

it is accompanied by an assurance that the concession will not be nullified by an unfair system of assessing valuation for customs purposes or by formalities relating to trade. The section is intended to ensure the elimination of unfair practices in the administration of governmental requirements affecting trade. Existing practices in New Zealand are in conformity with the provisions of this section.

Article 32.—Freedom of Transit

This article provides for freedom of transit through each Member country for traffic in transit to or from other Member countries.

Article 33.—Anti-dumping and Countervailing Duties

Conditions are stipulated in which anti-dumping and countervailing duties may be used, and limits are set to their severity. Anti-dumping and countervailing duties must not be charged unless material injury is caused or threatened to an established domestic industry, or unless it would appear that dumping or overseas subsidization would prevent or materially retard the establishment of a domestic industry. Co-operation in the imposition of anti-dumping measures is also provided for when, although no injury is being occasioned to a domestic industry, another Member is resorting to dumping measures which injure the trade of a third country. The use of anti-dumping measures is restricted solely to the open imposition of dumping duty, since this is considered preferable to the imposition of other restrictions which might be difficult for the exporting Member to detect.

Article 34.—Valuation for Customs Purposes

In order that the administration of customs valuation legislation shall be free from abuses which have existed in the past in certain countries, this Article provides safeguards to ensure that the value for customs purposes of imported merchandise should be based on the actual value of the imported merchandise on which duty is assessed or of like merchandise, and should not be based on the value of merchandise of national origin or on arbitrary or fictitious values. Standard methods are also formulated for the conversion of foreign currencies for customs purposes.

Article 35.—Formalities connected with Importation and Exportation

This Article provides for consultation between Members to reduce the number and diversity of incidental fees and charges and for the simplification of import and export requirements generally. It also provides that the imposition of penalties shall be made in a fair and judicial manner, and stipulates certain services where only the fees related to the cost of such services may be charged.