draw a line between direct taxes (including social charges) and indirect taxes, and the deduction of amounts of direct taxes may no longer be allowed.
In the United States a foreign internal tax not applicable to exports is, in some instances, included in the appraised value of the imported merchandise.

11. What is the system adopted by your Administration for the conversion of foreign currencies for valuation purposes?

Do you apply the official rate of exchange based on the par value recognized by the International Monetary Fund, or market rates?

If your currency has no par value recognized by the Fund, or if various rates are applied in your country for the purchase of foreign exchange, what rate do you apply for valuation purposes?

If the product is coming from a country applying multiple rates of exchange, do you always apply the official rate of exchange of that country as a basis for valuation, or do you apply different rates in certain cases, or do you apply other corrections?

Nearly all countries apply the official rates or market rates (which include par values where such values have been recognized by the International Monetary Fund).

Very few countries appear to have special provision for goods coming from countries applying multiple rates of exchange. In general, the official rate or the effective rate is adopted.

The delegate of Indonesia explained that in order to be able to acquire foreign exchange to pay for imported goods, the importer has to pay a charge ranging from nil to 200 per cent of the amount of the foreign exchange. The amount of this charge has to be included in the value for duty purposes since it falls within the cost at which the importer can obtain the goods "in entrepôt", all charges other than customs duty having been paid. The Indonesian delegate agreed that the exchange charge was in the nature of a multiple currency practice and stated that it had as such been reported to the International Monetary Fund. The Technical Group considers it desirable to draw attention to the considerable effect of the charge on the amount of duty payable.

12. What charges on imports, other than ordinary customs duties, are assessed on the value of imported goods? Do you apply the same method of valuation for the levy of such charges as for the levy of customs duties?

If so, in which cases? If not, what method does your Administration apply?

Do you apply the same methods of valuation in the case of internal taxes or equivalent charges levied on imported goods?
In some countries there are no ad valorem charges, other than ordinary customs duties, which are applied to imported goods. In others, there is a variety of charges ranging from small statistical taxes to various excise duties and internal taxes. In general, where the charge is a tax countervailing the charge made on similar goods produced domestically, the charge is based on the duty paid import value (sometimes with an addition to raise it to a higher market level) but other import charges are usually based on the import value exclusive of duty.

13. Has your export trade met with serious difficulties resulting from methods or practices adopted by other contracting parties for determining the value of imported products?

Several contracting parties drew attention to difficulties met by their exporters, particularly in some countries basing the value for duty purposes on the current domestic value in the country of exportation.
III. Valuation Questionnaire

1. Do you have any administrative or legal provisions which permit valuation for customs purposes to be based on arbitrary or fictitious values, in the sense that such values are not related to the value of the imported merchandise in question or of like imported merchandise? If so, give particulars of any such provisions, of the class or nature of the importations to which they are applied, and of the method by which the values used are determined.

2. Do you have any administrative or legal provisions which permit valuation for customs purposes to be based on the values of comparable domestic products? If so, give particulars of any such provisions, of the class or nature of the importations to which they are applied, and of the method by which the values used are determined.

3. Is valuation, apart from the cases mentioned in 1 and 2, based on a definition of value which seeks to establish as a standard the actual value of the imported merchandise on which duty is to be assessed or of like imported merchandise? If so, indicate what provision is made for establishing this standard and furnish a copy of the legal provision containing the definition.

3(a) Do you base your valuation for duty on the value of (a) the merchandise actually imported, or (b) like merchandise? If (b) do you use the price at which the merchandise is generally sold or offered for sale to the equivalent class of trade, e.g. jobbers, wholesalers, retailers, etc? (Additional question circulated on 24 November).

4. What is the time which is accepted in your legislation as the time of sale, or offer for sale, for valuation purposes?

5. What is the place accepted in your legislation as the place of sale, or offer for sale, for valuation purposes?

6. State whether, and to what extent, valuations are based on:
   
   (a) the internal price of the goods in the market of the exporting country;
   
   (b) the export price in the exporting country; or
   
   (c) the landed price in the importing country.

7. Where the price depends upon quantity, is the price used for valuation uniformly that which relates to quantities comparable to the quantity to be valued? If not, please state what quantity basis is used.
8. To what extent, and subject to what conditions, is the price at which merchandise has been sold or is offered for sale, (i.e. the invoice value) accepted as the basis for valuation? Where invoice value is not so accepted as a basis (because, for example, the transaction does not take place under fully competitive conditions):

(a) do you use uniformly or as appropriate (state which), any of the following bases -

- the invoice price subject to corrections,

- the sale price of the imported product on the importing market, adjusted to take account of expenses and profits incurred after importation,

- the cost of production of the imported product?

(b) if not, how do you assess the value? (Give particulars of any such methods.)

9. If your administrative or legal regulations provide for the use of alternative methods of valuation, state to what extent the customs officer or appraiser is free to choose between such alternatives, or is obliged to adopt that which gives the higher value, or is obliged to make use of them in accordance with prescribed rules.

10. Do you exclude from the value of imported goods the amount of internal taxes from which the imported product has been exempted in the exporting country?

Do you limit this exclusion to specified taxes, (such as purchase tax, etc.), or do you grant it to any internal tax or charge from which exemption has in fact been granted by the exporting country?

11. What is the system adopted by your Administration for the conversion of foreign currencies for valuation purposes?

Do you apply the official rate of exchange based on the par value recognized by the International Monetary Fund, or market rates?

If your currency has no par value recognized by the Fund, or if various rates are applied in your country for the purchase of foreign exchange, what rate do you apply for valuation purposes?

If the product is coming from a country applying multiple rates of exchange, do you always apply the official rate of exchange of that country as a basis for valuation, or do you apply different rates in certain cases, or do you apply other corrections?
12. What charges on imports, other than ordinary customs duties, are assessed on the value of imported goods? Do you apply the same method of valuation for the levy of such charges as for the levy of customs duties?

If so, in which cases? If not, what method does your Administration apply?

Do you apply the same methods of valuation in the case of internal taxes or equivalent charges levied on imported goods?

13. Has your export trade met with serious difficulties resulting from methods or practices adopted by other contracting parties for determining the value of imported products?
<table>
<thead>
<tr>
<th>Country</th>
<th>Arbitrary or fictitious values</th>
<th>Valuation on domestic products</th>
<th>Standard of actual value</th>
<th>Time of valuation</th>
<th>Place of valuation</th>
<th>VALUATION BASED ON</th>
<th>7 Valuation on import quantity</th>
<th>8 Invoice price accepted</th>
<th>9 Choice of alternative methods</th>
<th>10 Are exempted internal taxes excluded</th>
<th>11 Currency conversion</th>
<th>12 Valuation for other import charges</th>
<th>13 Export trade difficulties</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Australia</strong></td>
<td>No</td>
<td>No</td>
<td>(a) Usually</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Port of exportation</td>
<td>C.D.V. or export price, whichever is higher</td>
<td>No Yes</td>
<td>Usually</td>
<td>No No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes administratively</td>
</tr>
<tr>
<td><strong>Austria</strong></td>
<td>No</td>
<td>No</td>
<td>(b) Yes</td>
<td>(b)</td>
<td>Yes Time of importation</td>
<td>Place of importation</td>
<td>No No</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Belgium</strong></td>
<td>No</td>
<td>No</td>
<td>(a) Yes</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Place of exportation</td>
<td>No No</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Belgium, Congo</strong></td>
<td>No</td>
<td>No</td>
<td>(b) Yes</td>
<td>(b)</td>
<td>Yes Time of importation</td>
<td>Place of importation</td>
<td>No Yes</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Brazil</strong></td>
<td>No</td>
<td>No</td>
<td>(a) Yes</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Place of exportation</td>
<td>No Yes</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Burma</strong></td>
<td>No</td>
<td>No</td>
<td>(b) Yes</td>
<td>(b)</td>
<td>Yes Time of importation</td>
<td>Place of importation</td>
<td>No Yes</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Canada</strong></td>
<td>No</td>
<td>No</td>
<td>(a) Usually</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Place of direct shipment</td>
<td>No No</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Ceylon</strong></td>
<td>No</td>
<td>No</td>
<td>(a) Usually</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Place of direct shipment</td>
<td>No No</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Chile</strong></td>
<td>In the only case in which ad valorem duties are applied in Chile they are applied to fixed values</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cuba</strong></td>
<td>No</td>
<td>Yes</td>
<td>(a) Usually</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Principal markets of exporting countries</td>
<td>No No</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Czechoslovakia</strong></td>
<td>No</td>
<td>No</td>
<td>(a) Yes</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Place of purchase</td>
<td>No No</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Denmark</strong></td>
<td>No</td>
<td>No</td>
<td>(a) Yes</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Place of exportation</td>
<td>No No</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Dominica</strong></td>
<td>No replies received</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Finland</strong></td>
<td>No</td>
<td>No</td>
<td>(a) Yes</td>
<td>(a) Date of sale</td>
<td>(b) Date of exportation</td>
<td>Place of purchase</td>
<td>No No</td>
<td>Yes Yes</td>
<td>Usually</td>
<td>Yes No</td>
<td>No No</td>
<td>No choice</td>
<td>Yes</td>
</tr>
<tr>
<td>Country</td>
<td>1 Arbitrary or fictitious values</td>
<td>2 Valuation on domestic products</td>
<td>3 Standard of valuation on import goods (a) Exports (b) Imports</td>
<td>4 Time of valuation</td>
<td>5 Place of valuation</td>
<td>6 Valuation based on</td>
<td>7 Valuation on import quantity</td>
<td>8 Invoice price accepted</td>
<td>9 Assessment when invoice price not acceptable</td>
<td>10 Are exempted internal taxes excluded</td>
<td>Conversion currencies</td>
<td>12 Valuation for other import charges</td>
<td>Export trade difficulties</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------</td>
<td>----------------------------------</td>
<td>---------------------------------------------------------------</td>
<td>-------------------</td>
<td>----------------------</td>
<td>----------------------</td>
<td>------------------------</td>
<td>---------------------------</td>
<td>-----------------------------------------------</td>
<td>----------------------------</td>
<td>---------------------</td>
<td>------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>France</td>
<td>No</td>
<td>No</td>
<td>Yes (N.B. fixed values for mineral oils)</td>
<td>(a) Yes</td>
<td>Time of importation</td>
<td>Place of importation</td>
<td>(a) Current Domestic</td>
<td>(b) Expert Price</td>
<td>(c) Landed Price</td>
<td>Yes (exceptionally) retail prices for some commodities</td>
<td>No choice</td>
<td>Yes</td>
<td>Market rate or official rates</td>
</tr>
<tr>
<td>Germany</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes</td>
<td>Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No choice</td>
<td>Yes at present</td>
<td>Par rate or official rates</td>
<td>Various</td>
</tr>
<tr>
<td>Greece</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes</td>
<td>Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>No</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Yes</td>
<td>Par value of official rates</td>
<td>Various</td>
</tr>
<tr>
<td>Haiti</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes</td>
<td>Time of shipment</td>
<td>Place of exportation</td>
<td>Yes (plus charges to c.i.f. point)</td>
<td>No</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Custom surtaxes</td>
<td>No</td>
<td>Current bank rates</td>
</tr>
<tr>
<td>India</td>
<td>No</td>
<td>No</td>
<td>Yes (N.B. fixed values for some goods)</td>
<td>(a) Usually</td>
<td>Time of importation</td>
<td>Port of importation</td>
<td>No</td>
<td>No</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Yes</td>
<td>Average monthly official rates</td>
<td>Current bank rates</td>
</tr>
<tr>
<td>Indonesia</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes</td>
<td>Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>No</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Yes</td>
<td>Current bank rates</td>
<td>Statistical duty based on import valuation, internal tax based on duty-paid import value</td>
</tr>
<tr>
<td>Italy</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes</td>
<td>Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>No</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Yes</td>
<td>Official rates (see reply)</td>
<td>Administrative duty based on import value, turnover tax based on duty-paid import value</td>
</tr>
<tr>
<td>Japan</td>
<td>Rarely</td>
<td>Yes</td>
<td>Yes</td>
<td>(a) Yes</td>
<td>Time of exportation</td>
<td>Principal wholesale market of exporting country</td>
<td>Yes (plus charges to c.i.f. point)</td>
<td>Yes</td>
<td>Usually Yes</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Yes</td>
<td>(see reply)</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes</td>
<td>Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>No</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Yes</td>
<td>Par rate and official rates</td>
<td>Turnover tax based on duty-paid import value</td>
</tr>
<tr>
<td>Netherlands</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes</td>
<td>Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>No</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Yes</td>
<td>Par rate or official rates</td>
<td>Turnover tax based on duty-paid import value</td>
</tr>
</tbody>
</table>

Note: The table above represents a detailed valuation method for various countries, including the time of valuation, place of valuation, valuation basis, invoice price acceptance, assessment when invoice price is not acceptable, and whether internal taxes are exempted. The table also includes details on export trade difficulties and conversion currencies.
<table>
<thead>
<tr>
<th>Country</th>
<th>1 Arbitrary or fictitious values</th>
<th>2 Valuation on domestic products</th>
<th>3 Standard of actual value</th>
<th>4 Standard of valuation on (a) imported merchandise (b) like merchandise</th>
<th>5 Place of valuation</th>
<th>6 Valuation based on</th>
<th>7 Valuation on import quantity</th>
<th>8 Invoice price accepted</th>
<th>9 Choice of alternative methods</th>
<th>10 Are exceptions internal taxes excluded</th>
<th>11 Currency conversion</th>
<th>12 Valuation for other import charges</th>
<th>13 Export trade difficulties</th>
</tr>
</thead>
<tbody>
<tr>
<td>NETHERLANDS ANTILLES</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes Time of purchase</td>
<td>Place of purchase</td>
<td>(a) Current Domestic Price</td>
<td>(b) Export Price</td>
<td>(c) Loaded Price</td>
<td>Yes (or larger)</td>
<td>Usually No No No No choice Yes</td>
<td>Par rate or official rate</td>
<td>None</td>
<td>No</td>
</tr>
<tr>
<td>SURINAM</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes Time of purchase</td>
<td>Place of purchase</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes (or larger)</td>
<td>Usually No No No No choice Yes</td>
<td>Par rate or official rate</td>
<td>Statistical tax based on import value</td>
<td>No</td>
</tr>
<tr>
<td>NEU GUINEA</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes (or larger)</td>
<td>Usually No No No No choice Yes</td>
<td>Par rate or official rate</td>
<td>Statistical tax based on import value</td>
<td>No</td>
</tr>
<tr>
<td>NEW ZEALAND</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(b) Yes Date of exportation</td>
<td>Principal internal markets of exporting country</td>
<td>Yes (plus 10%)</td>
<td>Exceptionally No</td>
<td>Yes</td>
<td>Not normally No No No choice Yes (if applicable directly to the goods)</td>
<td>Par rate or official rates</td>
<td>Sales tax based on duty-paid import value plus 25%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>NICARAGUA</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes Time of shipment</td>
<td>Place of shipment</td>
<td>No</td>
<td>Yes (f.o.b.)</td>
<td>No</td>
<td>Usual wholesale quantities  Yes No No No choice Yes</td>
<td>Official rate</td>
<td>None</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>NORWAY</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes Rarely Time of purchase</td>
<td>Place of exportation</td>
<td>No</td>
<td>Yes (plus charges to c.i.f. point)</td>
<td>No</td>
<td>Yes</td>
<td>Usually Yes Rarely No No choice Yes</td>
<td>Official rates</td>
<td>Various</td>
<td>Yes</td>
</tr>
<tr>
<td>PAKISTAN</td>
<td>No</td>
<td>No</td>
<td>Yes (N.B. fixed value for some) goods</td>
<td>(a) Usually Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Usually Yes No No No choice Yes</td>
<td>Par rate or official rate</td>
<td>Sales tax on duty-paid export value</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>PERU</td>
<td>No</td>
<td>No</td>
<td>No replies received</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RHODESIA &amp; NYASALAND</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes (b) Yes Time of exportation</td>
<td>Principal markets of exporting country per port of exportation</td>
<td>C.I.F. or export price, whichever is the higher (f.o.b.)</td>
<td>No</td>
<td>Yes</td>
<td>Usually No No No No choice Yes, administratively, if applicable directly to the goods</td>
<td>Official rates</td>
<td>None</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>S. AFRICA</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes (b) Yes Time of exportation</td>
<td>Principal markets of exporting country per port of exportation</td>
<td>C.I.F. or export price, whichever is the higher (f.o.b.)</td>
<td>No</td>
<td>Yes</td>
<td>Usually No No No No choice Yes</td>
<td>Bank rates</td>
<td>None</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>SUDAN</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes Time of purchase for export</td>
<td>Place of purchase for export</td>
<td>No</td>
<td>Yes (plus charges to c.i.f. point)</td>
<td>No</td>
<td>Yes</td>
<td>Usually Yes No No No choice Yes</td>
<td>Official bank rates</td>
<td>(see reply)</td>
<td>-</td>
</tr>
<tr>
<td>TURKEY</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes Time of importation</td>
<td>Place of importation</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Usually Yes (exceptionally) Yes No No No choice Yes</td>
<td>Par rate or official rate</td>
<td>Exchange compensation tax on import value</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>COUNTRY</td>
<td>1 ARBITRARY OR FICTITIOUS VALUES</td>
<td>2 VALUATION ON DOMESTIC PRODUCTS</td>
<td>3 STANDARD OF ACTUAL VALUE</td>
<td>4 TIME OF VALUATION</td>
<td>5 PLACE OF VALUATION</td>
<td>6 VALUATION BASED ON</td>
<td>7 VALUATION OR IMPORT QUANTITY</td>
<td>8 ASSESSMENT WHEN INVOICE PRICE NOT ACCEPTABLE</td>
<td>9 CHOICE OF ALTERNATIVE METHODS</td>
<td>10 ARE EXEMPTED INTERNAL TAXES EXCLUDED</td>
<td>11 CURRENCY CONVERSION</td>
<td>12 VALUATION FOR OTHER IMPORT TRADE CHARGES</td>
<td>13 Export Trade Difficulties</td>
</tr>
<tr>
<td>---------------</td>
<td>---------------------------------</td>
<td>----------------------------------</td>
<td>---------------------------</td>
<td>---------------------</td>
<td>----------------------</td>
<td>----------------------</td>
<td>------------------------</td>
<td>------------------------------------------</td>
<td>---------------------------------</td>
<td>-------------------------------------</td>
<td>------------------</td>
<td>---------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>(a) Yes (b) Time of importation</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Usually</td>
<td>Yes (exceptionally)</td>
<td>No choice</td>
<td>Yes</td>
<td>(a) Par rate (b) Official rate</td>
<td>Purchase tax</td>
</tr>
<tr>
<td>UNITED STATES</td>
<td>Yes</td>
<td>Yes, rarely</td>
<td>Yes, but see report</td>
<td>(see reply) Time of exportation</td>
<td>(a) Principal mar (f.o.b.) (b) United States (f.o.b.) level</td>
<td>Yes (f.o.b.) (see report)</td>
<td>Usual wholesale quantity</td>
<td>Not always</td>
<td>Sometimes seconds</td>
<td>No choice</td>
<td>Varies (official rates)</td>
<td>The are some charges described as taxes which are in fact customs duties</td>
<td></td>
</tr>
<tr>
<td>URUGUAY</td>
<td>No replies received</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
- **Arbitrary or fictitious values**
  - No
  - Yes
  - Value
  - Value
- **Valuation on domestic products**
  - No
  - Yes
- **Standard of actual value**
  - No
  - Yes, rarely
  - See report
- **Time of valuation**
  - Yes (a) (b) Time of importation
  - Yes, but see report
- **Place of valuation**
  - No
  - Yes (f.o.b.)
- **Valuation based on**
  - Current domestic value
  - Export price
  - Landed price
- **Valuation or import quantity**
  - Yes
  - Usual wholesale quantity
- **Assessment when invoice price not acceptable**
  - Usually
  - Not always
- **Choice of alternative methods**
  - Yes
  - No choice
- **Currency conversion**
  - Par rate
  - Official rate
- **Valuation for other import trade charges**
  - Purchase tax
  - Varies
- **Export trade difficulties**
  - Yes