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**Working Party on the
Accession of Saudi Arabia**

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ACCESSION OF THE KINGDOM OF SAUDI ARABIA

Implementation of the Customs Valuation Agreement

The following Action Plan for the implementation of the Customs Valuation Agreement has been received from the Ministry of Commerce of the Kingdom of Saudi Arabia.

1. The Kingdom of Saudi Arabia has already taken some actions towards implementing the Agreement on Customs Valuation. There is also an on-going programme and a future programme to ensure full implementation of the Agreement. Details of actions already taken and of the on-going and future programmes are given in the following paragraphs.

Actions Already Taken

2. The following actions have been taken during the last two years:

- (i) a Committee was established in the Customs Department in mid-1997 responsible for preparing the groundwork for implementing the Customs Valuation Agreement. The Committee consists of representatives of the related customs divisions;
- (ii) members of the Committee visited Australia, the Philippines and Singapore to exchange views with the customs officials of those countries and to exchange ideas on the implementation of the Agreement, including in particular the programme for modernization and computerization of customs valuation data and procedures;
- (iii) translation into Arabic of the text of the Customs Valuation Agreement and of the Explanatory Notes (issued by the Customs Cooperation Council) has been undertaken and completed;
- (iv) preparation of a programme and curriculum, in Arabic, for training courses for customs officials to acquaint them with the provisions of the Customs Valuation Agreement and with the techniques and procedures of customs valuation. In particular, the following material has been prepared:
 - instructor's portfolio;
 - trainees' portfolio;

- transparencies for use in training courses;
 - practical exercises and case studies to be used as training material.
 - preliminary studies on creating an electronic database on values of imported goods.
- (v) a tentative plan was prepared to amend Article 51 of the Executive Schedule of the Customs Law, so as to bring it in line with the Customs Valuation Agreement.

On-going Programme

3. Committee mentioned in paragraph 2 (i) meets regularly to review progress and to ensure timely implementation of the programme. The following elements of the programme are being implemented at present:

- (i) the translated Arabic version of the Customs Valuation Agreement and the Explanatory Notes are under study by the Committee with a view to getting a very clear idea of what the Kingdom of Saudi Arabia would have to do;
- (ii) national customs valuation laws of some WTO Members have been obtained and translated into Arabic to get an idea about how other countries have implemented the Agreement. These are under examination by the Committee;
- (iii) the Committee is also studying the practical problems that developing countries are facing in implementing the provisions of the Agreement;
- (iv) a training programme for trainers and for customs officials at the Customs Headquarters and at different customs ports and airports is under implementation. Details are as follows:
 - some customs officials have been sent to Egypt in 1998 for training as customs trainers;
 - a course was organized in May-June 1998 to train 30 customs officials as trainers;
 - an intensive programme for training of customs officials at different customs offices is being conducted between July and December 1998 as follows:

Course	Duration	Dates	Location
First course	4 weeks	4-29 July 1998	Simultaneously at seven customs ports and airports
Second course	4 weeks	8 August – 4 September 1998	Simultaneously at seven customs ports and airports
Third course	4 weeks	12 September – 7 October 1998	Simultaneously at six customs ports and airports
Fourth course	4 weeks	17 October – 11 November 1998	Simultaneously at four customs ports and airports
Fifth course	4 weeks	21 November – 16 December 1998	Simultaneously at four customs ports and airports

By the time these course are concluded, about 900 customs officials would have been trained in customs valuation.

- (v) the subject of customs valuation is being added to the special courses taught at the Institute of Public Administration.

Future Programme

4. The following are the elements of the future programme for the implementation of the Customs Valuation Agreement:

- (i) reviewing draft legislation on customs valuation will be finalized, with the assistance of the WCO, in 1999;
 - (ii) draft legislation will be circulated to different Ministries and Chambers of Commerce for their comments;
 - (iii) the legislative process will be initiated in 2000 and completed hopefully by 2001;
 - (iv) administrative guidelines, manuals and implementing regulations will be drafted and finalized by 2002;
 - (v) as from the year 1999, training courses in customs valuation will be held once every year with the aim of training about 3,000 customs officials by the time the Agreement is implemented;
 - (vi) implementation of the Customs Valuation Agreement requires, as a necessary pre-condition, the establishment of a computerized database on customs values. Work on a modernized and computerized database will be completed in five years, with all customs ports, airports and customs stations connected to the database;
 - (vii) a programme for modernization of customs procedures will be undertaken as from 1999 and completed by the time of implementation of the Agreement. In the implementation of this programme the latest international developments, and practices and procedures of WTO member countries will be studied with a view to devising modern and efficient procedures for customs valuation;
 - (viii) a programme for the training of customs agents (brokers) will be undertaken about one year before the implementation of the Agreement on Customs Valuation.
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