

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

RESTRICTED

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Committee on Customs Valuation

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INFORMATION ON IMPLEMENTATION AND
ADMINISTRATION OF THE AGREEMENT

Legislation of Norway

Supplement

The attached communication, notifying in accordance with Article 25.2 of the Agreement on Implementation of Article VII certain changes to the Norwegian Regulation on customs valuation of 3 December 1980, has been received from the delegation of Norway.

*English only

LEGISLATION OF NORWAY BASED UPON PARAGRAPH 5 IN THE INTRODUCTORY PROVISIONS
TO THE NORWEGIAN CUSTOMS TARIFF: REGULATION ON CUSTOMS VALUE ISSUED BY THE
MINISTRY OF FINANCE, 3 DECEMBER 1980

Amendment

Paragraph 11 with notes shall now read:

GOODS IN DEFECTIVE CONDITION OR NOT IN ACCORDANCE WITH ORDER,
DAMAGED OR DETERIORATED GOODS.

1. Price reductions granted for goods which are not in accordance with order (defective goods and/or goods not in conformity with order or mis-sent goods), can be taken into consideration in determining the customs value of the goods.
2. The customs value can be reduced accordingly when, in the following cases, the value of goods is reduced due to damage or deterioration:
 - (a) during their transport abroad to a locality situated within the customs territory, or
 - (b) during the period they are in custody of the customs administration, or
 - (c) while being delivered by the customs, or
 - (d) while they are sent, not yet cleared, under the customs control, or
 - (e) while in an approved warehouse for uncleared goods.

Notes to Paragraph 11

1. When the buyer/importer receives goods which are not in accordance with order, contract (e.g. other goods, goods in different shape, size, colour, design etc. or goods which are defective or faulty e.g. goods with colour shades, defects in manufacture etc.), and he agrees to keep the goods, he may obtain a price compensation from the seller. The seller stipulates the compensation taking into consideration the depreciation of the goods, the inconvenience of the buyer in receiving such goods and often grants an extra compensation in order to maintain a good business relation. The compensation can take the form of a credit note or by issuing a revised invoice with a reduced price. In both cases this will constitute an acceptable documentation for the transaction value provided the conditions in paragraph 2 are met.
2. It also happens that the seller grants the buyer a compensation for goods which have been damaged or deteriorated during the transport to the place where goods are discharged when he assumes responsibility.

It may occur in cases where the goods are sent insufficiently packed, marked etc.

Normally a depreciation of the goods which have been damaged or deteriorated during transport will be compensated by the insurance company where the goods are insured or by the responsible transporting company. The valuation of the goods which have been subject to damage or deterioration under conditions mentioned under the items (a) to (e), will have to take into consideration price reduction granted by the seller, a depreciation assessed by the insurance company or by some officially established body of assessment.