1. At its meeting in May 1975, the Sub-Group "Customs Matters" agreed "that participants should transmit to the GATT secretariat in writing by 15 September 1975 specific suggestions, accompanied by notes explaining the objectives of these suggestions, for the elements that they wished to have included in any new set of international rules on customs valuation to be adopted in the context of the Multilateral Trade Negotiations" (MTN/NTM/4, paragraph 6 and GATT/AIR/1189).

2. This agreement was confirmed at the October 1975 meeting of the Sub-Group. The Sub-Group also agreed that the written submissions contained in MTN/NTM/W/20 and addenda would, inter alia, constitute the basis for the discussion at its next meeting.

3. At its meeting in March 1976 the Sub-Group invited delegations to submit any additional comments they wished to have included in a working paper to be prepared by the secretariat, containing a checklist of issues raised and of possible elements that may be included in any new set of international rules or principles on customs valuation to be adopted in the context of the Multilateral Trade Negotiations (MTN/NTM/13 paragraph 8).

4. A communication from Japan has been received which supplements its previous communication reproduced in MTN/NTM/W/20 pages 3-4.

Neutrality

Both Article VII of the General Agreement and the "draft Principles" Nos. 1, 3 and 4 are formulated with a view to ensuring the neutrality of valuation systems.
Non-discriminatory application

Drawing up a common rule on the basis of paragraph 4 of the "draft Principles" could be an appropriate solution.

Relation with anti-dumping

Drawing up a common rule on the basis of paragraph 2 of the "draft Principles" could be an appropriate solution.

Undervaluation

Drawing up a common rule on the basis of paragraph 3 of the "draft Principles" could be an appropriate solution.

Consistency with commercial practices

Drawing up a common rule on the basis of paragraph 5 of the "draft Principles" could be an appropriate solution.

Documents available in country of importation

Valuation systems should keep formalities to a minimum and valuation should be based to the greatest possible degree on commercial documents which are available in the country of importation and relate to the imported goods.

Simplicity

For further development of the international trade, it is desirable that the customs valuation systems of various countries should be as simple and stable as possible based on the same principle and the same criteria. From this viewpoint, paragraph 5 of the "draft Principles" could be the possible solution.

Fairness and equity

Drawing up a common rule on the basis of paragraph 5 of the "draft Principles" could be an appropriate solution.

Quick clearance of goods

Drawing up a common rule on the basis of paragraph 7 of the "draft Principles" could be an appropriate solution.
Precision and predictability

Drawing up a common rule on the basis of paragraph 8 of the "draft Principles" could be an appropriate solution.

Business secret

Drawing up a common rule on the basis of paragraph 9 of the "draft Principles" could be an appropriate solution.

Definition of value for customs purposes

Drawing up a common rule on the basis of paragraphs 1, 2, 3 and 8 of the "draft Interpretative Notes" could be an appropriate solution.

Price, time, place, commercial level, quantities

Drawing up a common rule on the basis of paragraph 6 of the "draft Interpretative Notes" could be an appropriate solution.

Adjustment of value - nearest ascertainable equivalent

Drawing up a common rule on the basis of paragraphs 4 and 5 of the "draft Interpretative Notes" should be an appropriate solution.

Price of goods in the domestic market of importing country or exporting country

Price to other countries

Arbitrary and fictitious value

Japan considers that the future multilateral solution should include at least the following elements:

(a) Abolition of the customs valuation system of an arbitrary nature which goes counter to the words and/or spirit of Article VII of the General Agreement.

(b) Abolition of the system which uses the higher of the two, the domestic price of exporting countries or the export price, as the basis of customs valuation.

(c) Abolition of the system which uses as a rule domestic price of exporting countries as the basis of customs valuation.

From this point of view drawing up a common rule on the basis of paragraph 7 of the "draft Interpretative Notes" could be an appropriate solution.
Declaration of importer

Drawing up a common rule on the basis of paragraph 9 of the "draft Interpretative Notes" could be an appropriate solution.

Explanation by customs authorities upon request, ready availability of needed information to importers and to customs officials

Drawing up a common rule on the basis of paragraph 10, 11 or 11 bis of the "draft Interpretative Notes" could be an appropriate solution.