

**NOTIFICATION UNDER ARTICLE 22 OF THE AGREEMENT ON
IMPLEMENTATION OF ARTICLE VII OF THE GENERAL
AGREEMENT ON TARIFFS AND TRADE 1994**

CHILE

The following communication, dated 19 November 2003, is circulated at the request of the delegation of Chile.

I have the pleasure to inform you that the attached Law No. 19.912 was published on 4 November 2003 in the Official Journal of the Republic of Chile. This Law introduces, *inter alia*, the following amendments, which correspond to the sphere of action of various WTO bodies:

1.2 Committee on Customs Valuation

Pursuant to Article 22.2 of the Agreement on Implementation of Article VII of the GATT 1994 (Agreement on Customs Valuation), Chile is notifying Articles 19 and 24.2 of Law No. 19.912. They are intended to ensure compliance with the terms of the Agreement on Customs Valuation, by introducing amendments to Law No. 18.525 on the importing of goods to the country and Law No. 18.483, known as the "Automotive Statute". These amendments give formal effect in Chilean legislation to the efforts which have been under way for several years to implement the Agreement on Customs Valuation in our country.

Article 19

The following amendments shall be introduced into Law No. 18.525:

- (1) Article 5 shall be replaced by the following:

"Article 5. The taxable base for *ad valorem* duties shall be the customs value of the goods entering Chile. This customs value shall be determined on the basis of the Agreement on Implementation of Article VII of the GATT 1994 (hereinafter the "Agreement on Customs Valuation") and Article 7 of this Law.

With regard to the valuation of used goods the National Director of Customs shall establish the regulations that govern the valuation of such goods, in conformity with the Agreement on Customs Valuation.

In order to ensure uniformity in the interpretation and implementation of the Agreement on Customs Valuation, this shall be done on the basis of the provisions of that Agreement and its Annexes. For the purpose of clarifying obscure or contradictory passages or passages difficult to apply, the documentation of the Technical Committee on Customs Valuation established under that Agreement shall be taken into account.

If in the course of determining the customs value of the goods imported, it should prove necessary to defer the definite determination of that value, in those cases indicated by the National Customs Service the importer may withdraw them subject to the provision of a sufficient guarantee."

- (2) Articles 6 and 8 are rescinded.

- (3) Article 7 shall be replaced by the following:

"Article 6. The customs value of the imported goods shall include the costs of transporting them to the place of entry into the national territory, the loading, unloading and handling charges incurred in transporting them, and the insurance costs. The place of entry of the goods shall be the place of entry for customs formalities.

When the costs for the delivery of the goods to the port or place of entry into the importing country are not charged or are paid by the buyer, such costs shall be included in the customs value, calculated in conformity with the tariffs and premiums usually applicable to the means of transport and services used, pursuant to the provisions of Article 8.3 of the Agreement on Customs Valuation and its corresponding interpretative note."

Article 24

The following amendments shall be introduced into Law No. 18.483:

- (2) The second paragraph of Article 5 shall be replaced by the following:

"Vehicles shall be valued in conformity with the Agreement on Implementation of Article VII of the GATT 1994 (Agreement on Customs Valuation)."
