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BARRIERS TO THE INTERNATIONAL TRANSPORT OF GOODS

Addendum to note by the Secretary-General

Comments from the Australian Government on the recommendations of the International Chamber of Commerce listed in document E/C.2/59 have been received after the fourth session of the Transport and Communications Commission. They are set out below.

Australia

The Australian Government has considered the recommendations of the International Chamber of Commerce and its views on individual items are attached.

It appears that the general purpose of the recommendation is to lessen the obligations of commercial interests in furnishing certain information. Any elimination of formalities is praiseworthy provided it does not impose upon administrations the task of obtaining essential information by whatever alternative means that are available.

Many proposals aimed at accelerating the international exchange of goods by the reduction of formalities and control could defeat their own objects by merely transferring responsibility from commercial interests to administrations, often with increased impediments to the free flow of trade.

In matters of this kind, co-operation between commercial interests and administrations, is an important factor and through such co-operation many apparent restrictive and delaying practices employed by certain administrations could probably be overcome.

It is pointed out that most of the practices complained of by the International Chamber of Commerce are not in operation in Australia.

/1. Reduction
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1. Reduction of the number of documents required in the international transport of goods.

Comment:

Australia requires the following commercial documents for customs purposes.

- (a) Bill of Lading or Consignment Note.*
- (b) Customs Invoice.
- (c) Packing List.
- (d) Manifest.

The International Chamber of Commerce does not object to these documents but suggests certain limitations on the customs invoice (termed commercial invoice by the International Chamber of Commerce).

Australia agrees that the documents required to be supplied by shippers should be kept to a minimum but the data proposed in the standard form of commercial invoice is not sufficient for Australian customs purposes. No objection is raised to the principle of a standard form but it is considered that any such form must include all the provisions appearing in the Australian Customs invoice.

Other documents are required in connexion with the actual entry of goods for home consumption, e.g., customs entry and import licence but these are usually the responsibility of the importer and it is assumed that such documents are not in question. As suggested, packing lists should not be necessary for goods shipped in bulk like grain.

2. Abolition of consular invoices, sometimes called customs invoices, and certificates of origin as separate documents. The information required on consular invoices and certificates of origin could and should be obtained from extra copies of the commercial invoice recommended in this report and from the usual packing list.

Comment:

A consular invoice is a customs invoice, usually in a prescribed form, which requires consular visa. A customs invoice is one which is almost invariably in a prescribed form, but which does not require consular visa. In Australia the latter practice, is in operation, i.e., a consular visa is not required.

* This is an essential document of carriage irrespective of Government requirements.

The Australian customs practice requires certificates of value and origin to be printed on the Customs invoice.

Where consular invoices cannot be eliminated, they should be on the same form as certificates of origin.

3. Abolition of consular visas for commercial invoices as well as for manifests; abolition of commercial association certificates for invoices. At the present time, consular visa fees are often prohibitive. Moreover, the expense involved in making out consular invoices include not only filling out the forms but the time of someone visiting consulates to leave invoices for visaing and the time of a second visit to pick up the invoices after they have been visaed and in many cases long delays in both visits. These expenses and delays are unnecessary and constitute burdens of international trade.

Comment:

Neither consular visas nor commercial association certificates are required by the Commonwealth Government. There is no objection to the abolition of these documents.

4. Abolition of the transit manifest by those countries requiring it.

Comment:

Transit manifests as envisaged by the I.C.C. are not required in Australia and their abolition is supported.

5. Elimination of the requirement by some Governments that certain forms be filled out for aiding them in the compilation of export and import statistics. This information could be obtained from other documents.

Comment:

Australia does not require the compilation of special statistical forms. Information required for statistical purposes is required to be shown on Customs import and export entries. Although specified types of descriptions are called for by the Statistical Classification of Imports and Exports such requirements would almost invariably be met if goods were entered in accordance with invoice description. The necessity for calling for special description for statistical purposes arises mainly from the fact that merchants, in entering goods for Customs purposes, frequently use abbreviated descriptions which are insufficient to identify the goods for statistical purposes.

6. Abolition of governmental regulations which require the shipper to attempt to classify his goods under specific sections of customs tariff laws of the importing country. A shipper cannot be expected to know the customs regulations of all the countries with which he does business, especially as such regulations are constantly being altered. The shipper is thus inevitably exposed to mistakes and fines.

Comment:

The Commonwealth Government merely requires that the ordinary commercial descriptions of goods be used on invoices. The shipper is not required to classify his goods under specific sections of the Customs Tariff. However, in many instances there is a requirement that the composition of the goods be disclosed, but this is for the purpose of facilitating the clearance of the goods and of avoiding, as far as possible, delay while their composition is being ascertained.

It is not apparent how the shipper can be exposed to fines. It is not competent for the Government of the importing country to impose fines on the shipper who is located in another country.

7. The shipper to be exempt from furnishing indications of value other than those appearing in his contract.

Comment:

Australia requires the production of a customs invoice in the prescribed form which, inter alia, gives details of the current domestic value of the goods in the currency of the exporting country as well as the selling price to the purchaser. It is not intended to vary the existing customs practice of basing the value for duty of goods on the current domestic value in the country of export at the date of exportation, or the selling price, whichever higher. Australia supports any general move towards uniformity in value for duty practices as expressed in article 35 of the Havana Charter.

8. Simplification of regulations regarding weights and measures in documents. All such weights, preferably, should be according to the metric system.

Comment:

If for tariff purposes, British weights and measures could be discarded in favour of metric weights and measures, statistical practices could be amended accordingly. Though simplification would result from the universal acceptance of the metric system, tariff and statistical considerations are only two factors in connexion with the question of such standardization.

From the export point of view Australia is not in a position to comment as

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we have not had instances of difficulty arising under this heading and special investigation would be required.

9. Abolition of the obligation to place marks of origin on packaging and solely for carriage.

Comment:

Australia does not normally require marks of origin to be placed on outside packages. However, Australian requirements as to the marking of the country of origin are contained in the Commerce (Trade Descriptions) Act 1905 - 1933 and the regulations made thereunder. They apply normally only to the goods listed in the regulations. In some cases it may be impracticable to place marks of origin on the listed goods and in these circumstances manufacturers are allowed to place marks of origin on the outside packages - e.g., fertilizers.

10. Adoption of standardized regulations for measurement of shipping tonnage, so as to avoid fresh measurement being taken in certain ports of call for calculation of duties.

No comment was asked for.

11. Fixation, for import and export licences, of a sufficient duration of validity which should run not from the date of application but from the date of granting of such licences.

Comment:

In Australia, import licences are generally issued for a period of six months and, in some cases, for twelve months and requests for extensions of time beyond these periods receive consideration. The duration of validity of a licence dates from the time of issue of the licence, as desired by the International Chamber of Commerce.

Australian exporters have experienced difficulty with several countries because of the limitation in the period of validity of import licences. Export would be made easier if some definite arrangements could be made regarding the duration of the validity of import licences.

12. Simplification of all customs formalities. Granting of facilities for clearing of goods at inland offices or warehouses. Customs houses to be opened during traffic hours even at night; synchronization of office hours or customs houses on each side of the frontier.

Comment:

This recommendation appears to be directed mainly at countries having land frontiers, with separate customs territories contiguous to their borders. There is no demand to have Customs Houses in Australia open for the conduct of business outside official hours or to have facilities established for clearing goods at inland towns.