

COMMUNICATION FROM CANADA AND SWITZERLAND

The following communication, dated 19 July 2006, from the Delegations of Canada and Switzerland, is being circulated in advance of the Negotiating Group meeting of 24-26 July.

DRAFT TEXT ON SEPARATION OF RELEASE FROM CLEARANCE

1. A Member shall allow an importer to obtain the release of goods prior to meeting all of the Member's import requirements if the importer provides sufficient guarantee in the form of a surety, a deposit or some other appropriate instrument.
2. A Member is not required to release goods in accordance with paragraph 1 where the Member's legitimate import requirements have not been satisfied.¹
3. The guarantee shall be limited to an amount reasonably calculated to ensure compliance with a Member's import requirements and shall not be calculated to protect domestic products or taxation of imports for fiscal purposes.
4. Once the Member has determined that its import requirements have been satisfied, a guarantee shall no longer be required.

¹ *Note to the reader:* This provision is intended to clarify Member rights in respect of the form of exceptions available under current GATT Article XX and XXI. As such, it may be modified or dropped from the proposed article should it be adequately addressed in the context of an article on general exceptions which would ensure that nothing in this Agreement shall be construed to prevent the adoption or enforcement of measures necessary to, *inter alia*, protection of human, animal or plant life or health, or to secure compliance with laws or regulations which are not inconsistent with the provisions of WTO Agreements.