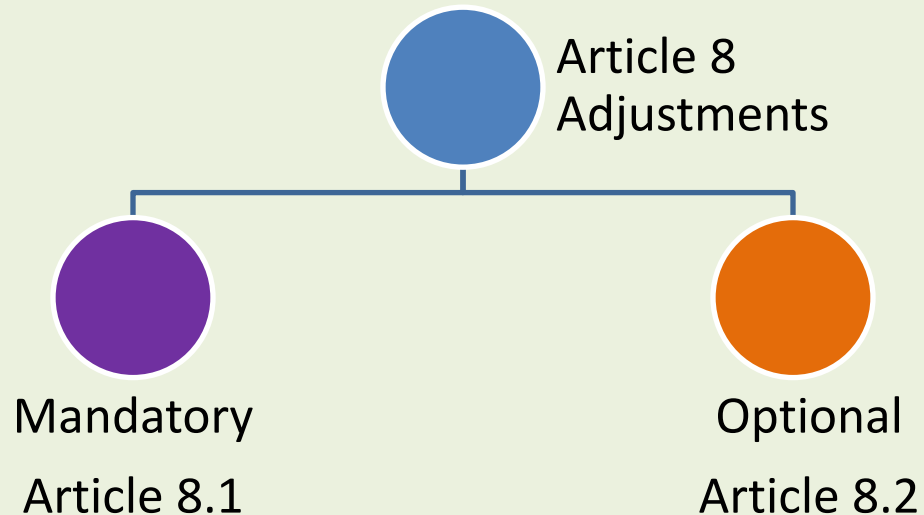
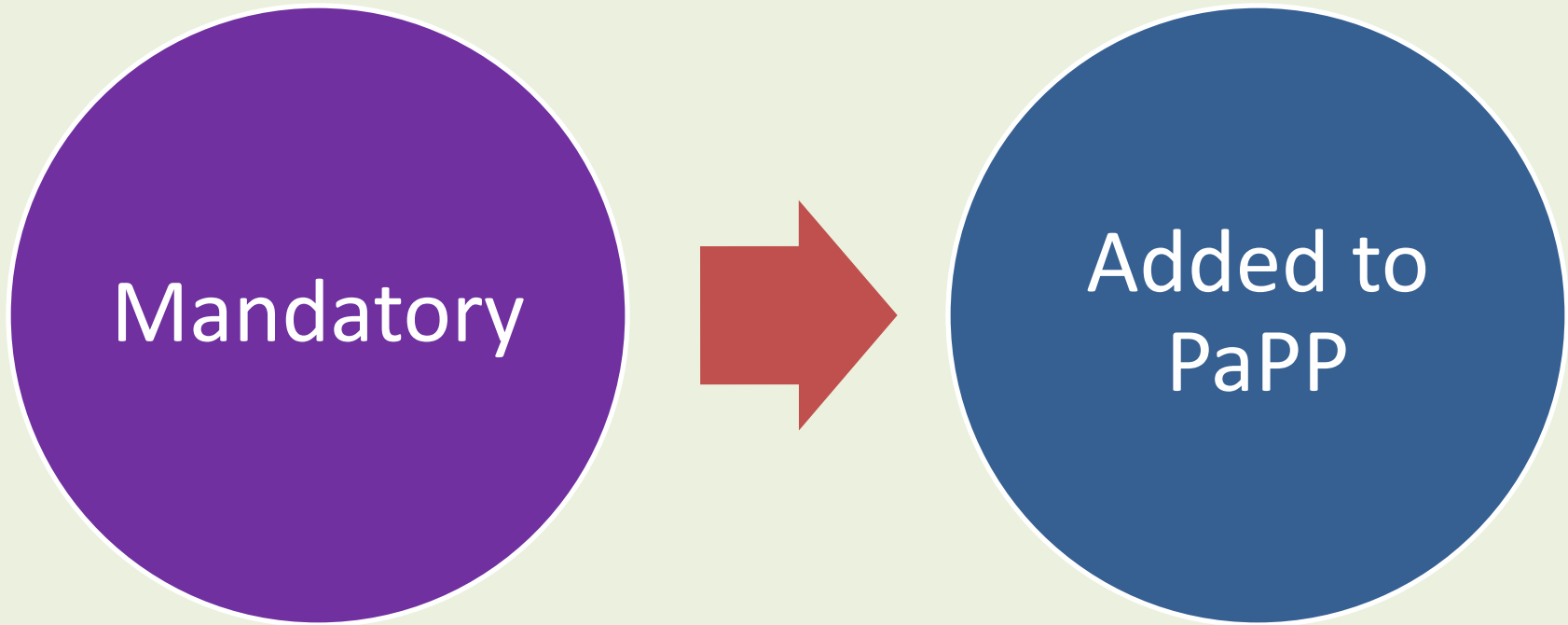


Article 8 Adjustments

- Two types

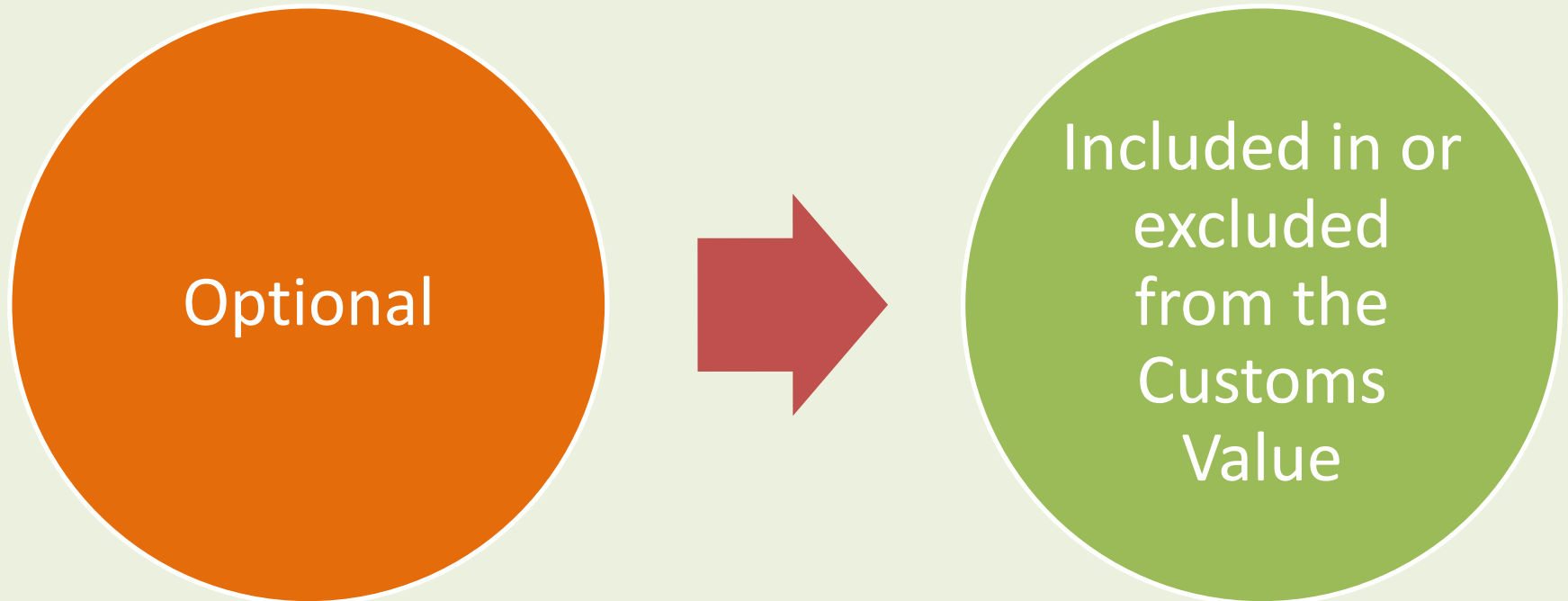


Article 8 Adjustments



- Only applicable to elements listed
- Not already included in the Price Actually Paid or Payable (PaPP)
- Objective and quantifiable data

Article 8 Adjustments



- National legislation
- In whole or in part

Mandatory adjustments Article 8.1

- Article 8.1(a)

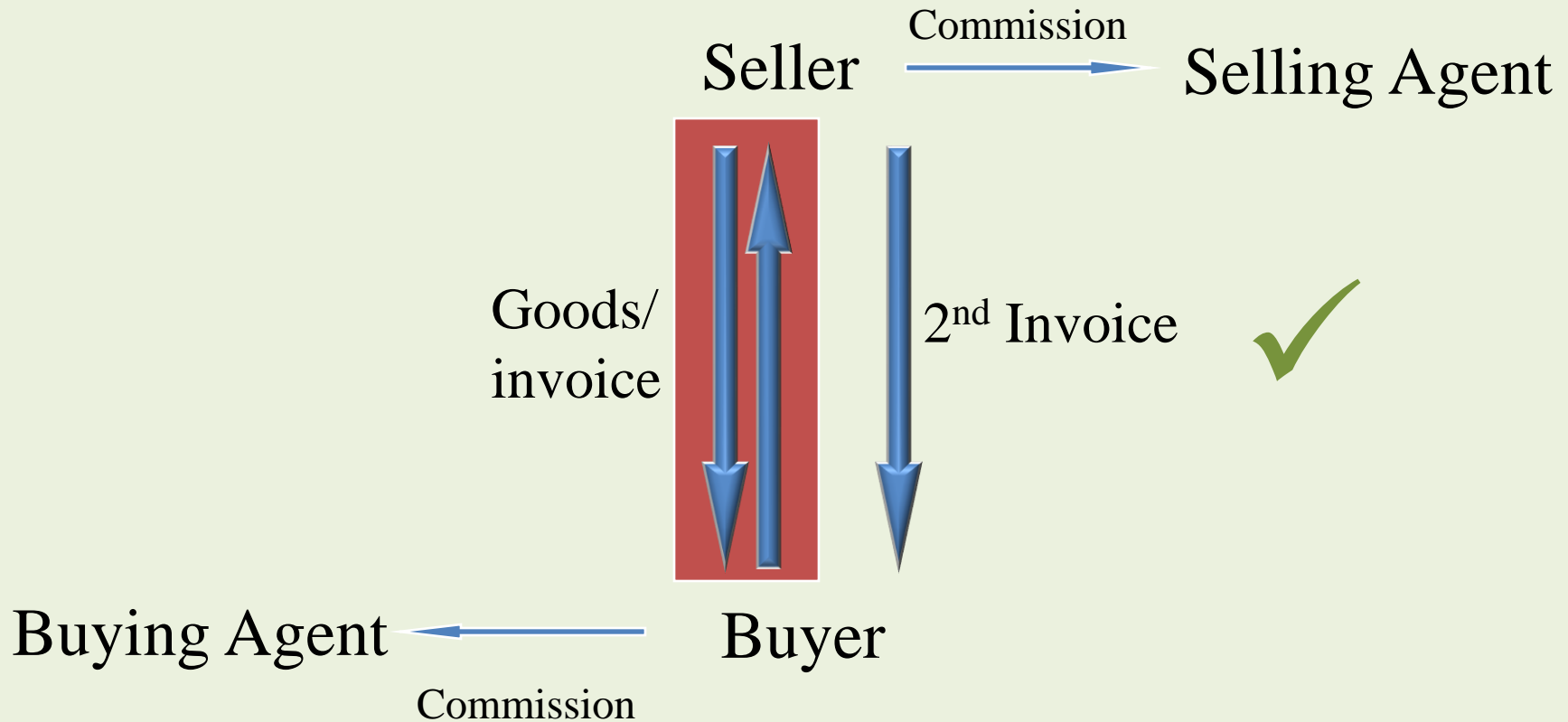
Incurred by the buyer and not included in the PaPP

(i) Commissions and brokerage (except buying commissions)

(ii) Cost of containers which are treated as being one for customs purposes

(iii) Cost of packing (materials and labour)

Commissions



Mandatory adjustments Article 8.1

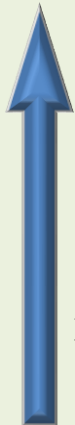
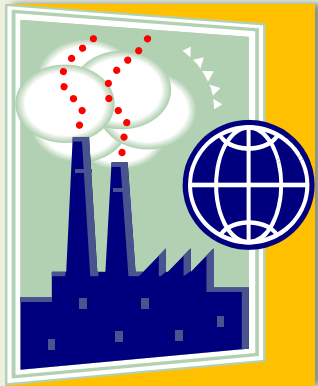
- Article 8.1(b) Assists
- Assists are goods and services supplied directly or indirectly by the buyer free of charge or at a reduced cost for use in connection with the production and sale for export of the imported goods
- To be added unless already included in the PaPP

Mandatory adjustments Article 8.1

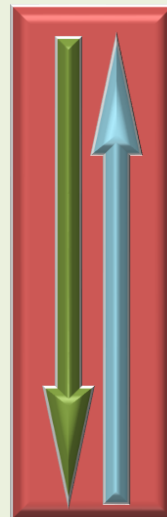
- Article 8.1(b)
- Materials , components, parts and similar items incorporated
- Tools, dies, moulds and similar items used in the production
- Materials consumed in the production
- Engineering, development, artwork, design work, plans* and sketches undertaken elsewhere than in country of importation and necessary for the production

“Assists”

Seller/Manufacturer



Supplied free/
reduced price



Goods/
invoice



Buyer/Importer



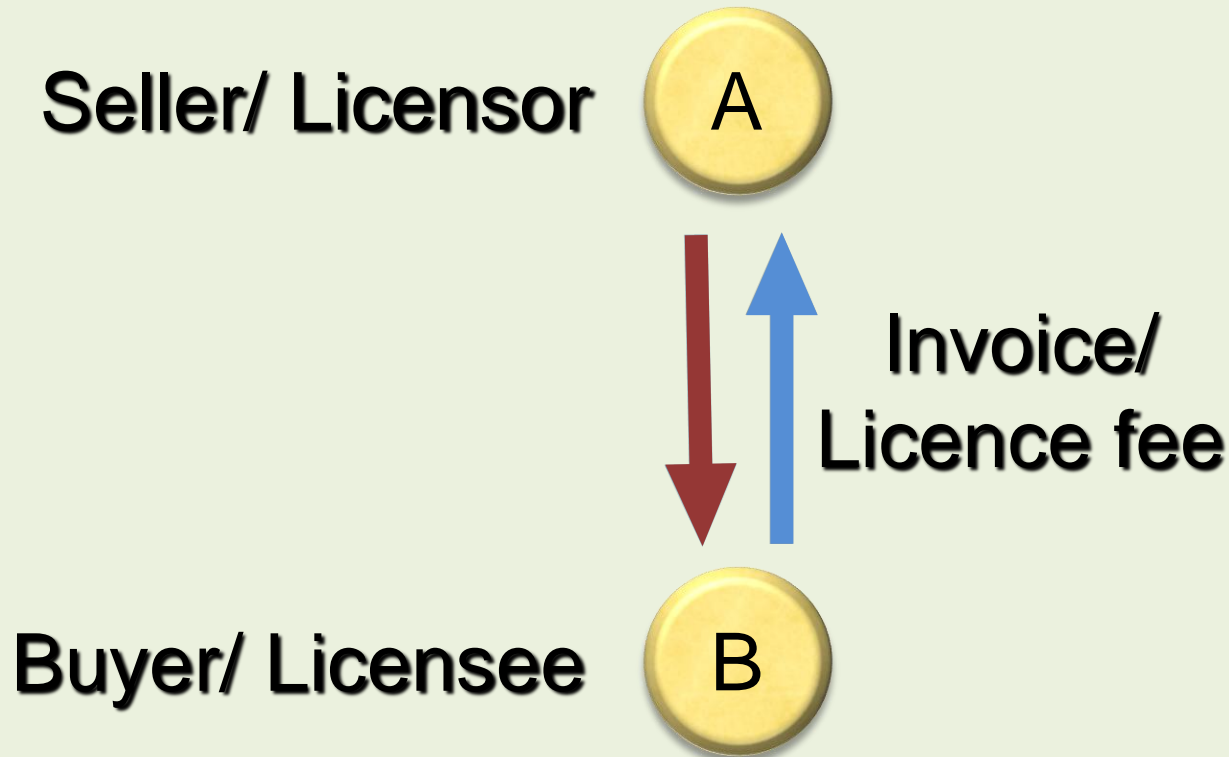
Customs Value = invoice + value of zips & buttons

Mandatory adjustments Article 8.1

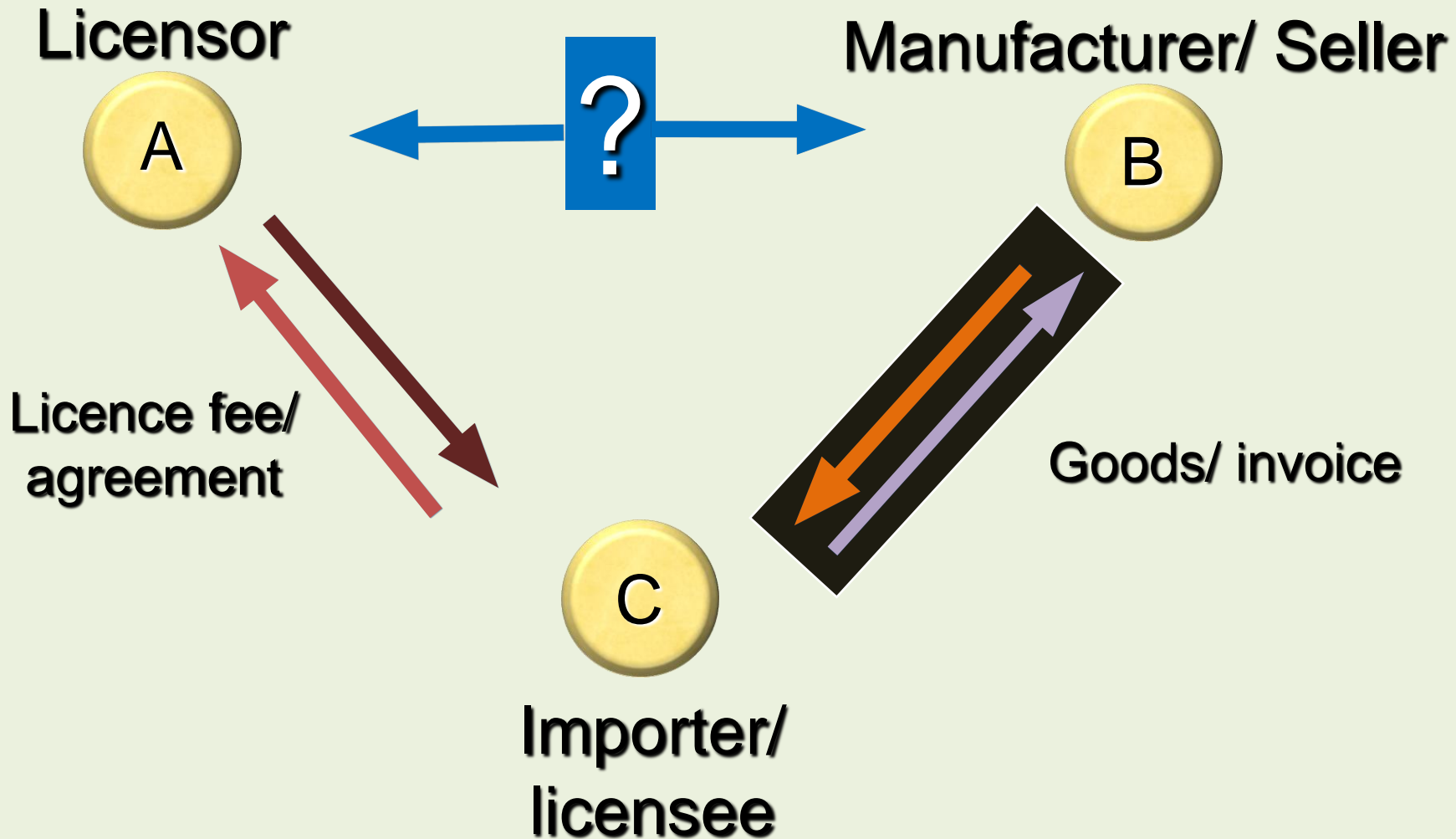
- 8.1(c) and (d)
- Royalties and licence fees related to the goods being valued
 - Paid by the buyer
 - As a condition of sale of the goods being valued
 - Royalties and fees not included in the PaPP
- Value of any part of the proceeds of any subsequent resale, disposal or use of the imported goods that accrues directly or indirectly to the seller

Royalties (Simple scenario)

“...royalties and licence fees related to the goods being valued that the buyer must pay, either directly or indirectly, as a condition of sale of the goods being valued,...”



Third Party Royalties



Optional Adjustments Article 8.2

- In framing its legislation each member shall provide for the inclusion in or exclusion from the Customs value, in whole or in part, the following:
- The cost of transport to the port or place of importation
- Loading, unloading and handling charges associated with the transport
- The cost of insurance



thank

you!!