

REPORT (2010) OF THE COMMITTEE ON CUSTOMS VALUATION TO THE COUNCIL FOR TRADE IN GOODS

A. BACKGROUND

1. The Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 (the Agreement) entered into force on 1 January 1995. This report covers the year 2010. It addresses the work undertaken by the Committee on Customs Valuation (the Committee) in respect of the objectives of the Agreement, which are: to provide greater uniformity and certainty in the implementation of the provisions of Article VII of the GATT 1994; to establish a fair, uniform and neutral system for the valuation of goods for customs purposes that precludes the use of arbitrary of fictitious customs values; to ensure that the basis for valuation of goods for customs purposes should, to the greatest extent possible, be the transaction value of the goods being valued; and to secure additional benefits for the international trade of developing countries.

2. During the period under consideration, the Committee has held two formal meetings, on 6 May (G/VAL/M/49) under the Chairmanship of Mr. Mohammad Saeed (Pakistan), and on 04 November (G/VAL/M/ to be issued) under the Chairmanship of Mr. Tamás Vattai (Hungary). Mr. Tamás Vattai was elected by the Committee as Chairperson for the 2010-2011 period at the meeting of 6 May 2010.

3. Participation in the Committee is open to all WTO Members. In addition, Governments granted observer status by the WTO General Council attended Committee meetings as observers. At the April 1997 meeting, the Committee granted observer status to those organizations which had had observer status on an *ad hoc* basis, namely UNCTAD and the WCO, as well as to the ACP and the IADB. The Committee took note of the fact that the World Bank and the IMF had observer status by virtue of the Agreements between these organizations and the WTO.

4. The Committee's rules of procedure, which were approved by the Council for Trade in Goods, are contained in G/L/146.

B. IMPLEMENTATION OF THE AGREEMENT

5. During the period under review, no developing country Members maintained delayed application of the provisions of the Agreement in accordance with the provisions of Article 20.1 of the Agreement. At circulation of this report, no Member maintains an extension of the delay period in accordance with the provisions of paragraph 1, Annex III. Understanding has been reached in the Committee that the texts of the national legislation of these developing country Members will be supplied to the Committee before the developing country Members begin applying the provisions of the Agreement (G/VAL/5, para. B.2(ii)).

6. To date, 85 Members have notified their national legislation on customs valuation (this figure includes the 14 Members which have submitted communications indicating that their legislation notified

under the Tokyo Round Customs Valuation Agreement remained valid under the WTO Customs Valuation Agreement and does not include the 27 individual EC Members). 41 Members have not yet made any notification (See Annex).

C. ACTIVITIES OF THE COMMITTEE

7. At the meeting on 6 May 2010, the Committee:

- concluded the examination of the legislation of Egypt and agreed to revert to the legislation of Bahrain, Belize, Cambodia, China, Nigeria, Norway, St. Vincent and the Grenadines, Thailand, Tunisia and Ukraine at the next meeting, pending responses to questions on the legislations;
- agreed that the Committee would revert to paragraph 8.3 of the Doha Ministerial Decision on Implementation-Related Issues at its next meeting;
- agreed to remain suspended the item referring to the fourth through fifteenth outstanding Annual Reviews until further notice;
- agreed that the Committee would revert to the questions posed from the US on Indonesia's new PSI programme;
- elected Mr. Tamás Vattai (Hungary) as its Chair for 2010-2011.

8. At the meeting on 04 November 2010, The Committee:

- concluded the examination of the legislation of Norway and agreed to revert to the legislation of Bahrain, Belize, Cambodia, China, Nigeria, Saint Vincent and the Grenadines, Thailand, Tunisia, and Ukraine at the next meeting, pending responses to questions on the legislations. The Chair urged Members who had not yet notified their national legislation to do so as early as possible;
- agreed to adopt the sixteenth Annual Review contained in document G/VAL/W/196; agreed to remain suspended the item referring to the fourth through fifteenth outstanding Annual Reviews until further notice;
- took note of the technical assistance activities carried out by both the WCO and WTO Secretariats;
- agreed to adopt the 2010 Report of the Committee on Customs Valuation to the Council for Trade in Goods contained in document G/VAL/W/197;
- agreed that the Committee would revert to the questions posed from the US on Indonesia's new PSI programme;
- agreed that the Committee would revert to paragraph 8.3 of the Doha Ministerial Decision on Implementation-Related Issues at its next meeting;
- reminded those Members who have made suggestions or may have other suggestions on how to increase transparency through complying with notification obligations, to submit in writing so that the matter could be further pursued.

ANNEX¹Notifications

Members	Members who have indicated their legislation remains valid under the WTO Committee (G/VAL/M/1)	Members who have submitted their legislation or amendments under Articles 22.1 and 22.2 of the Agreement	Members who have submitted their replies to the Checklist of Issues (G/VAL/5)	Members who are delaying application of the Agreement under Article 20.1 or para. 1, Annex III of the Agreement or Article IX of the WTO Agreement
Albania	N/A	G/VAL/N/1/ALB/1	G/VAL/N/2/ALB/1	
Angola	N/A			
Antigua & Barbuda	N/A			
Argentina	G/VAL/N/1/ARG/1	VAL/1/Add.22 + Suppl. 1-4 + Suppl. 2/Rev.1	VAL/2/Rev.2/Add.4	
Armenia		G/VAL/N/1/ARM/1	G/VAL/N/2/ARM/1	
Australia	G/VAL/N/1/AUS/1	VAL/1/Add.14 + Suppl. 1-4 G/VAL/N/1/AUS/2	VAL/2/Rev.1/Add.12 + Suppl.1	
Bahrain	N/A	G/VAL/N/1/BHR/1	G/VAL/N/2/BHR/1	
Bangladesh	N/A			
Barbados	N/A			
Belize	N/A	G/VAL/N/1/BLZ/1	G/VAL/N/2/BLZ/1	
Benin	N/A			
Bolivia	N/A	G/VAL/N/1/BOL/1		
Botswana		VAL/1/Add.16		
Brazil	G/VAL/N/1/BRA/1	VAL/1/Add.20 + Suppl. 1 G/VAL/N/1/BRA/2 and 3	VAL/2/Rev.2/Add.3	
Brunei Darussalam	N/A	G/VAL/N/1/BRN/1	G/VAL/N/2/BRN/1	
Burkina Faso	N/A	G/VAL/N/1/BFA/1		
Burundi	N/A			
Cambodia	N/A	G/VAL/N/1/KHM/1		
Cameroon	N/A			
Canada	G/VAL/N/1/CAN/1	VAL/1/Add.17 + Suppl.1-3 G/VAL/N/1/CAN/2	VAL/2/Rev.1/Add.14 G/VAL/N/2/CAN/1	
Cape Verde	N/A			
Central African Rep.	N/A			
Chad	N/A			
Chile	N/A	G/VAL/N/1/CHL/1		
China	N/A	G/VAL/N/1/CHN/1 - 5	G/VAL/N/2/CHN/1	
Colombia	N/A	G/VAL/N/1/COL/1	G/VAL/N/2/COL/1	
Congo	N/A			
Costa Rica	N/A	G/VAL/N/1/CRI/1	G/VAL/N/2/CRI/1	
Côte d'Ivoire	N/A	G/VAL/N/1/CVI/1		
Croatia	N/A	G/VAL/N/1/HRV/1	G/VAL/N/2/HRV/1	
Cuba	N/A	G/VAL/N/1/CUB/1	G/VAL/N/2/CUB/1	
Dem Rep. of Congo	N/A			
Djibouti	N/A			
Dominica	N/A	G/VAL/N/1/DMA/1		
Dominican Rep.	N/A	G/VAL/N/1/DOM/1		
Ecuador	N/A	G/VAL/N/1/ECU/1		
Egypt	N/A	G/VAL/N/1/EGY/1	G/VAL/N/2/EGY/1	
El Salvador	N/A			
European Union	G/VAL/N/1/EEC/1	VAL/1/Add.2 + Suppl.1-13 + Suppl.1 G/VAL/N/1/EEC/1/Rev.1	VAL/2/Rev.1/Add.6	
Fiji	N/A	G/VAL/N/1/FJI/1	G/VAL/N/2/FJI/1	

¹ Documents that begin with the code "VAL" are Tokyo Round documents. The table reflects the situation as of the date of circulation of this report.

Members	Members who have indicated their legislation remains valid under the WTO Committee (G/VAL/M/1)	Members who have submitted their legislation or amendments under Articles 22.1 and 22.2 of the Agreement	Members who have submitted their replies to the Checklist of Issues (G/VAL/5)	Members who are delaying application of the Agreement under Article 20.1 or para. 1, Annex III of the Agreement or Article IX of the WTO Agreement
Former Yugoslav Rep. of Macedonia	N/A	G/VAL/N/1/MKD/1	G/VAL/N/2/MKD/1	
Gabon	N/A	G/VAL/N/1/GAB/1		
Gambia	N/A			
Georgia	N/A	G/VAL/N/1/GEO/1		
Ghana	N/A			
Grenada	N/A			
Guatemala	N/A	G/VAL/N/1/GTM/1		
Guinea Bissau	N/A			
Guinea, Rep. of	N/A			
Guyana	N/A			
Haiti	N/A			
Honduras	N/A			
Hong Kong, China	G/VAL/N/1/HKG/1	VAL/1/Add.9	N/A	
Iceland	N/A	G/VAL/N/1/ISL/1	G/VAL/N/2/ISL/1	
India	G/VAL/N/1/IND/1	VAL/1/Add.24 + Suppl.1 G/VAL/N/1/IND/2 and 3	VAL/2/Rev.2/Add.6 G/VAL/N/2/IND/1 + Corr.1	
Indonesia	N/A	G/VAL/N/1/IDN/1		
Israel	N/A	G/VAL/N/1/ISR/1 + Corr.1		
Jamaica	N/A	G/VAL/N/1/JAM/1	G/VAL/N/2/JAM/1	
Japan	G/VAL/N/1/JPN/1	VAL/1/Add.7	VAL/2/Rev.1/Add.8 G/VAL/N/2/JPN/1	
Jordan	N/A	G/VAL/N/1/JOR/1	G/VAL/N/2/JOR/1	
Kenya	N/A	G/VAL/N/1/KEN/1	G/VAL/N/2/KEN/1	
Korea	G/VAL/N/1/KOR/1	VAL/1/Add.19 + Suppl. 1-4 + Suppl.3/Corr.1 G/VAL/N/1/KOR/2	VAL/2/Rev.2/Add.1 + Suppl.1	
Kuwait	N/A	G/VAL/N/1/KWT/1		
Kyrgyz Republic	N/A	G/VAL/N/1/KGZ/1	G/VAL/N/2/KGZ/1	
Lesotho		VAL/1/Add.21 + Suppl.1	VAL/2/Rev.2/Add.2	
Liechtenstein	N/A	G/VAL/N/1/LIE/1	N/A	
Macao, China	N/A	G/VAL/N/1/MAC/1	N/A	
Madagascar	N/A	G/VAL/N/1/MDG/1		
Malawi	G/VAL/N/1/MWI/1	VAL/1/Add.27		
Malaysia	N/A	G/VAL/N/1/MYS/1	G/VAL/N/2/MYS/1	
Maldives	N/A			
Mali	N/A			
Mauritania	N/A			
Mauritius	N/A	G/VAL/N/1/MUS/1	G/VAL/N/2/MUS/1	
Mexico	N/A	VAL/1/Add.25 + Suppl. 1-3 + Suppl.1/Rev.1 G/VAL/N/1/MEX/1	VAL/2/Rev.1/Add.10 VAL/2/Rev.2/Add.8 G/VAL/N/2/MEX/1 and Corr.1	
Moldova	N/A	G/VAL/N/1/MDA/1	G/VAL/N/2/MDA/1	
Mongolia	N/A			
Morocco	N/A	G/VAL/N/1/MAR/1 and 2 G/VAL/N/1/MAR/1/Rev.1 + Corr.1	G/VAL/N/2/MAR/1 G/VAL/N/2/MAR/2	
Mozambique	N/A	G/VAL/N/1/MOZ/1		
Myanmar	N/A			
Namibia	N/A	G/VAL/N/1/NAM/1		
Nepal	N/A			
New Zealand	G/VAL/N/1/NZL/1	VAL/1/Add.12 + Suppl.1	VAL/2/Rev.1/Add.10	

Members	Members who have indicated their legislation remains valid under the WTO Committee (G/VAL/M/1)	Members who have submitted their legislation or amendments under Articles 22.1 and 22.2 of the Agreement	Members who have submitted their replies to the Checklist of Issues (G/VAL/5)	Members who are delaying application of the Agreement under Article 20.1 or para. 1, Annex III of the Agreement or Article IX of the WTO Agreement
Nicaragua	N/A			
Niger	N/A			
Nigeria	N/A	G/VAL/N/1/NGA/1	G/VAL/N/2/NGA/1	
Norway	G/VAL/N/1/NOR/1	VAL/1/Add.11 + Corr.1 + Suppl. 1-2 G/VAL/N/1/NOR/2	VAL/2/Rev.1/Add.7	
Oman	N/A	G/VAL/N/1/OMN/1 - 2	G/VAL/N/2/OMN/1	
Pakistan	N/A	G/VAL/N/1/PAK/1		
Panama	N/A	G/VAL/N/1/PAN/1	G/VAL/N/2/PAN/1	
Papua New Guinea	N/A			
Paraguay	N/A	G/VAL/N/1/PRY/1		
Peru	N/A	G/VAL/N/1/PER/1 - 4	G/VAL/N/2/PER/1	
Philippines	N/A	G/VAL/N/1/PHL/1	G/VAL/N/2/PHL/1	
Qatar	N/A	G/VAL/N/1/QAT/1	G/VAL/N/2/QAT/1	
Rwanda	N/A			
St. Kitts & Nevis	N/A			
St. Lucia	N/A			
St. Vincent & Grenadines	N/A	G/VAL/N/1/VCT/1	G/VAL/N/2/VCT/1	
Saudi Arabia	N/A	G/VAL/N/1/SAU/1	G/VAL/N/2/SAU/1	
Senegal	N/A	G/VAL/N/1/SEN/1		
Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei)	N/A	G/VAL/N/1/TPKM/1	G/VAL/N/2/TPKM/1-2	
Sierra Leone	N/A			
Singapore	N/A	G/VAL/N/1/SGP/1	G/VAL/N/2/SGP/1	
Solomon Islands	N/A			
South Africa	N/A	VAL/1/Add.15 + Corr.1 + Suppl. 1-3 G/VAL/N/1/ZAF	VAL/2/Rev.1/Add.13	
Sri Lanka	N/A			
Suriname	N/A	G/VAL/N/1/SUR/1		
Swaziland	N/A	G/VAL/N/1/SWZ/1	G/VAL/N/2/SWZ/1	
Switzerland	G/VAL/N/1/CHE/1	VAL/1/Add.5	N/A	
Tanzania	N/A	G/VAL/N/1/TZA/1	G/VAL/N/2/TZA/1	
Thailand	N/A	G/VAL/N/1/THA/1	G/VAL/N/2/THA/1	
Togo	N/A			
Tonga	N/A			
Trinidad & Tobago	N/A	G/VAL/N/1/TTO/1	G/VAL/N/2/TTO/1	
Tunisia	N/A	G/VAL/N/1/TUN/1 and 2		
Turkey	G/VAL/N/1/TUR/1	VAL/1/Add.29 G/VAL/N/1/TUR/ 2	G/VAL/N/2/TUR/1	
Uganda	N/A	G/VAL/N/1/UGA/1		
Ukraine	N/A	G/VAL/N/1/UKR/1	G/VAL/N/2/UKR/1	
United Arab Emirates	N/A			
United States	G/VAL/N/1/USA/1	VAL/1/Add.1 + Suppl.1-5	VAL/2/Rev.1/Add.1	
Uruguay	N/A	G/VAL/N/1/URY/1	G/VAL/N/2/URY/1	
Vietnam	N/A			
Venezuela, The Bolivarian Rep. of	N/A	G/VAL/N/1/VEN/1	G/VAL/N/2/VEN/1	
Zambia	N/A	G/VAL/N/1/ZMB/1		

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Zimbabwe	G/VAL/N/1/ZWE/1	VAL/1/Add.23	VAL/2/Rev.2/Add.5	
TOTAL NOTIFIED		85 ²	55	

² This total number includes notifications by Members who have indicated their legislation remains valid under the WTO Committee (i.e. those in the first column of the table) and those made pursuant to Article 22 of the WTO Agreement and the Decision on Notifications (G/VAL/5).