GENERAL AGREEMENT ON TARIFFS AND TRADE

Sub-Committee on Non-Tariff Barriers
Group on Assessment of Duties

Original: French

VALUATION FOR CUSTOMS PURPOSES

Communication from the EEC Commission

The permanent delegation of the Commission of the European Economic Community has transmitted the following communication to the secretariat.

At the meeting of the Group on Assessment of Duties it was agreed that the delegation of the EEC Commission would make known to the United States delegation the questions which it wished to put concerning valuation for customs purposes. These questions are set forth in the document annexed hereto.
ANNEX

QUESTIONNAIRE FOR THE UNITED STATES DELEGATION

1. The "American Selling Price" is defined differently in section 402 and in section 402(a) of the Tariff Act of 1930. In particular, this concerns the use of the terms "freely sold or, in the absence of sales, offered for sale" and "freely offered for sale" respectively. Furthermore, it appears that the expression "in the usual wholesale quantities" is interpreted differently under section 402 on the one hand and section 402(a) on the other hand.

Can the United States delegation confirm that two definitions of the American Selling Price exist, one being valid for the products designated in the tariff clauses preceding the chapters concerned, and the other for such of those products as are referred to again in the final list?

What are the practical effects of this differentiation?

2. Can the United States delegation also inform the delegation of the EEC Commission as to the general incidence of the American Selling Price? In this respect it would be desirable if the United States delegation were to present a study similar to that drawn up by the Tariff Commission in 1939 for dyes. The new study could be based on more recent statistics, in particular on those of the United States tariff made effective on 1 September 1963, and in addition to dyes it should include all products subject to the American Selling Price regulation.

3. It is impossible to evaluate the real scope of the "final list" so long as it is not broken down to show headings in the new tariff.

The delegation of the Commission requests the United States delegation kindly to make available to it a "final list" broken down in this way.

4. In cases where the "foreign value" is taken as a basis for valuation, what interpretation is given to the term "in the usual wholesale quantities"? Is it the same as that defined under section 402, paragraph B(3)?

5. In practice, how does the appraiser establish the "constructed value" provided for in section 402, paragraph c of the Act?

6. Could the EEC delegation obtain details from the United States delegation regarding the practical consequences and the tariff incidence of the method by which the degree of concentration of certain dyes is recalculated on the basis of a standard percentage ("standard of strength")? The EEC delegation also requests that the texts of the legislation and administrative provisions in this respect should be communicated to the various interested delegations.