This working document is circulated by the Secretariat in preparation for the fifteenth annual review of the implementation and operation of the Tokyo Round Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1947, to be conducted at the forthcoming meeting on 24 October 1995. As indicated in the text below, this document will have to be updated in light of the discussion at that meeting in order to give a full picture of the developments in the Committee during the current year.

Article 26 of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1947 provides that "the Committee shall review annually the implementation and operation of this Agreement taking into account the objectives thereof".

The main objectives of the Agreement are those listed in the Preamble. The annual review of the Committee should cover the implementation and operation of the Agreement in the light of its objectives and specific obligations.
The contents of this document are as follows:

1. Accessions, acceptances, reservations and observer status 3
2. Composition of the Tokyo Round Committee on Customs Valuation 4
3. Meetings of the Committee 5
4. National legislation presented 5
5. Amendments, interpretations and rectifications of the text of the agreement 5
6. Other decisions taken by the Committee 5
7. Technical assistance 6
8. Information and advice from the Technical Committee on Customs Valuation (hereinafter referred to as the "Technical Committee"), and general report on the Technical Committee 6
9. Substantial difficulties encountered by Parties in applying the Agreement 6
10. Consultation and dispute settlement 6
11. Panelists 6
12. Other matters relating to implementation 7
13. Annual report to the CONTRACTING PARTIES 7
14. General appreciation of experience with implementation and operation of the Agreement 7

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ACCESSIONS, ACCEPTANCES, RESERVATIONS AND OBSERVER STATUS

(a) Status of accessions and acceptances

The number of Signatories is thirty-three.

The United States withdrew from the Agreement on 1 March 1995.

(b) Terms of acceptance

In regard to the terms of acceptance, the special provisions available for developing countries have been invoked as follows:

(i) Article 21.1 (delayed application of the provisions of the Agreement)

Bolivia
Colombia
Morocco (4 July 1998)
Peru (1 April 1999)

(ii) Article 21.2 (delayed application of the computed value method)

Bolivia
Colombia
Mexico (10 March 1996)
Morocco (4 July 2001)
Turkey (12 February 1997)
Peru (1 April 2002)

(iii) Protocol, paragraph 1:3 (reservation concerning minimum values)

India

(iv) Protocol, paragraph 1:4 (reservation concerning reversal of sequential order of Articles 5 and 6)

Argentina
Brazil
Colombia
India
Malawi
Mexico
Morocco
Peru

(v) Protocol, paragraph 1:5 (reservation concerning application of Article 5:2 whether or not the importer so requests)

Argentina
Brazil
Colombia
India
Mexico
Morocco

1Agreement has not yet entered into force - it is subject to ratification.
2Agreement has entered into force provisionally.
2. COMPOSITION OF THE TOKYO ROUND COMMITTEE ON CUSTOMS VALUATION

Chairman: Mr. P. Palečka (Czech Republic)

Vice-Chairperson

Signatories

Argentina
Australia
Austria
Bolivia
Botswana
Brazil
Canada
Colombia
Cyprus
Czech Republic
European Economic Community
and its member States
Finland
Hong Kong
Hungary
India
Japan
Korea, Republic of
Lesotho
Malawi
Mexico
Morocco
New Zealand
Norway
Peru
Poland
Romania
Slovak Republic
South Africa
Sweden
Switzerland
Turkey
Yugoslavia
Zimbabwe

Observers

(i) Governments:

Bangladesh
Bulgaria
Cameroon
Chile
China, People's Republic of
Chinese Taipei
Côte d'Ivoire
Cuba
Ecuador
Egypt
Indonesia
Israel

Malaysia
Nicaragua
Nigeria
Pakistan
Philippines
Russian Federation
Singapore
Sri Lanka
Thailand
Trinidad and Tobago
United States
Zaire

(ii) International Organizations:

World Customs Organization (permanent observer)
IMF
UNCTAD

1 At its meeting of 12 May 1995, the Committee agreed not to elect a Vice-Chairperson.
2 Subject to ratification.
3 Applying on a provisional basis.
4 "Yugoslavia" in this document refers to the former Socialist Federal Republic of Yugoslavia.
3. **MEETINGS OF THE COMMITTEE**

Since the fourteenth annual review, the Committee has held two meetings on 12 May 1995 and on 24 October 1995. The minutes of these meetings are contained in documents VAL/M/35 [and VAL/M/36 (to be issued), respectively].

4. **NATIONAL LEGISLATION PRESENTED**

   (i) **Texts of national legislation**

   Article 25 of the Agreement requires each Party to inform the Committee of any changes in its laws and regulations relevant to the Agreement and in the administration of such laws and regulations. At its first meeting, the Committee agreed on procedures for the submission of the complete texts of national legislation (VAL/M/1, paragraph 37).

   Since the fourteenth review, no additional text has been submitted.

   Annex I contains a complete list of national legislations that have been communicated to the Committee.

   (ii) **Checklist of issues**

   At its second meeting, the Committee had decided that Parties should provide written responses to a checklist of issues concerning their national laws, regulations etc. (VAL/M/2, paragraph 52). At its meeting of 13 November 1985, the Committee had added two questions to the checklist (VAL/M/14, paragraph 55).

   Since the fourteenth annual review the following additional reply has been submitted:

   Mexico VAL/2/Rev.2/Add.8.

   Annex I contains a list of the replies that have been communicated to the Committee.

   (iii) **Examination of national legislations**

   At its meeting of 12 May 1995, the Committee agreed to conclude its examination of the recent amendments to the legislation of Argentina contained in document VAL/1/Add.22/Suppl.4. The Committee also agreed to conclude its examination of the legislation of Turkey contained in document VAL/1/Add.29. With respect to the Mexican legislation circulated in document VAL/1/Add.25/Suppl.3, the Committee took note of the various points raised and the explanations furnished [and agreed to revert to this agenda item at the meeting of 24 October 1995 of the Committee].

5. **AMENDMENTS, INTERPRETATIONS AND RECTIFICATIONS OF THE TEXT OF THE AGREEMENT**

   During the year under review the Committee has not dealt with any of these matters.

6. **OTHER DECISIONS TAKEN BY THE COMMITTEE**

   [At its meeting of 24 October 1995, the Committee agreed to terminate the Agreement on 1 January 1996, unless, in the light of unforeseen circumstances, the Parties to the Agreement decide to postpone the date of termination by no more than one year.]
7. TECHNICAL ASSISTANCE

Technical assistance aimed at providing information to assist countries in their consideration of joining the Agreement and at helping countries in their preparations for the application of the Agreement has continued to be a matter of high priority to Parties, the Committee on Customs Valuation and the Technical Committee. Technical assistance is being made available to both developing country Parties and other developing countries interested in the Agreement.

Information on technical assistance activities relating to the Agreement is contained in working document G/VAL/W/4 which reproduces information contained in WCO document 39.708.

8. INFORMATION AND ADVICE FROM THE TECHNICAL COMMITTEE ON CUSTOMS VALUATION (HEREINAFTER REFERRED TO AS THE "TECHNICAL COMMITTEE"), AND GENERAL REPORT ON THE TECHNICAL COMMITTEE

(i) Meetings of the Technical Committee

Detailed oral reports on the work of the Twenty-Ninth (13-17 March 1995) and Thirtieth (2-6 October 1995) Sessions of the Technical Committee of the World Customs Organization were presented to the meetings of the Committee on Customs Valuation.

The Committee on Customs Valuation took note of these reports and expressed appreciation for the continued valuable work of the Technical Committee.

(ii) Information available through the Technical Committee

The Technical Committee has established procedures for the dissemination of information on publications relating to national legislations where the texts in question are not covered by the procedures of the Committee on Customs Valuation, and for the circulation of declaration forms for customs value. The Technical Committee also publishes an Index of rulings and conclusions on valuation questions issued by Parties. Details of information available through the Technical Committee are contained in Annex II of this note.

9. SUBSTANTIAL DIFFICULTIES ENCOUNTERED BY PARTIES IN APPLYING THE AGREEMENT

During the period under review, no Party has reported any substantial difficulty in applying the Agreement.

10. CONSULTATION AND DISPUTE SETTLEMENT

The Secretariat is not aware of any Party that has requested consultations under Article 19 of the Agreement. The provisions of Article 20 have not been resorted to.

11. PANELISTS

Paragraph 2 of Annex III of the Agreement states that each Party shall be invited to indicate at the beginning of every year to the Chairman of the Committee the name(s) of one or two governmental experts whom the Party would be willing to make available for panel work. Only Canada nominated two experts.
12. **OTHER MATTERS RELATING TO IMPLEMENTATION**

(i) **Use of various valuation methods by Parties**

It will be recalled that, at its meeting of 10-11 November 1983, the Committee agreed that a new data collection exercise should be postponed until additional countries were applying the Agreement, and decided to revert to this question at an appropriate future meeting. The question was not taken up in 1995.

13. **ANNUAL REPORT TO THE CONTRACTING PARTIES**

[The Committee adopted its annual report to the CONTRACTING PARTIES in accordance with the requirements of Article 26 of the Agreement (L/----).]

14. **GENERAL APPRECIATION OF EXPERIENCE WITH IMPLEMENTATION AND OPERATION OF THE AGREEMENT**

As in previous years, Parties have indicated general satisfaction with the operation and implementation of the Agreement, which has continued to contribute towards the realization of its objectives and to create clearly improved conditions for the conduct of international trade.
### ANNEX I

**Information on National Legislation**

Below are listed the references to the documents containing national laws, regulations etc. and replies to the Checklist of Issues (VAL/2/Rev.1 and Rev.2) received from Signatories.

<table>
<thead>
<tr>
<th>Signatory</th>
<th>National legislation</th>
<th>Replies to the Checklist of Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>VAL/1/Add.22 + Suppl.1-3 + Suppl.2/Rev.1</td>
<td>VAL/2/Rev.2/Add.4</td>
</tr>
<tr>
<td>Australia</td>
<td>VAL/1/Add.14 + Suppl.1-4</td>
<td>VAL/2/Rev.1/Add.12 + Suppl.1</td>
</tr>
<tr>
<td>Austria</td>
<td>VAL/1/Add.10 + Suppl.1</td>
<td>VAL/2/Rev.1/Add.3 + Suppl.1</td>
</tr>
<tr>
<td>Botswana</td>
<td>VAL/1/Add.16</td>
<td>Not received</td>
</tr>
<tr>
<td>Brazil</td>
<td>VAL/1/Add.20 + Suppl.1</td>
<td>VAL/2/Rev.2/Add.3</td>
</tr>
<tr>
<td>Canada</td>
<td>VAL/1/Add.17 + Suppl.1-3</td>
<td>VAL/2/Rev.1/Add.14</td>
</tr>
<tr>
<td>Cyprus</td>
<td>VAL/1/Add.26</td>
<td>VAL/2/Rev.2/Add.7</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>VAL/1/Add.18 + Suppl.1 Corr.1-2 + Suppl.1</td>
<td>VAL/2/Rev.1/Add.15</td>
</tr>
<tr>
<td>European Economic</td>
<td>VAL/1/Add.2 + Suppl.1-13</td>
<td>VAL/2/Rev.1/Add.6</td>
</tr>
<tr>
<td>Community</td>
<td></td>
<td>+ Suppl.1</td>
</tr>
<tr>
<td>Finland</td>
<td>VAL/1/Add.4 + Suppl.1-2</td>
<td>VAL/2/Rev.1/Add.5</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>VAL/1/Add.9</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Hungary</td>
<td>VAL/1/Add.6</td>
<td>VAL/2/Rev.1/Add.4</td>
</tr>
<tr>
<td>India</td>
<td>VAL/1/Add.24 + Suppl.1</td>
<td>VAL/2/Rev.2/Add.6</td>
</tr>
<tr>
<td>Japan</td>
<td>VAL/1/Add.7</td>
<td>VAL/2/Rev.1/Add.8</td>
</tr>
<tr>
<td>Korea, Rep. of</td>
<td>VAL/1/Add.19 + Suppl.1-4 + Suppl.2/Corr.1-2 + Suppl.3/Corr.1</td>
<td>VAL/2/Rev.2/Add.1</td>
</tr>
<tr>
<td>Lesotho</td>
<td>VAL/1/Add.21 + Suppl.1</td>
<td>VAL/2/Rev.2/Add.2</td>
</tr>
<tr>
<td>Malawi</td>
<td>VAL/1/Add.27</td>
<td>VAL/2/Rev.2/Add.8</td>
</tr>
<tr>
<td>Mexico</td>
<td>VAL/1/Add.25 + Suppl.1-3 + Suppl.1/Rev.1</td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td>VAL/1/Add.12 + Suppl.1</td>
<td>VAL/2/Rev.1/Add.10</td>
</tr>
<tr>
<td>Norway</td>
<td>VAL/1/Add.11 + Corr.1 + Suppl.1-2</td>
<td>VAL/2/Rev.1/Add.7</td>
</tr>
<tr>
<td>Poland</td>
<td>VAL/1/Add.28</td>
<td></td>
</tr>
<tr>
<td>Romania</td>
<td>VAL/1/Add.8 + Suppl.1-2</td>
<td>VAL/2/Rev.1/Add.9</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>VAL/1/Add.18 + Suppl.1 Corr.1-2 + Suppl.1</td>
<td>VAL/2/Rev.1/Add.15</td>
</tr>
<tr>
<td>South Africa</td>
<td>VAL/1/Add.15 + Corr.1 + Suppl.1-3</td>
<td>VAL/2/Rev.1/Add.13</td>
</tr>
<tr>
<td>Sweden</td>
<td>VAL/1/Add.3</td>
<td>VAL/2/Rev.1/Add.2</td>
</tr>
<tr>
<td>Switzerland</td>
<td>VAL/1/Add.5</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Turkey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States(^1)</td>
<td>VAL/1/Add.1 + Suppl.1-5</td>
<td>VAL/2/Rev.1/Add.1</td>
</tr>
<tr>
<td>Yugoslavia</td>
<td>VAL/1/Add.13</td>
<td>VAL/2/Rev.1/Add.1</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>VAL/1/Add.23</td>
<td>VAL/2/Rev.2/Add.5</td>
</tr>
</tbody>
</table>

\(^1\)No longer a signatory.
ANNEX II

Information relevant to the implementation and administration of the Agreement disseminated through the Technical Committee

A. Dissemination of information on national legislation, etc.

The Technical Committee has established procedures for the dissemination of information on national publications relating to the adoption and implementation of the Agreement other than those texts circulated to the Committee on Customs Valuation under the procedures relating to the notification of national legislation. The following Parties have informed the Technical Committee, in the WCO documents specified, of publications that they would make available on request:

<table>
<thead>
<tr>
<th>Party</th>
<th>WCO document number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>28.311</td>
</tr>
<tr>
<td>Canada</td>
<td>28.619 and 29.275</td>
</tr>
<tr>
<td>European Economic Community</td>
<td>27.182</td>
</tr>
<tr>
<td>Hungary</td>
<td>34.898</td>
</tr>
<tr>
<td>Japan</td>
<td>27.182</td>
</tr>
<tr>
<td>New Zealand</td>
<td>29.939</td>
</tr>
<tr>
<td>Sweden</td>
<td>27.703</td>
</tr>
<tr>
<td>United States</td>
<td>27.292 and 28.109</td>
</tr>
</tbody>
</table>

B. Declaration forms

Declaration forms for valuation purposes of the following Parties have been circulated in the WCO documents indicated:

<table>
<thead>
<tr>
<th>Party</th>
<th>WCO document number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria (provisional translation)</td>
<td>29.276</td>
</tr>
<tr>
<td>Canada</td>
<td>32.005, 32.459, 32.942, 36.625</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>38.189</td>
</tr>
<tr>
<td>European Economic Community</td>
<td>26.916</td>
</tr>
<tr>
<td>Finland</td>
<td>27.484</td>
</tr>
<tr>
<td>India</td>
<td>35.197</td>
</tr>
<tr>
<td>Japan</td>
<td>27.473</td>
</tr>
<tr>
<td>Korea, Rep. of</td>
<td>34.294</td>
</tr>
<tr>
<td>New Zealand¹</td>
<td>29.938</td>
</tr>
<tr>
<td>Norway</td>
<td>32.211</td>
</tr>
<tr>
<td>Sweden</td>
<td>28.225</td>
</tr>
<tr>
<td>Yugoslavia</td>
<td>35.188</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>36.376</td>
</tr>
</tbody>
</table>

¹The Technical Committee at its Twenty-Eight Session was informed that New Zealand had ceased the use of its declaration form on 1 January 1993. This decision to discontinue the use of the declaration form was due principally to the introduction by New Zealand of a paperless customs entry environment.
C. Index of rulings

The Technical Committee has included in its compendium on the Agreement an index listing rulings and conclusions on valuation questions issued by countries applying the Agreement. Parties interested in a particular ruling can request the full text from the issuing administration.