COMMUNICATION FROM ZIMBABWE

The following communication, dated 25 January 1991, has been received from the delegation of Zimbabwe.

Please kindly bring to the attention of the Committee the attached request from my authorities for an extension of delay of two years, beginning 1 January 1991, on the application of Article 1.2(b) (iii) and Article 6 of the Agreement. We would request that Parties consider this matter urgently in view of the fact that our initial period of delay in the application of these Articles expired on 31 December 1990.

We have had informal consultations with other Parties on this matter. As a result of these consultations my authorities have agreed to the request of some Parties to cut the duration of the delay period requested to two years. During this period Zimbabwe may be able to provide periodic progress reports on personnel training and other preparations necessary to implement Article 1.2(b) (iii) and Article 6.

In the light of the foregoing I believe Parties will show appropriate flexibility and understanding for the Committee to pass the necessary decision giving my government the requested period of delay in the application of Article 1.2(b) (iii) and Article 6.
DELAY IN THE APPLICATION OF ARTICLE 1.2(b) (iii) AND ARTICLE 6

1. The Government of Zimbabwe hereby requests the consent of other Parties to the Agreement to delay the application of Article 1.2(b) (iii) and Article 6 for a duration of two years as from 1 January 1991.

2. Zimbabwe acceded to the Agreement on 23 October 1987 subject to a three year delay in the application of the above two Articles with effect from 1 January 1988. Parties may note that Zimbabwe began implementing the whole Agreement, save the referred Articles, immediately upon accession. We have had no problems in this direction to date.

3. However, in regard to Articles 1.2(b) (iii) and 6 my authorities regret to inform that the three year period of delay was found insufficient to make all preparations necessary to implement these provisions. A further period of extension of delay in the application of these Articles is hence requested based on the underlying grounds:

   (i) Implementation of Article 6 depends on the co-operation from the producer of goods imported into Zimbabwe, assistance from Customs authorities in the country of manufacture, an understanding of the accounting, pricing and production procedures in the country of manufacture. As Zimbabwe sources goods from all over the world, we anticipate verification problems with respect to input costs used in the production of these goods.

   (ii) Many importing companies, by virtue of colonial history are related to the sellers or are subsidiaries of the suppliers abroad. Under these circumstances where prices are influenced by this relationship, reliance cannot be placed on figures and calculations supplied. Verification of information supplied will therefore be difficult, and the lack of bilateral co-operation agreements between our Government and certain countries in the Customs field compounds the problem.

   (iii) Expertise in Zimbabwe for the establishment of a value in terms of Article 6 has been lacking. Zimbabwe has been waiting for the Customs Co-operation Council to mount an in-depth course on this, and it was only in December, 1990 when the GATT Valuation course was held in Zimbabwe by the CCC. This has assisted somehow, but more training is required. Arrangements will now be made to implement Article 6.

   (iv) Our derogation expired on 31 December 1990 and we now need an extension of two years to enable us to consolidate on training we have been carrying out, prepare the necessary legislation, which has to be passed by Parliament and try to put in position bilateral co-operation agreements necessary for verification purposes.

4. The decision to implement Article 6 has now been made but we need time to put this into effect.