Article VIII
Fees and Formalities connected with Importation and Exportation*

1. (a) All fees and charges of whatever character (other than import and export duties and other than taxes within the purview of Article III) imposed by contracting parties on or in connection with importation or exportation shall be limited in amount to the approximate cost of services rendered and shall not represent an indirect protection to domestic products or a taxation of imports or exports for fiscal purposes.

(b) The contracting parties recognize the need for reducing the number and diversity of fees and charges referred to in subparagraph (a).

(c) The contracting parties also recognize the need for minimizing the incidence and complexity of import and export formalities and for decreasing and simplifying import and export documentation requirements.*

2. A contracting party shall, upon request by another contracting party or by the CONTRACTING PARTIES, review the operation of its laws and regulations in the light of the provisions of this Article.

3. No contracting party shall impose substantial penalties for minor breaches of customs regulations or procedural requirements. In particular, no penalty in respect of any omission or mistake in customs documentation which is easily rectifiable and obviously made without fraudulent intent or gross negligence shall be greater than necessary to serve merely as a warning.

4. The provisions of this Article shall extend to fees, charges, formalities and requirements imposed by governmental authorities in connection with importation and exportation, including those relating to:
   (a) consular transactions, such as consular invoices and certificates;
   (b) quantitative restrictions;
   (c) licensing;
   (d) exchange control;
   (e) statistical services;
   (f) documents, documentation and certification;
   (g) analysis and inspection; and
   (h) quarantine, sanitation and fumigation.

ANNEX I
NOTES AND SUPPLEMENTARY PROVISIONS

Ad Article VIII

1. While Article VIII does not cover the use of multiple rates of exchange as such, paragraphs 1 and 4 condemn the use of exchange taxes or fees as a device for implementing multiple currency practices; if, however, a contracting party is using multiple currency exchange fees for balance of payments reasons with the approval of the International Monetary Fund, the provisions of paragraph 9 (a) of Article XV fully safeguard its position.

2. It would be consistent with paragraph 1 if, on the importation of products from the territory of a contracting party into the territory of another contracting party, the production of certificates of origin should only be required to the extent that is strictly indispensable.

Bibliography

In Arts VII to X, the GATT contains provisions regarding administrative procedures in trade. Further provisions on such administrative procedures can be found, amongst others, in the Agreement on Import Licensing Procedures, the PSIA\(^1\) and the Agreement on Customs Valuation.\(^2\) The Agreement on Import Licensing Procedures sets out rules for all WTO Members on the use of import licensing systems to regulate their trade. The PSIA relates to the practice of some WTO Members of employing private companies to verify the quality, the quantity, the price and/or the customs classification of goods before shipment to the territory of the importing

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\(^1\) See commentaries in this volume.

\(^2\) See commentaries in this volume.