

MEMORANDUM TO CABINET BY THE HON MINISTER OF FINANCE,
CUSTOMS AND PORT AND THE HON MINISTER OF COMMONWEALTH
AND FOREIGN AFFAIRS

Customs Co-operation Council

1. The Customs Co-operation Council was established under a Convention signed in Brussels on 15th December, 1950, and came into force on 4th November, 1962. Since then its importance as an International Body has been steadily growing. In fact in April 1967, it already included 52 Member countries from all parts of the world.
2. The Council is a technical body and its studies and attempts to resolve Customs problems are based on a purely technical approach. Its purpose is to improve and harmonise Customs operations and thus facilitate the development of international trade, without obligating Member countries to adopt provisions incompatible with their individual economic policies.
3. The Council is assisted by three technical committees:-
 - (a) The Valuation Committee;
 - (b) The Nomenclature Committee;
 - (c) The Permanent Technical Committee.
4. Meetings of these Committees take place twice a year, but the Council meets only once a year. During these meetings the Council examines, directs and controls the activities of the three technical committees and gives its decisions thereon.
5. Of all the benefits derived from Membership of the Council, the most important are:
 - (a) Members are entitled to call on the services of the Secretariat of the Council to answer any question of special interest to a particular country.
 - (b) They can secure direct knowledge of the Customs problems which arise in other countries and of how such problems have been solved.
 - (c) The Customs Administrations of Members shall communicate to each other any information relating to new methods or means of Customs fraud and maintain direct personal relations with a view of mutual help in detecting and suppressing Customs frauds.
 - (d) Members have the facilities for the training of their Customs officials under special schemes offered by any member countries not only to train foreign Customs officials but also to provide special short training courses specially planned to meet the needs of developing countries.

6. The obligations to which member countries bind themselves on joining the Customs Co-operation Council are relatively light in comparison to the benefits derived from such accession as explained above. These are.

(i) Annual payment of a fee of about £560. A once-for-all contribution to the Working Capital Fund would also be payable on accession amounting to approximately £54.

(ii) Members are required to give any information and documentation required by the Council concerning any Customs procedure etc. adopted in the Members' Customs Administration. Members may, however, withhold such information if such disclosure would impede the enforcement of the law, or is not in the public interest or may prejudice the legitimate commercial interest of any enterprise, public or private.

7. Members of the Council may accede, but there is no obligation to do so, to the two important Conventions -

(a) Convention on the Valuation of goods for Customs purposes, directed by the Valuation Committee;

(b) Convention on Nomenclature for the classification of Goods in Customs Tariffs, directed by the Nomenclature Committee.

8. It may be pointed out in this respect that the Malta Customs Tariff was based on the Brussels Nomenclature. It came into force on 31st August, 1964, by Act XI of 1964.

9. The activities of the Customs Co-operation Council are increasing every year and it is in the interest of developing countries to join the Council not only by reason of the advantages which their Customs Administration may derive from it, but also in order to ensure that due account is taken of their own specific needs.

10. The procedure of accession to the Council is governed by Act XVIII of the Convention under which the sole requirement is the deposit of a formal instrument with the Belgian Ministry of Foreign Affairs. A formal instrument of accession and membership will become effective from date of deposit. The instrument of accession is normally transmitted through diplomatic channels.

11. The Crown Advocate-General's Chambers have been consulted and no legal objection has been raised against Malta's proposed membership.

12. In view of the above considerations the approval of the Hon Ministers for Malta to become a Member of the Customs Co-operation Council is kindly solicited.