ARTICLE 34 - VALUATION FOR CUSTOMS PURPOSES

1. The Sub-Committee discussed the Report of Working Party II (G.C.P/W.P/4). The representative of Chile proposed the following addition to the Note to paragraph 3 as drafted by the Working Party:

"In future, the continuance of the system referred to in this Note shall be permitted, provided that, on the request of interested parties or Members, periodically established values for a specified product will be adjusted according to actual value."

He pointed out that the system in force in Chile did not defeat the intent of this Article and that his Delegation was prepared to accept any wording which would guarantee that periodical establishment of values of merchandise, at present in force in Chile, be equitably operated. He maintained that this system was a simplification of customs procedure and prevented fictitious valuation of imports.

After full discussion the CHAIRMAN stated that there was no support in the Sub-Committee for the Chilean proposal.

The Sub-Committee accordingly approved the Report and adopted the text of the Note to be appended to paragraph 3, proposed by Working Party II as given in G.C.P/W.P/4.

The representative of Chile (not a member of the Sub-Committee) reserved the position of his Delegation on paragraph 3 although he recognized that the Note granted certain new facilities in the case of countries operating systems of fixed values linked with ad valorem duties.

2. The Sub-Committee discussed the Report of the United States Delegation (G.C.P/H.P/3/Rev.1) on the amendment proposed by the representative of Uruguay (Item 36) and agreed on the deletion of the word 'substantial' in the first line of
line of the suggested Note to be appended to paragraph 5. The delegate of Uruguay then agreed to accept the Note as covering the situation referred to in his proposal (Item 36).

The Sub-Committee approved of the text of the Note and also of changes proposed by the United States Delegation in G.C.P/W.P.3/Rev.1).

ARTICLE 35 - FORMALITIES CONNECTED WITH IMPORTATION AND EXPORTATION


3. Paragraph 2 of this Report dealing with the amendment of Turkey (Item 39) was approved and the CHAIRMAN advised that the Delegation of Turkey had withdrawn its amendment.

The Sub-Committee suggested that, in preparing translations into official languages, special attention should be paid to the exact equivalent expressions for the expression for 'fees and charges'. The representative of Cuba suggested that it should be made sufficiently clear in all translations that the intent was to cover all 'fees and charges' other than import and export duties and taxes dealt with in Article 18, as indicated in paragraph 2 of G.C.P/W.P.3.

The Sub-Committee considered paragraphs 4, 5 and 6 of the Report of the Working Party concerning the proposal of Haiti (E/CONF.2/C.3/10/Add.1) and approved the content of those paragraphs. It was decided to include in the Report to Committee III a statement to the effect that, "although Article 35 establishes the principle that the fees and charges of the type covered by the Article should not represent a taxation of imports or exports for fiscal purposes, adequate provision is made in other parts of the Charter for the raising of revenue by duties on exports and imports or by non-discriminatory internal taxes collected on imports at the time of importation".

The representative of Haiti (not a Member of the Sub-Committee) maintained his reservation with regard to his amendment, and the representative of Chile (not a member of the Sub-Committee) also reserved the position of his delegation on this matter.

5. The Sub-Committee considered and adopted the last paragraph of the Report of Working Party III concerning the proposal of Peru (E/CONF.2/C.3/10/Add.2). The Delegation of Peru indicated that it was prepared to withdraw its amendment.

The representative of Peru proposed a change in the text to paragraph 5 of the Geneva Draft to the effect that the words 'with the approval of the International Monetary Fund' should be replaced by the words 'without the International Monetary Fund raising objections'. The representative of Peru was requested to consult with the representative of the International Monetary Fund on this change, and the representative of the Fund agreed to submit a report at a later date on the matter, to the Sub-Committee.

5. The Sub-Committee considered the Report of the Drafting Group I (G.C.1/5) concerning the proposal of Uruguay (Item 42).
The Sub-Committee approved the addition to paragraph 3 of Article 35 as proposed by the Drafting Group in G.C.P/W.P/6.

ARTICLE 37 - PUBLICATION AND ADMINISTRATION OF TRADE REGULATIONS

7. The Sub-Committee discussed the proposal of Uruguay (Item 37). The CHAIRMAN proposed and the Sub-Committee agreed to establish Drafting Group II, composed of the representatives of France, United Kingdom and the United States with the representative of Australia acting as Chairman, to consider the proposal of Uruguay and to draft a form of words to cover it.

8. The Sub-Committee considered the proposal of the Delegation of Argentina (Item 50) for the deletion of the reference to the determination by the Organization from paragraph 3 (c).

After discussion the CHAIRMAN stated that there was no support in the Sub-Committee for the proposal of Argentina.

9. The Sub-Committee discussed the proposal of New Zealand and United Kingdom (Items 51 and 52) to delete the words 'and those of sub-paragraph (b)' at the end of paragraph 3 (c). This proposal was accepted by the Sub-Committee.

10. The Sub-Committee discussed the words 'officially published' at the end of paragraph 2 of the Geneva Draft. It was pointed out by the representative of the United States that the word 'published' might be interpreted as meaning solely 'printed'. The representative of Cuba suggested that the interpretation of the word 'published' might vary according to the administrative practices of different countries.

The CHAIRMAN proposed and the Sub-Committee agreed to establish Drafting Group III consisting of the representatives of the United Kingdom and the United States to consider this matter in the light of the discussion.

ARTICLE 38 - INFORMATION, STATISTICS AND TRADE TERMINOLOGY

The CHAIRMAN proposed and the Sub-Committee agreed that the revised text of the proposal of the Delegation of Norway (Item 53) and the background paper issued by the Statistical Office of the United Nations (G.C.P/W.P/5) be produced as an official document.