

**COMMUNICATION FROM CANADA, THE EUROPEAN COMMUNITIES,
PERU AND SWITZERLAND**

The following communication, dated 4 April 2006, from the Delegations of Canada, the European Communities, Peru and Switzerland, is being circulated in advance of the Negotiating Group meeting of 5-7 April.

**SEPARATION OF RELEASE FROM CLEARANCE
AND OTHER MEASURES TO SIMPLIFY RELEASE AND CLEARANCE**

I. SEPARATION OF RELEASE FROM CLEARANCE

A. PROPOSALS¹

- Release of goods from Customs prior to payment of duties or resolution of Customs matters is allowed in cases where a sufficient guarantee/security (e.g., cash, certified cheque, etc.) or other such instrument is provided by the trader. The guarantee/security presented can be for a single transaction or several transactions.²
- Rules governing guarantee systems are published and transparent.
- Terms of reimbursement of guarantees are not used as a means to raise revenue beyond duties payable.

B. SPECIAL AND DIFFERENTIAL TREATMENT

- Deferred implementation/transitional periods where needed (e.g., to allow for the establishment of a functioning guarantee system).

¹ Based on papers TN/TF/W/6 (European Communities), TN/TF/W/19 (Australia and Canada), TN/TF/W/21 (United States), and TN/TF/W/30 (Peru).

² Upon final determination of Customs matters (e.g., Customs value, origin and tariff classification), Customs authorities seek payment from the trader. If the trader cannot or does not fulfill its Customs obligations, Customs authorities would obtain payment from the security instrument.

C. TECHNICAL ASSISTANCE AND CAPACITY BUILDING

- Technical assistance based on needs assessment (e.g., ways to improve revenue collection, enforcement of Customs laws, establishment of guarantee systems).

II. OTHER MEASURES TO SIMPLIFY RELEASE AND CLEARANCE

A. PROPOSALS³

- Traders to be able to make use of a mechanism for release of goods with post-release reconciliation of documentation and duties payable (e.g., release of goods on the basis of a provisional or incomplete goods declaration in cases where, for reasons deemed valid by customs, the information is not fully available to make the goods declaration). The design and application of the mechanism is based on risk management principles.
- Traders to be able to make periodical declarations and duty payment (as opposed to a separate duty payment for each transaction).
- Traders to be able to have clearance procedures completed at their premises subject to conditions based on risk management and resource constraints.

B. SPECIAL AND DIFFERENTIAL TREATMENT

- Deferred implementation/transitional periods where needed.
- Temporary partial application of commitments.

C. TECHNICAL ASSISTANCE AND CAPACITY BUILDING

- Technical assistance based on needs assessment (e.g., training of personnel and financial systems).

³ Based on papers TN/TF/W/10 (Chinese Taipei), TN/TF/W/18 (Korea), TN/TF/W/30 (Peru), TN/TF/W/46 (European Communities), and TN/TF/W/49 (China and Korea).