

URUGUAY ROUND

OF MULTILATERAL TRADE NEGOTIATIONS

NUR 042
24 October 1990

AGREEMENT ON REVISION OF THREE TOKYO ROUND AGREEMENTS

Uruguay Round negotiators have agreed on a comprehensive revision of the Tokyo Round Agreement on Technical Barriers to Trade, as well as on improvements to the agreements on import licensing and customs valuation. These results will remain provisional pending the final outcome of the Uruguay Round.

The revised text of the Agreement on Technical Barriers to Trade significantly improves and clarifies the present disciplines of the Agreement, and extends its coverage and scope. The purpose of the Tokyo Round Agreement is to ensure that technical regulations and standards - adopted for safety, health, environmental protection or other reasons - do not create unnecessary obstacles to trade.

The revised text of the Agreement clarifies the key concept of "unnecessary obstacle" and introduces criteria for determining whether a measure is necessary. This clarification reduces the risk of disputes arising out of diverging interpretations and, when necessary, facilitates their settlement.

The disciplines of the Agreement are extended to requirements specified in terms of processes and production methods which are of growing importance in international trade.

With respect to the standardizing activities of local government, non-government bodies as well as regional bodies of which parties are members, a Code of Good Practice lays down the principles with which they are expected to comply, and increases considerably the transparency of their activities.

The revised Agreement develops significantly the provisions on the recognition of the results of conformity assessment procedures carried out in other member countries.

Finally, transparency at all levels will be improved largely on the basis of the ten years' experience in the implementing the original TBT Agreement.

The provisions of the Agreement relating to dispute settlement and the obligations of member countries concerning the activities of local governmental bodies will have to be re-examined in the light of the negotiating results in other groups. As the Agreement applies to agricultural products, its relationship with the Arrangement on sanitary and phytosanitary measures which is being negotiated in the Agriculture group will have to be examined later, as will its final legal form.

Revised import licensing procedures

Negotiators in the Uruguay Round have provisionally agreed on a revised version of the Tokyo Round Agreement on Import Licensing procedures. The revised Agreement strengthens the disciplines on the users of import licensing systems and increases transparency and predictability for the trading community.

The Agreement on Import Licensing Procedures aims at ensuring that licensing procedures do not act themselves as restrictions on imports; members commit themselves to having simple procedures and to administer them in a neutral and fair way.

Among revisions to the Agreement is a provision that non-automatic licensing procedures should be limited to what is absolutely necessary to administer the measures to which they apply. It sets criteria under which automatic licensing procedures are assumed not to have trade restrictive effects.

The revised Agreement will require parties to publish sufficient information for traders to know the basis for granting or allocating licenses. It provides for time-limits for implementing new licenses in order to permit governments and traders to get acquainted with them and to permit other signatories to make comments. More information shall be notified to the Committee on import licensing procedures which has been given an increased review function on the implementation of the Agreement.

As with the other results reached at this stage of the negotiation, the revised text will remain provisional pending the final outcome of the Uruguay Round.

One country expressed a reservation, proposing the establishment of a Working Party to consider, after the Uruguay Round, possible rules in the area of export licensing procedures.

MORE

Customs Valuation

Technical work has been completed on elaborating, on an ad referendum basis, texts addressing problems encountered by some of the developing countries in applying the Agreement on Customs Valuation or wishing to accede to it. It is expected that the final adoption of these texts would facilitate accession to the Agreement of a number of developing countries.

Based on Article VII of the General Agreement, the Customs Valuation Agreement sets a fair, uniform and neutral system for the valuation of goods for customs purposes. The Agreement prohibits the use of arbitrary or fictitious valuation.

One Decision relates to cases where customs administrations have reasons to doubt the truth or accuracy of the declared value. It shifts the burden of proof from the customs administration to the importer, who can be asked to provide further evidence that the declared value represents the total amount actually paid or payable for the imported goods. If the customs administration maintains a reasonable doubt, it may be deemed that the customs value of the imported good cannot be determined by the declared value.

Another text allows developing countries to retain for a transitional period officially-fixed valuation which would otherwise not be in conformity with the Agreement.

The text also refers to possible problems that some developing countries may encounter in the valuation of imports by sole agents, sole distributors and sole concessionaires. It suggests that the delay of five years available to developing countries in applying the provisions of the Agreement could be used to conduct appropriate studies to deal with these problems and calls on the Customs Cooperation Council to provide technical assistance to these countries to conduct such studies.

Note to Editors

1. Press bulletins on the Uruguay Round are issued regularly and are intended as an indication of the subject areas under discussion rather than as detailed accounts of negotiating positions. Journalists seeking further background information are invited to contact the GATT Information and Media Relations Division.

2. These accounts of negotiating meetings should be read in conjunction with the text of the Punta del Este Ministerial Declaration (GATT/1396 - 25 September 1986), the decisions taken on 28 January 1987 regarding the negotiating structure, the negotiating plans and the surveillance of standstill and rollback (GATT/1405 - 5 February 1987) and the TNC Mid-Term Review decisions (NUR 027 - 24 April 1989). Further copies of these documents are available from the GATT Information and Media Relations Division.