

Recommendation 18

FACILITATION MEASURES RELATED TO INTERNATIONAL TRADE PROCEDURES

1. In 1976 the Working Party on Facilitation of International Trade Procedures, a subsidiary body of the United Nations Economic Commission for Europe, agreed to initiate, in accordance with project 031 of its programme of work, comprehensive work aimed at the simplification of import procedures and documentation, and at a recommendation on alignment of import-related documents to the United Nations Layout Key.

2. An informal task team GE.2/TT.3, "Import Procedures", was convened by Czechoslovakia; representatives of Austria, Finland, Federal Republic of Germany, Poland, Sweden and the United Kingdom were the most active participants in the work of this team which presented its findings to the eleventh session of the Working Party in March 1980. At its twelfth session in September 1980 the Working Party adopted the present Recommendation and agreed to use the findings of the task team as the basis for the facilitation measures referred to in the Recommendation and to publish a consolidated text as soon as possible. It was finally agreed that the Recommendation should be used for presenting the results of future studies on facilitation measures and that a revised and fuller version of the descriptive part of the Recommendation might accordingly be issued in the future.

3. A first version describing certain facilitation measures was adopted at the fourteenth session of the Working Party in September 1981. The measures added to the present – second – edition were adopted at the sixteenth session in September 1992, which agreed on certain amendments to some measures included in the first version.

4. At the fourteenth and sixteenth session of the Working Party, representatives attended from:

Austria, Belgium, Bulgaria, Canada, Czechoslovakia, Denmark, Finland, France, German Democratic Republic, Federal Republic of Germany, Hungary, Italy*, Netherlands, Norway, Poland, Romania*, Spain**, Sweden, Switzerland, Turkey**, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, and United States of America. Representatives from Ethiopia**, Japan, Senegal**, Thailand** and Kenya* participated under Article 11 of the Commission's terms of reference.

The fourteenth session was attended by a representative of the secretariat of the United Nations Commission on International Trade Law (UNCITRAL). The following specialized agency and other intergovernmental and non-governmental organizations were represented at the fourteenth and sixteenth session of the Working Party:

International Maritime Organization (IMO), European Economic Community (EEC), Conference of European Ministers of Transport (CEMT)*, Customs Co-operation Council (CCC), International Chamber of Commerce (ICC), International Air Transport Association (IATA)*, International Organization for Standardization (ISO), International Road Transport Union (IRU)**, International Union of Railways (UIC), International Chamber of Shipping (ICS), International Civil Airports Association (ICAA), International Federation of Freight Forwarders Associations (FIATA), and International Railway Transport Committee (CIT)*.

RECOMMENDATION

The Working Party on Facilitation of International Trade Procedures,

Being concerned that existing formalities and procedures often create obstacles to international trade;

Considering that the simplification and harmonization of procedures and of the documents arising from them are useful steps towards the removal of such obstacles, and towards the reduction of cost and delay;

Bearing in mind the rapid and accelerating pace of the introduction of new transport and data processing techniques and the urgent need to adapt trade procedures and documents to such new techniques;

Recommends Governments and organizations responsible for relevant national regulations and practices related to the movement of goods in international trade to support international facilitation work by considering facilitation measures described hereafter with a view to possible implementation;

Recommendation No. 18, Second edition, adopted by the Working Party on Facilitation of International Trade Procedures, Geneva, September 1982 (ECE/TRADE/141/Rev.1) [Edition 96.1]

Note: In the lists of countries and organizations one asterisk (*) denotes attendance at fourteenth session only; two asterisks (**) denote attendance at sixteenth session only.

Recommends international organizations responsible for relevant international agreements consider these measures when reviewing existing or preparing new international instruments;

Recommends participants in international trade to accept and implement those facilitation measures described hereafter which fall within their area of interest;

Invites Governments and international organizations concerned to notify the Executive Secretary of the Economic Commission for Europe of the extent to which they are able to accept the facilitation measures described hereafter or the reasons for being unable to do so.

BACKGROUND

1. The great increase in the volume of international trade during the last decades, together with important developments in transport and communications technology, has focused attention on the obstacles to a free and unhindered flow of goods caused by procedures and documentary requirements. In addition to the already high and steadily-increasing costs borne by international trade in order to meet traditional information requirements, new regulations laying down yet further requirements have been introduced related to, *inter alia*, protection of the environment and of the life and health of living organisms, consumer protection, administration of treaties for regional economic integration (Customs unions, free-trade areas, etc.), and preferential treatment for developing countries.

2. This has generated increased interest in the facilitation of trade procedures on the part of governmental and non-governmental circles concerned, and Governments have taken certain measures with regard to trade facilitation within relevant intergovernmental organizations such as GATT, CMEA and OECD often in consultation with specialized non-governmental bodies.

3. Trade-policy decisions resulting in new and delaying procedures and great amounts of paperwork were thus, in the 1950s and 1960s, sometimes accompanied by general Recommendations issued by these organizations aiming at management of quantitative restrictions, limiting the conditions for the issue of licences, the evidencing of origin, the labelling of goods and other similar requirements. During the last decade, efforts to abolish non-tariff barriers to trade through regional or multinational negotiations resulted in measures decreasing the costs of international trade and thus achieved one of the aims of trade facilitation work.

4. Clearly, the correct and logical approach towards facilitation of international trade would be by means of a comprehensive study of all informational and procedural requirements for the execution of trade and the negotiation of and agreement on international standards for this purpose. However, this would undoubtedly be a task of the

greatest complexity, offering few immediate benefits to the trading community: it would therefore seem to be more realistic to concentrate on some limited aspects of trade facilitation.

5. One important aspect of trade facilitation is the simplification and standardization of documents on the basis of a common layout. This was the view of the Working Party on Facilitation of International Trade Procedures when it started its work in 1960. The agreement, in 1963, on what is now known as the "United Nations Layout Key for Trade Documents" paved the way for harmonization of internationally-established forms. Through the efforts of the UN/ECE Working Party, acting in close co-operation with responsible international organizations, the work initiated in 1963 was finalized with respect to the main trade and transport documents at the end of the 1970s.

6. Starting in the early 1960s, the introduction in many countries of series of national trade documents aligned with the Layout Key offered the opportunity of important (and immediate) cost reductions to the trading community. These changes were often undertaken through the efforts of national facilitation bodies: the creation of these bodies provided unique national fora for discussion of further aspects of trade facilitation and – once document alignment had been achieved – it was natural to focus attention on trade procedures. Through the alignment of documents related to difference procedures, an important amount of knowledge had been accumulated both nationally and internationally, and studies linked to documents had identified many common difficulties encountered by participants in international trade transactions.

7. An informal task team set up in 1976 by the UN/ECE Working Party on Facilitation of International Trade Procedures – GE.2/TT.3, "Import Procedures" – took this practical experience into account and, drawing on the results obtained concerning documents and experience gained concerning procedures during its work, identified the new approach that should be taken by the Working Party:

– An international trade transaction must be seen as a whole: *the total international trade transaction*, based on the understanding that import and export procedures form an entity and that the traditional division of international trade problems into those affecting imports and those affecting exports is not relevant in the context of trade facilitation.

8. This approach was adopted by the Working Party in 1980; and during revision of its programme of work in the same year emphasis was laid on the study of procedures. However, when adopting this approach the Working Party took into consideration the fact that recommendations relating to international trade are implemented only if they are acceptable within the governmental and non-governmental environment in which they are presented.

9. The Working Party endorsed the conclusions of the task team mentioned above. The successful rationalization of procedures as complex and varied as those pertaining to international trade is a demanding task; nevertheless, the introduction of new techniques for the compilation, transmission, storage and retrieval of data, previously communicated by paper documents, provides an unprecedented opportunity for changes in procedures applied by governmental or private participants in international trade.

10. The main objectives of the facilitation of trade procedures may be summarized as follows:

- to ease the information flow;
- to eliminate errors;
- to relate procedures more closely to trade and transport requirements;
- to limit information requirements to essential data, and
- to minimize – to the extent possible – the delays caused by unavoidable official control measures and other interventions.

11. Agreements in the UN/ECE Working Party usually take the form of Recommendations to Governments. This has proved to be an appropriate means for agreements on well-defined subjects requiring extensive descriptions of the recommended measures which are often of a technical nature. But, for more limited measures which would not on their own justify an independent formal recommendation, it was felt that another form should be devised: a description of these measures should be annexed to a general Recommendation, setting forth the intent in general terms and urging Governments to study the measures with a view to their implementation, but at the same time offering them the opportunity to select acceptable measures and put others aside for future consideration.

12. In this context, the UN/ECE Working Party considered other areas related to international trade where the need for facilitation has led to the establishment of international “facilitation conventions”. Conventions of this kind, applicable to air and maritime transport and to Customs procedures, were adopted by the International Civil Aviation Organization (ICAO) in 1944, by the Intergovernmental Maritime Consultative Organization (IMCO) in 1965, and by the Customs Co-operation Council (CCC) in 1973. It is significant that these conventions – under a general, introductory “body” – lay down a number of standards and Recommended Practices which contracting parties, under certain conditions, can either accept or reject.

13. It was considered that this method would be the most suitable for the type of measures envisaged in the context of facilitation of trade procedures, although a less formal

status than that of an international convention was preferred. In consequence, the Recommendation reproduced above corresponds to the “body” of the other facilitation conventions whereas the recommended measures listed thereafter correspond to their Standards and Recommended Practices, and enable Governments to indicate those measures which they are able to approve and implement.

14. The recommended measures reproduced below are presented in groups covering different phases of a common international trade transaction. This method of groups was adopted in 1966 by the UN/ECE Working Party on Facilitation in International Trade Procedures for the purpose of listing trade documents and their functions; it was agreed that this structure would be the most appropriate as a basis for grouping facilitation measures as well. Although certain adjustments and additions might be required, it was considered that the value of using a well-established classification structure would outweigh the disadvantages of a grouping where in some instances pragmatic rather than strictly logical principles would have to be applied in assigning specific measures to the various sections.

15. To the nine “documentary function” categories has been added one for “Other measures”; the category list is open-ended and can be expanded to include further categories of measures which do not fall into any particular procedural application area, e.g. measures related to automatic data processing and administrative rationalization in general.

16. Each section begins with an introductory text describing the application area and giving an outline of the procedures covered and the documents used in that area. The introduction also describes, in general terms, particular problems for which facilitation measures are provided.

17. The list of main documents used in international trade, referred to in paragraph 14 above, contains descriptions of documentary functions and assigns a number to each document with the same function. This numbering system is widely used by trade facilitation experts and national trade facilitation bodies, and has been introduced in this Recommendation to facilitate the identification of trade documents referred to.

18. Finally, it should be pointed out that these recommended measures constitute the beginning of a more systematic approach to the facilitation of trade procedures: problem areas have been identified, some simple facilitation techniques have been suggested, and a number of practical improvements have been proposed. As work in the UN/ECE Working Party on Facilitation of International Trade Procedures progresses, each group of problems will be studied in more detail and action will be taken within the mandate of the Working Party and of national trade facilitation bodies.

Groups of measures referred to in the Recommendation

- Group 1 - Measures related to the production of goods
- Group 2 - Measures related to purchase
- Group 3 - Measures related to sale
- Group 4 - Measures related to payment
- Group 5 - Measures related to insurance
- Group 6 - Measures related to forwarding, cargo handling and other intermediary services
- Group 7 - Measures related to transport
- Group 8 - Measures related to exit
- Group 9 - Measures related to entry and/or transit
- Group 10 - Other measures

LIST OF FACILITATION MEASURES

GROUP 1 MEASURES RELATED TO THE PRODUCTION OF GOODS

- 1.1 In-house use of standard data elements
- 1.2 Alignment of in-house documents

GROUP 2 MEASURES RELATED TO PURCHASE

- 2.1 Inclusion of Packing instructions in Order
- 2.2 Combination of Delivery instructions with Order
- 2.3 Importers' specification of distribution of documents
- 2.4 General use of Standard Shipping Marks

GROUP 3 MEASURES RELATED TO SALE

- 3.1 Timely arrival of Despatch and Shipping advices
- 3.2 Exporters' Advice of distribution of documents
- 3.3^a Standard conditions of sale
- 3.4 Standard trade terms

GROUP 4 MEASURES RELATED TO PAYMENT

- 4.1 Acceptance by banks of invoices prepared in one-run systems
- 4.2 Short form documents under Documentary credits

GROUP 5 MEASURES RELATED TO INSURANCE

- 5.1^a Simpler requirements when exporters arrange insurance
- 5.2^a Simpler requirements when importers arrange insurance
- 5.3 Alignment of insurance documents

GROUP 6 MEASURES RELATED TO FORWARDING, CARGO HANDLING AND OTHER INTERMEDIARY SERVICES

- 6.1 Elimination of a separate document for forwarding instructions

GROUP 7 MEASURES RELATED TO TRANSPORT

- 7.1 Alignment of certain maritime transport documents to ICS format
- 7.2 Promotion of Sea waybills and non-negotiable multimodal/combined transport documents
- 7.3 Preparation of Bills of lading at destination by ADP
- 7.4 Universal transport document study
- 7.5 Ratification of Montreal Protocol to Warsaw Convention
- 7.6 Timely arrival notice, aligned form
- 7.7 Standard practices for pre-arrival notices

GROUP 8 MEASURES RELATED TO EXIT

- 8.1 Alignment of forms for inspection and request for inspection
- 8.2 Discouragement of pre-shipment inspection
- 8.3 Abolition of Consular invoices
- 8.4^b Cost effects of inspection, control and testing
- 8.5^b Documentary evidence of origin

GROUP 9 MEASURES RELATED TO ENTRY AND/OR TRANSIT

- 9.1 Implementation of the Kyoto Convention
- 9.2 Alignment of Customs import declarations
- 9.3 Harmonization of national dangerous goods regulations
- 9.4 Acceptance of ADP-produced Customs Goods declarations by ADP means
- 9.5 Periodic lodgement of import declarations by ADP means
- 9.6 Acceptance of Commercial invoices for Customs purposes
- 9.7 Discontinuation of separate packing lists
- 9.8 Acceptance of invoices transmitted by one-run, ADP and automatic transmission methods

Notes: ^a indicates an amendment to the text; ^b indicates that the Facilitation Measure was added to the second edition of Recommendation No. 18.

- 9.9 Release of goods without submission of transport documents
- 9.10^b Phytosanitary, sanitary and veterinary controls
- 9.11^b Selective Customs examination
- 9.12^b Opening hours at border crossing points
- 9.13^b Deferred duty payment
- 9.14^b Simplified entry system
- 9.15^b Advanced lodgement of Customs declarations
- 9.16^b Immediate release systems
- 9.17^b Customs control on importer's premises
- 9.18^b Periodic Customs entry
- 9.19^b Priority for vehicles carrying transit consignments
- 9.20^b Determination of origin on documentary evidence

GROUP 1 – MEASURES RELATED TO THE PRODUCTION OF GOODS

1.0 Introduction

Most international trade transactions involve the movement of goods from a supplier/seller to a consignee/buyer. The goods are either produced or manufactured by the supplier, or are provided from stock held by him. Upon receipt of an order, the supplier/seller initiates action for the taking out of stock of the articles ordered or for their manufacture. In most cases he confirms the order on the basis of an in-house procedure, checking the availability, or the time needed for the production of the goods, etc.

The in-house procedure also includes various instructions for packing, marking and internal transport of the goods. There are also papers for advising other departments on the progress of the order, initiating shipping and invoicing procedures. Moreover, there are various procedures for accounting and statistics.

Examples of documents used in this in-house procedure are: Manufacturing instructions (110), stores requisition (120), Packing instructions (140), and Internal transport order (150).

Although most of the communications initiated through in-house procedures are not transmitted outside the enterprise, they contain data elements which are later used in trade documents or in trade data interchange. Many enterprises have aligned such documents with the Layout Key and have been able to incorporate them in aligned series together with documents belonging to the sales procedure, such as Acknowledgement of order (320), Shipping instructions (340), Despatch advice (351), etc.

Experience shows that many clerical errors can be eliminated and costs reduced by harmonizing the layout of internal documents in this way.

Data elements for trade documents and trade data interchange have been standardized by the Working Party on Facilitation of International Trade Procedures and a *Trade Data Elements Directory* (TDED) was issued in 1981; the publication is reviewed annually in accordance with an agreed maintenance procedure.

Recommended measures:

1.1 In-house use of standard data elements

Standard data elements selected from the ECE/UNCTAD *Trade Data Elements Directory* or from corresponding national directories should be used to the extent possible in in-house documentary procedures related to international trade transactions.

1.2 Alignment of in-house documents

Suppliers of goods in international trade should take into account the benefits of aligning relevant in-house documents to the United Nations Layout Key for trade documents, taking into account any national layout key or master document.

GROUP 2 – MEASURES RELATED TO PURCHASE

2.0 Introduction

The measures included in this group relate to the purchasing procedures which can briefly be described as the procedure by which a buyer/importer first makes inquiries to one or more prospective suppliers of the goods desired and then – having received offers – initiates a transaction by placing an order with the preferred supplier, specifying the goods, quoting the conditions and giving the instructions required for the delivery. The instructions given normally concern packing requirements, delivery details and the specification of distribution of documents. In most cases the buyer also specifies the way in which he wishes the goods to be marked.

Examples of documents used in this procedure are Enquiry (210), Order (220), Packing instructions (140), Delivery instructions (240), and advice of distribution of documents (370).

In most cases it is possible for the buyer to incorporate packing instructions and – depending on the nature of the contract - delivery instructions in the Order. In that case he had to specify the number and size of part deliveries, the conditions applicable to them, the name, address, telephone and telex numbers of the import freight forwarder, the mode of transport and the name of carrier, if known. In this way, the use of a separate form can be avoided and essential information is made available to the exporter at an early stage. Subsequent instructions can be sent, for example, by telex. When the buyer is paying the freight and wishes to control the goods, a separate aligned form

could be used for “Delivery instructions” (or “Routing order”). This form should be sent to the import freight forwarder in charge of transport and import Customs clearance.

Importers’ instructions for distribution of documents are needed in good time. A simple table set out on the Order suffices.

Lengthy, detailed shipping marks are known to cause problems in documentation and cargo handling. Almost invariably it is the importer who decides how the shipping mark will be made up. The use of the simple, internationally-agreed Standard Shipping Mark can reduce costs and delays linked to typing, checking, transcribing, tallying and cargo handling. Moreover, packages can be more easily identified and matched with documents.

Recommended measures:

2.1 Inclusion of Packing instructions in Order

Packing instructions, issued by the importer to the exporter when placing the order, should be included in the Order or, if complex, in an annex to the Order, thus avoiding the use of a special form.

2.2 Combination of Delivery instructions with Order

Importers should combine delivery instructions with the Order, so as to avoid the use of a separate form for Delivery instructions or for Request for delivery instructions (330).

2.3 Importers’ specification of distribution of documents

Importers’ requirements for distribution of documents should be set out in the Order.

2.4 General use of Standard Shipping Marks

Importers should promote the use of the Standard Shipping Mark described in UN/ECE/FAL Recommendation No. 15, “Simpler Shipping Marks”, by specifying shipping marks in purchase orders and documentary credits in accordance with this recommended standard.

GROUP 3 – MEASURES RELATED TO SALE

3.0 Introduction

The procedure for the sale of goods includes the pre-transactional stage of making offers to potential buyers and then – upon receipt of an order – to confirm the order, when required, to make arrangements for the delivery of the goods orders and, finally, to prepare an invoice for the goods delivered. Sometimes the transaction is formalized through the establishment of a contract.

Examples of documents used in this procedure are Offer/Quotation (310), Contract (315), Acknowledgement of order (320), Proforma invoice (325), Shipping instructions (340), and Commercial invoice (380); in addition, Packing list (141), Cartage and Despatch orders (343 and 350) and Despatch advice (351) are commonly used.

In international trade, the term “contract” generally refers to a document representing an agreement for the supply of goods, accepted (by signature or other means of authentication) by seller and buyer; it is usually intended for a single transaction. However, the concept “contract” covers not only a simple short-term commercial transaction, but also very complicated long-term contractual relations involving multiple shipments. For this reason, it is advisable to have a separate form for long-term contracts.

As, by definition, an Order followed by an Acknowledgement of order equals the effect of a Contract, these documents can often be combined and standardized. This makes the completion of order forms and the cross-referencing of documents easier for the importer and enables him (and the exporter) to use one-run systems; moreover, analysis of the document is made easier and inconsistencies can be eliminated.

General conditions of sale are often printed on the reverse side of contract forms and on forms for Order, or Acknowledgements of order. Many traders have developed standardized generally accepted, model contracts or general conditions of sale; this is advantageous since a “battle of forms” can arise where conflicting conditions are printed on different forms and where the partners have not specified which rules were finally agreed. The contract is a tool for managing the whole trade transaction and should be written in a way that permits an efficient control of its different stages.

Problems also arise because of misunderstandings between buyer and seller concerning their responsibilities for carriage, insurance, payment of various charges, etc. Disputes can be avoided if reference is made already in the contract to established trade terms, such as INCOTERMS agreed within ICC.

The Packing list is used to supplement the Commercial invoice when numerous items are being shipped or when the quantities, weight or content of individual units in a shipment vary. It describes the items contained in each package. (It is not a Container/Unit Load packing certificate, which is a separate document used for different purposes.) It is evident, from a comparison with the Commercial invoice, that the contents of the two documents are almost identical, except that the Packing list does not show prices.

On the other hand, the specification of goods required for the Commercial invoice does not always accord with that required for the Packing list; sometimes a single Commercial invoice corresponds to several Packing lists, and *vice versa* (in consolidated containerized shipments).

The exporter should confirm the distribution of documents at the time of despatch; he should also ensure that his Despatch or Shipping advice will reach the importer or his forwarder in time.

UN/ECE/FAL Recommendation No. 6 describes the con-

tent and layout of an aligned Commercial invoice and emphasizes that aligned invoices, completed as part of a one-run system, bring considerable benefits and can sometimes be used to complement or replace official forms.

Recommended measures:

3.1 Timely arrival of Despatch and Shipping advices

Despatch and Shipping advices should reach the importer and/or import forwarder well in advance of the goods to enable timely arrangement for clearance and transport. Telex and other means of telecommunication should be used where required by the circumstances.

3.2 Exporter's Advice of distribution of documents

Exporters' Advice of distribution of documents (370) should be combined with the Despatch (358) or Shipping advice (365).

3.3 Standard conditions of sale

Trading partners should use such standard conditions of sale or model contracts as are agreed internationally or within certain trades when they fairly represent the interests of all the parties concerned.

3.4 Standard trade terms

Trading partners should make wider use of standard terms, such as INCOTERMS, and should avail themselves to relevant publications and training programmes issued by the ICC and other international bodies. To avoid possible future disputes, specific reference should be made to the applicable standard.

GROUP 4 - MEASURES RELATED TO PAYMENT

4.0 Introduction

The measures dealt with in this section are related to the movement of money in payment of goods supplied in international trade. In most cases banks act as intermediaries, either by handling the collection and transfer of money, or by issuing Documentary credits.

The Banking Commission of the International Chamber of Commerce has adopted rules for international banking procedures (Uniform Rules for Collections, Uniform Customs and Practice for Documentary Credits); other standards are being developed by ISO Technical Committee 68, "Banking procedures"; abbreviations of certain terms of payment referred to as "PAYTERMS" have been adopted by the UN/ECE Working Party on Facilitation of International Trade Procedures (Recommendation No. 17).

Examples of documents used in the area of payment are Collection order (447), Documentary credit (465), Documentary credit application (460) and various documents giving instructions for transfers (410, 411), request and advice for payment (420, 425) and remittance (470, 475),

in addition to such monetary instruments as a Banker's draft (485) and Bill of exchange (490). Standard forms based on the United Nations Layout Key have been developed within the ICC for Documentary credit (465), Documentary credit application (460) and Collection order (447).

Both Collection orders and Documentary credits usually contain stipulations that specified documents must be presented before payment can be effected. Importers should exercise discretion in their documentary stipulations in order not to impose unnecessary requirements on their trade partners.

Recommended measures:

4.1 Acceptance by banks of invoices prepared in one-run systems

Importers should advise their banks not to reject invoices prepared in one-run systems.

4.2 Short form documents under Documentary credits

The ICC Uniform Customs and Practice for Documentary Credits state that short form documents are acceptable unless otherwise specified in the Documentary credit. Importers should ensure that instructions are not given for Documentary credits to contain the clause "Short form documents not acceptable".

GROUP 5 – MEASURES RELATED TO INSURANCE

5.0 Introduction

The procedure for insuring goods moving in international trade normally involves the notification to an insurer of the consignment and its insured value and the issue of an Insurance certificate and/or an Insurance policy, certifying that insurance has been effected (and that a policy has been issued). Insurance can be arranged either on a case-by-case basis, or for periods of time, under so-called "Open Cover Policies".

The most commonly used documents in the field of insurance are Insurance certificate (520), Insurance policy (530) and Insurance declaration (550). Certificates and policies can be aligned to the United Nations Layout Key without any serious difficulty. The standard format is easily comprehensible to all parties; moreover, alignment enables the forms to be completed in a one-run system.

When rationalizing these documents, a distinction must be made between documents issued for individual shipments and documents giving details of multiple shipments within a given period of time.

Recommended measures:

5.1 Simpler requirements when exporters arrange insurance

When exporters arrange insurance (i.e. in CIF or similar transactions), certification of the existence of such insurance should be accepted as issued by the insurer if in the form customary in the country in question (i.e. Policy, Certificate, Declaration, Acknowledgement, etc.). As an alternative to these forms, it is permissible to use a slip or stamp on another commercial document (e.g. Invoice) together with specification of the claims procedures and the terms of insurance, if standard. Otherwise a copy of the terms of insurance should be sent to the importer. In case of recurring shipments, a direct general confirmation of cover from the insurer to the importer can replace individual insurance documents.

5.2 *Simpler requirements when importers arrange insurance*

When importers arrange insurance (i.e. in Ex works, FOB and similar transactions), the production of individual insurance documents (policies or certificates) is not necessary, except in certain bulk trades. However, importers should, in their own interests, arrange with their insurers for the issue of a floating policy, open cover or similar type of contract which will give them protection, irrespective of declarations made against it; a simple system of reporting all shipments to be insured should be agreed with the insurer.

5.3 *Alignment of insurance documents*

Insurance policies and certificates, when issued for individual shipments, and Insurance declarations under open cover should be aligned to the United Nations Layout Key for trade documents.

GROUP 6 – MEASURES RELATED TO FORWARDING, CARGO HANDLING AND OTHER INTERMEDIARY SERVICES

6.0 *Introduction*

Freight forwarders, Customs agents (brokers), cargo handling agencies and port, warehouse and terminal operators play an important role in providing intermediary services while goods are on their way between exporters and importers. Sometimes these services are used only at intermediary points, but more often they are engaged also at point of departure and final destination of goods moving in international trade.

Essential elements in these procedures are instructions from principals on action to be taken, advice on action taken as well as receipting of goods given into custody, and claims for payment of services rendered.

Documents used in this context include Forwarding instructions (610), various receipts (620, 631, 632) and advices (621, 622), and invoices like Forwarder's invoice (623) and Port charges documents (633).

Some standard forms aligned to the United Nations

Layout Key have been established through the International Federation of Freight Forwarders Associations (FIATA).

The importers's domestic forwarder (sometimes known as clearing agent or Customs broker) usually receives instructions by telephone, telex, telegram or other telecommunication means, in which case a separate Forwarding instructions document is not necessary. (It is recognized that instructions given by telephone may have to be confirmed in a manner acceptable to the recipient.) When a separate form is used it is more easily understood and handled by the forwarder if it is aligned to the United Nations Layout Key.

Recommended measures:

6.1 *Elimination of separate document for forwarding instructions*

Forwarding instructions and changes therein should, whenever possible and acceptable, be given by telephone, telex, telegram or by other telecommunications means, thus eliminating the need for a separate document. Where a separate Forwarding instructions form is required, it should be aligned to the United Nations Layout Key.

GROUP 7 - MEASURES RELATED TO TRANSPORT

7.0 *Introduction*

Transport is one of the main functions in international trade and the procedures related to transport are therefore of the utmost importance for its efficiency. These procedures mainly involve the selection and contracting of transport services, the determination of responsibility for goods under transport, the recording of the goods carried, advise of the action taken, and claims for payment for services rendered.

The documents used in connection with transport reflect these main areas of activity and can be categorized as follows: (1) *contract documents* such as Sea waybill (710) and Bill of Lading (711), Rail and Road consignment notes (720, 730), Air waybill (740), Despatch note for parcel post (750), and multimodal transport documents (760), or common documents to cover more than one of these modal applications (701); (2) *receipt documents*, which include Mate's receipt (713) and duplicates of rail and road consignment notes; and (3) *contents documents* including Cargo, Freight, and Container manifests and Bordereau (785, 786, 788, 787). Copies of the transport contract documents often serve to advise the arrival of goods, but specific documents for this purpose exist as well, such as Arrival notice (781). The calculation of freight costs is sometimes carried out on the transport contract document itself and adds to it the function of an invoice, although a specific documentary function for Freight invoice (780) exists.

The international organizations responsible for transport have all made important contributions to the facilitation of trade by introducing standard transport documents aligned to the United Nations Layout Key; however, in some cases these documents differ in detail and could be further improved; the possibility of a common, universal transport document for all modes of transport remains a worthwhile aim for future facilitation efforts.

In addition to alignment, the use of non-negotiable and common documents is necessary to modernize maritime transport documentation in line with modern transport methods. This subject is more fully dealt with in Recommendation No 12 (1979) of the ECE Working Party on Facilitation of International Trade Procedures, "Measures to Facilitate Maritime Transport Documents Procedures".

Future technical development might make it possible to abolish the *Air waybill* altogether as a paper document, and to replace it by automatic processing and transmission. This will greatly reduce the costs and complexities of air freight documentation; however, one condition for the abolition of the Air waybill as a traditional document is that the Montreal Protocol to the Warsaw Convention be brought into force.

Carriers or their agents in the country of arrival issue *Arrival notices* which are sent to the consignees to enable them to initiate procedures for taking possession of the goods, and to terminal operators to plan the storage of goods. These notices supplement the Despatch advice (351) sent to the consignee from the country of despatch.

For Arrival notices to be effective, carriers should send them to the consignees well in advance of the arrival of the goods; they might more correctly be referred to as "Pre-arrival notices". The method of communication depends on the time remaining before the goods are due. When there is sufficient time to transmit a paper document, a copy of the transport document may suffice. If not, Arrival notices should be sent by telex, cable, computer link or facsimile transmission. In either event, a standard format – for message or document – assists staff at the place of arrival to "key" information into computer systems, or to transcribe it rapidly and accurately in manual systems. Only basic information is needed such as names of exporter/forwarder, importer/forwarder, reference number, identification of means of transport, shipping marks, number of packages and a general description of the goods (with United Nations class and number in the case of dangerous goods); the place of arrival and estimated time should, of course, also be shown.

Timely pre-arrival notification enables terminal operators to plan the discharge and storage of the goods and consignees/forwarders to arrange Customs clearance in advance, whereas the absence of such advice might lead to

inefficient handling of unloaded goods which often have to be re-sorted for identification. Absence of pre-arrival advice also means that clearance documents can only be prepared after the arrival of the goods, the resulting delays may cause congestion and demurrage charges.

Recommended measures:

7.1 Alignment of certain maritime transport documents to ICS format

Sea waybills and Bills of lading should be designed on the basis of Recommendations adopted by the International Chamber of Shipping.

7.2 Promotion of Sea waybills and non-negotiable multimodal/combined transport documents

Sea waybills and non-negotiable multimodal/combined transport documents should be called for by traders whenever the facility is available and suitable. Carriers should always offer a non-negotiable transport document, bearing in mind that these can be utilized under Documentary credits if stipulated by the applicant for the Credit.

7.3 Preparation of Bills of lading at destination by ADP

To avoid delays and demurrage caused by the need to send documents by mail, facilities should be developed for the preparation of Bills of lading in the country of destination, using automatic data processing and transmission.

7.4 Study of universal transport documents

Carriers and transport users should study the advantages and disadvantages of a universal (multipurpose) transport document in co-operation with the international organizations concerned.

7.5 Ratification of the Montreal Addition Protocol No. 4 of 1975 to the Warsaw Convention

The relevant Montreal Protocol to the Warsaw Convention should be brought into effect as soon as possible through ratification by Governments, so that the Air waybill requirement may be abolished, where desirable.

7.6 Timely arrival notice; aligned form

Carriers should ensure that Arrival notices are made available to all interested parties well before the arrival of the goods and should - depending on the time factor - use either telex or similar means, or a document aligned to the United Nations Layout Key, possibly a copy of the transport document.

7.7 Standard practices for pre-arrival notices

Carriers, freight forwarders and importers should review each party's need for pre-arrival notices in order to develop standard practices, especially for very short routes.

GROUP 8 - MEASURES RELATED TO EXIT

8.0 Introduction

The criterion for referring facilitation measures to this group is either that they relate to official regulations applicable to the export of goods, or that the initial action has to be taken in the exporting country even if the procedural requirement emanates from the importing country. (The same principle applies in the now well-established system for classification and numbering of the main documents used in international trade mentioned in paragraphs 14 and 17 above in the “Background” to the present Recommendation.) In some cases, however, measures related to the same procedure apply to exit as well as to entry and transit and – as in a consequence – might be reflected both in this group and in group 9. In other cases when recommended measures related to initial documentary procedures accounted for in this group are directed to parties responsible for entry procedures, such measures are accounted for in group 9.

The measures dealt with in the present group refer to official control activities applied on the basis of restrictions which may be *quantitative* (export licensing), *monetary* (exchange control) or *fiscal* (Customs and taxation controls) or are required for the *recording of trade* (statistical reporting). Other control activities initiated in the country of export but required by the importing country are either *normative* (quality control), related to *public health and hazards* (sanitary controls, dangerous goods), or required for the application *preferential trade agreements* (evidence of origin).

Documents for these various functions include: Export licence (811), Exchange control declaration (812), Goods and Cargo declarations (830, 833), Goods (851, 852, 853), Certificate of origin (861), Dangerous goods declaration (890), etc.

Among the problems identified in this area may be mentioned that of double control or inspection, including testing, first in the exporting and then in the importing country. The exporter/producer must demonstrate that exported goods conform to contract specifications and are of sufficient quality, whereas the importer/consumer needs assurance that the goods are in conformity and safe, and that the price relates to their quality. Moreover an increasing number of export and import regulations make double testing necessary.

The cost of testing varies greatly from product to product group and even from item to item; there are reasons to believe that it amounts to an average of more than two per cent of the selling price of the goods concerned. Apart from direct costs, these regulations also give rise to other difficulties such as long delays in the clearance of goods.

Regulations introducing wider controls or more stringent standards for verification and testing are currently being

introduced in many countries. When control and inspection might be necessary for some sectors of international trade such as food and drugs or capital goods, many exporters consider it inappropriate to be obliged to pass commercial information to an (often private) inspection company for the purpose of so-called “pre-shipment inspection”. It should be recognized that the higher costs resulting from these inspections will ultimately have to be borne by the consumer in the importing country. Where controls are required by the importers, he may well find that the advantage of inspection is greatly reduced or even turned to disadvantage due to the increase in cost.

To distinguish between the terms “control” and “inspection”, for the purpose of trade facilitation work, a *Goods control certificate* (841) refers to a document usually issued by the appointed control body (accredited or otherwise authorized laboratory or research institute) which carries out the control; it testifies whether the quality or other technical specifications of the goods correspond to the precise specifications of the contract. An *Inspection certificate* (856) is a document issued by an appointed body, setting out the results of an inspection undertaken at the request of an interested party, indicating the nature and purpose of the inspection (e.g. quality, quantity, packing, etc.). The inspection may cover goods, services, prices or some other detail of the contract of sale.

A typical *Inspection certificate* contains an exact description of the goods and quantity; the name of the customer (or the party requesting the inspection) and contractor; the time and place at which inspection was carried out; the findings at the inspection; and a declaration of the result of the inspection.

Since they contain much the same information as other export documents, there is no reason why Goods control and Inspection certificates should not be aligned to the United National Layout Key.

Consular invoices (870) are prescribed by (a few remaining) importing countries and are authenticated by their consular officials in the country of export. A Consular invoice usually confirms that the exporting company is a *bona fide* foreign trade enterprise and that statements concerning the commodity, price, total invoice amount, insured value (if any), place of despatch, number of packages and weight of the goods are correct. If satisfied, the Consulate adds its visa and charges a fee to be paid by the exporter.

Most of the details of a Consular invoice may already be found in the Commercial invoice and the intervention of a Consulate therefore has little justification; it creates delays and extra costs which are eventually reflected in the price paid by the consumer in the importing country. The elimination of Consular invoices would lead to a significant reduction in the cost of imports.

Evidence of origin is normally required for goods im-

ported under preferential trade agreements where duty and other concessions are granted for good fulfilling criteria specified in the agreement. Origin is evidenced either by a *Certificate of origin* (861), a document authenticated by a competent body in the exporting country, or a Declaration of origin made by the manufacturer, producer, supplier, exporter or other competent person on the Commercial invoice or some other document relating to the goods. As it is time-consuming and costly for all parties in international trade to obtain such Certificates of origin, exporters should be permitted to present Declarations of origin as sufficient proof of origin.

Recommended measures:

8.1 Alignment of forms for inspection and request for inspection

Control and inspection bodies should align their certificates and application forms to the United Nations Layout Key; if certificates cannot be aligned, the use of aligned application forms should be allowed.

8.2 Discouragement of pre-shipment inspection

The present trend towards increased pre-shipment inspection of goods for purposes other than phytosanitary, sanitary and veterinary controls causes serious concern because of its implications in the form of costs and delays. This practice should be discouraged; when there is legitimate need for inspection the authorities concerned should accept certificates issued by official control bodies in the country of export.

8.3 Abolition of Consular invoices

Consular invoices, consular visa requirements and consular fees should be abolished.

8.4 Cost effects of inspection, control and testing

Before introducing new requirements of prolonging existing rules for inspection, control and testing of goods moving in international trade, the authorities concerned should balance the resulting cost effects against the advantages.

8.5 Documentary evidence of origin

Declarations or certifications of origin on commercial invoices or on specific forms should be required only where this is essential for the proper application of trade policy measures or for the prevention of fraud. When such declarations or Certificates are deemed indispensable, the competent authority should apply a simple measure that provides the minimum of control considered as sufficient for the particular case. Preferably, an exporter's declaration of origin on the Commercial invoice should be accepted. If a separate form for Certificate of origin is required it should be based on defined criteria and designed in accordance with the model contained in Annex

D.2 of the Kyoto Convention. It should be permitted to produce certificates on plain paper in a one-run system using a photocopier; printing of forms on security paper should not be required.

GROUP 9 - MEASURES RELATED TO ENTRY AND/OR TRANSIT

9.0 Introduction

As stated in the introduction to group 8, some of the measures described in this group may be related to procedures initiated in the exporting country although the party to which a particular facilitation measure is directed is located in the country of import or transit. In consequence, some documentary reference in this group may refer to documents belonging to group 8 of the list of documents.

The measures dealt with refer to official control activities applied on the basis of restrictions which may be *quantitative* (import licensing), *monetary* (exchange control), *fiscal* (Customs and taxation controls), *normative* (quality control), related to *public health and hazards* (sanitary controls, dangerous goods), or required for the application of *preferential trade agreements* (evidence of origin) or for the *recording of trade* (statistical reporting).

Documents for these various functions include: Import licence (911), Exchange control declaration (927), Goods, Transit and Cargo declarations (930, 950, 933); documents originating in the exporting country but required in the country of import include Goods control certificate (841), Phytosanitary, Sanitary and Veterinary certificates (851, 852, 853), Certificate of origin (861), and Dangerous goods declaration (890).

The most important current problems in import and transit trade are the delays and the congestion at ports and other border crossing-points. Long queues of vehicles are commonplace at borders and at ports handling roll-on/roll-off ferry traffic; seaports are often heavily congested with containers and cargo awaiting important clearance. IATA states that air freight containers spend 78 per cent of their time on the ground, occupying scarce and expensive space on airport or depot premises.

Congestion is caused, *inter alia*, by increasing volumes of incoming cargo and by containerization which enables a vessel to discharge up to 500 containers in a single day. Other factors causing delay are: the requirement in many countries to prepare Customs declarations in full detail and to pay duties and charges before the goods can be removed; shortage of Customs and other officials or clerical staff; non-availability of information needed to plan the unloading of goods, preparation of Customs declarations, and Customs requirements in respect of sealing.

The result is that goods and payment are delayed, profits

are cut, and costs are increased for the importer; furthermore, transport and cargo-handling equipment is often under-utilized.

Customs clearance procedures are sometimes more complicated than they need to be, merely because of long-standing national practice. A very valuable instrument for the international standardization and harmonization of Customs procedures exists, however, in the form of the Kyoto Convention, adopted by the Customs Co-operation Council. National authorities should be encouraged to implement the various measures laid down in that Convention.

Regarding Customs import declarations, Annexes to the Kyoto Convention contain provisions limiting the requirements for information to be furnished, the number of copies of the goods declaration, and the documents required in support of it. In addition, there are provisions regarding the design of the import declaration, the acceptance of provisional or partial declarations when the declarant does not have all the information required and the possibility of producing it after a specified delay. These provisions offer immediate benefits resulting in simplified paperwork and easier application of automatic trade data processing.

A number of countries still have a mandatory form for *Customs invoice* (935), which causes duplication of paperwork for exporters and importers. In other countries Customs authorities accept a copy of the Commercial invoice for Customs purposes provided that it contains the required information. This practice yields valuable benefits in the form of reduced paperwork; it should be pointed out, however, that Customs details which may appear on Commercial invoices do not replace the particulars which must appear on Customs declarations.

Customs invoices – also known as “Certified invoices”, “Combined invoices and Certificates of value and origin”, and “Declarations of origin” – may not differ much in content from Commercial invoices except that they often contain a Declaration of value and origin. Their main purpose is to aid Customs authorities in establishing the correct Customs value, which in many countries for a long time has been based on the Brussels Definition of Value, established in a Convention drawn up in 1950 by the Customs Co-operation Council; however, other valuation systems have been used in some countries. A new definition of Customs value came into effect in 1981 as a result of Multinational Tariff Negotiations under the auspices of the General Agreement on Tariffs and Trade. This new Customs value has already been implemented by most of the major trading countries. So far there has been no attempt to harmonize the way in which individual countries obtain information in support of the new value.

In some countries, Customs authorities or banks require a separate Packing list of clearance purposes in addition to other documents. This requirement should be waived

where the packing details are included in the Invoice.

Various systems enabling the importer to have access to the goods before lodgement of the goods declaration (“immediate release systems”, etc.) are applied in a number of countries. These systems allow goods to pass quickly through border crossing points under simplified Customs documents or even commercial documents, permitting final clearance at a depot, or on each consignment or for consignments imported during a specified period of time. Control is based primarily on examination of the importer’s records rather than physical inspection of the goods.

Importers and freight forwarders increasingly use *Automatic Data Processing* (ADP) techniques for in-house handling of import transactions. Although in some countries computer-originated listings (on paper) are permitted, in most cases Customs declarations and other official import documents have to be completed in the traditional way. After return of documents from Customs, relevant data have to be entered into the in-house ADP system for the purpose of duty payment and accounting.

The resulting mixture of manual and computerized systems is costly and inefficient and calls for early development of arrangements for direct communication between computer systems used by importers, forwarders, Customs, carriers and other interested parties. Such computer-to-computer communication calls for trade data interchange standards such as those elaborated within the Working Party on Facilitation of International Trade Procedures.

Particular problems arise in connection with the handling of *dangerous goods*. If regulations of importing countries do not conform to international standards, goods have to be reclassified and sometimes relabelled or even repacked, new documents issued, etc. In this context, attention is drawn to Recommendation No. 11 of the Working Party on Facilitation of International Trade Procedures, which sets out recommended methods of documentation and of providing transport emergency information for dangerous goods.

Some goods are subject to physical examination, either in application of phytosanitary, sanitary or veterinary controls, or in order to determine the origin of goods. This requirement causes problems, particularly when consignments of perishable goods or livestock arrive at night, or during weekends, and may have to wait until the regular working hours of the examining officers. As to determination of origin, physical examination is not always relevant since in many cases documentary evidence based on detailed origin rules is sufficient for this purpose.

Recommended measures:

9.1 Implementation of the Kyoto Convention

National authorities should study the standards and recommended practices laid down in the International Convention on the Simplification and Harmonization of Cus-

toms Procedures (Kyoto 1973) with a view to their implementation, as this would enable them to exercise the necessary controls in a simplified way.

9.2 Alignment of Customs import declarations

National Customs import declarations should be aligned with the United Nations Layout Key, taking into account the aligned layout for Goods declaration for home use specified in Appendix 1 to Annex B.1 of the International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto 1973).

9.3 Harmonization of national dangerous goods regulations

National dangerous goods regulations should conform to international standards laid down in or derived from the Recommendations of the Committee of Experts on the Transport of Dangerous Goods of the United Nations Economic and Social Council. However, even when national regulations do not conform, dangerous goods moving under international regulations should be permitted to travel to their destination without further reclassification, documentation, labelling, placarding or packing.

9.4 Acceptance of ADP-produced Customs Goods declarations, etc.

Customs authorities in importing countries should implement the Recommendation (16 June 1981) of the Customs Co-operation Council concerning the transmission and authentication of Goods declarations which are processed by computer. In consequence, and under conditions to be laid down by the Customs authorities, they should:

1. Allow declarants to use electronic or other automatic means to transmit to the Customs Goods declarations for automatic processing. Such declarations may be transmitted either by direct link between the data processing systems of the Customs and those of the declarant or on magnetic or other ADP media;
2. Accept that Goods declarations which are transmitted by electronic or other automatic means to Customs be authenticated other than by handwritten signature.

9.5 Periodic lodgement of import declarations by ADP means

Importers' forwarders/Customs brokers should investigate the benefits of periodic lodgement of import declarations (including those for goods released from private bonded warehouses) in computer-readable form.

9.6 Acceptance of Commercial invoices for Customs purposes

Customs authorities should normally accept any Commercial invoice, containing the necessary details (whether or not aligned to the Aligned Invoice Layout Key), as a valid invoice for Customs clearance purposes; in coun-

tries where national Customs legislation prescribes a special document (other than a Goods declaration) in addition to the Commercial invoice, the possibility of discontinuing this requirement should be studied. The model text for a Declaration set out in paragraph 22 of the UN/ECE/FAL Recommendation No. 6 on the Aligned Invoice Layout Key should be accepted by Customs authorities and should replace current lengthy and different wordings.

9.7 Discontinuation of separate packing lists

Customs authorities should waive the requirement for a separate Packing list wherever the necessary packing details are already included in an invoice.

9.8 Acceptance of invoices transmitted by one-run, ADP and automatic transmission methods

National authorities responsible for import procedures should implement the Recommendation (16 May 1979) of the Customs Co-operation Council concerning Customs requirements regarding Commercial invoices and should, in consequence,

1. Accept Commercial invoices produced by any process – for example, the one-run method - in cases where the presentation of the Commercial invoice is required in connection with the clearance of the goods;
2. Refrain from requiring a signature, for Customs purposes, on Commercial invoices presented in support of a Goods declaration.

9.9 Release of goods without submission of transport documents

National authorities in importing countries should amend regulations, where necessary, in order to permit the release of goods to the importer without the necessity of handing over a bill of lading or any other transport document. Where there is currently a need to use transport documents to meet import regulations, the reasons should be investigated and alternative methods adopted.

9.10 Phytosanitary, sanitary and veterinary controls

Whenever possible, the authorities concerned should undertake phytosanitary, sanitary, veterinary and similar controls without physical examination of every consignment. Where examination is required, officials should be available also when goods arrive outside legal hours, subject to the submission of a request to that effect not less than 24 hours prior to the arrival of the goods. Where special fees are charged for services outside legal hours they should correspond to the real costs.

9.11 Selective Customs examination

Customs authorities should avoid systematic physical examination of goods under clearance. They should carry out selective controls on the basis of the Customs entry, to be complemented by a physical examination of the goods only when required.

9.12 Opening hours at border crossing points

Customs authorities should examine the possibility of keeping border crossing points open on important international routes to enable cargo carried in accordance with international transit rules to pass such border points day and night.

9.13 Deferred duty payment

National authorities should – where necessary – introduce legislation enabling Customs to allow deferred payment of duty to all persons who provide an adequate guarantee covering the amount of relevant duties and taxes, or who are otherwise acceptable to the Customs.

9.14 Simplified entry system

Customs authorities should allow goods to pass through the port and other border crossing points under cover of a normal commercial document or transit document, for clearance inland at approved depots or on importers' premises.

9.15 Advance lodgement of Customs declarations

Customs authorities should study the advantages of authorizing advance lodgement and examination of Customs declarations, without prejudice to relevant provisions for acceptance of such declarations, in order to allow goods to be cleared immediately after arrival at the port, border crossing point, inland depot, or other place of clearance (e.g. importer's premises).

9.16 Immediate release system

Customs authorities should study the advantages of immediate release systems for Customs clearance, allowing goods to be taken directly to the importer's premises for immediate disposal against the submission of a simplified Customs document or on the presentation of an administrative or commercial document which permits the identification of the goods in question. Such release should

be subject to later submission of a proper declaration, which may be in computer-readable form. The release should not prejudice possible future Customs controls, including periodic controls on the importer's premises of the goods and of the importer's records.

9.17 Customs control on importer's premises

To ease bottlenecks, Customs authorities should study the systems whereby approved importers are allowed to bring sealed transport units to their premises under a release note; meanwhile, the Customs declaration is lodged with the importer's local Customs office and the goods can be used if the Customs have not visited the premises for inspection within a specified short period of time.

9.18 Periodic Customs entry

Customs authorities should study the advantages of permitting approved importers to clear goods under a partly-completed Import declaration, subsequently to be supplemented by a periodic schedule – which may be in computer-readable form – containing full details of the goods imported within the relevant period.

9.19 Priority for vehicles carrying transit consignments

Customs authorities should make arrangements so that vehicles carrying goods and passing through ports and other border crossing points under a transit document need not await their turn among vehicles carrying goods which are not covered by such a document.

9.20 Determination of origin on documentary evidence

Where they are deemed necessary, controls of origin at importation should be effected on the basis of relevant documents. Physical examination of goods should be carried out at random or in cases where fraud or irregularities are suspected.