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1 ARTICLE VIII OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE 1994

1.1 Text of Article VIII

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.

1.2 Text of note *Ad Article VIII*

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.

1.3 Article VIII:1(a)

1. In recent years, Working Party Reports on the accession of new WTO Members have included commitments regarding conformity with Article VIII:1(a) of the General Agreement on Tariffs and Trade 1994 (GATT 1994) in respect of the right to trade. For instance, the Working Party Report on the Accession of the Kyrgyz Republic included the following paragraph:

"The representative of the Kyrgyz Republic confirmed that from the date of accession, the Kyrgyz Republic would ensure that all of its laws and regulations relating to the right to trade in goods, and all fees, charges or taxes levied on such rights would be in full conformity with its WTO obligations, including Articles VIII:1(a), XI:1 and III:2 and 4 of the GATT 1994 and that it would also implement such laws and regulations in full conformity with these obligations. The Working Party took note of these commitments."¹

1.4 Relationship with other WTO Agreements

2. See also the documents on the Agreement on Trade Facilitation (Practice).

1.5 Relationship with other instruments

3. A communication from the World Customs Organization (WCO) discussed the obligations in the WCO instruments and their relation to Article VIII of the GATT 1994.²

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¹ [WT/ACC/KGZ/26](#), para. 30.

² [G/C/W/407](#).