

**Committee on Customs Valuation**

**SECOND REVIEW OF THE AGREEMENT ON PRESHIPMENT INSPECTION**

Report by the Chairman

1. Article 6 of the WTO Agreement on Preshipment Inspection states that:

"At the end of the second year from the date of entry into force of the WTO Agreement and every three years thereafter, the Ministerial Conference shall review the provisions, implementation and operation of this Agreement, taking into account the objectives thereof and experience gained in its operation. As a result of such review, the Ministerial Conference may amend the provisions of the Agreement".

2. The first Review of the Agreement was concluded in March 1999 (G/L/300). One of the recommendations adopted under the first Review was that "future monitoring of the Agreement should be undertaken initially by the Customs Valuation Committee, and that PSI should be a standing agenda item." The second Review was, therefore, carried out in the Committee on Customs Valuation at its 6 October 2006 meeting.

3. No submissions were received from any Member in advance of the Review. During the Review, the United States and the European Communities made statements on the importance of continuing to monitor preshipment inspection activities. In the absence of further contributions, the Review was concluded.

4. The oral statements made in the context of the Review are reflected in the minutes of the Committee meeting (G/VAL/M/42).

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