



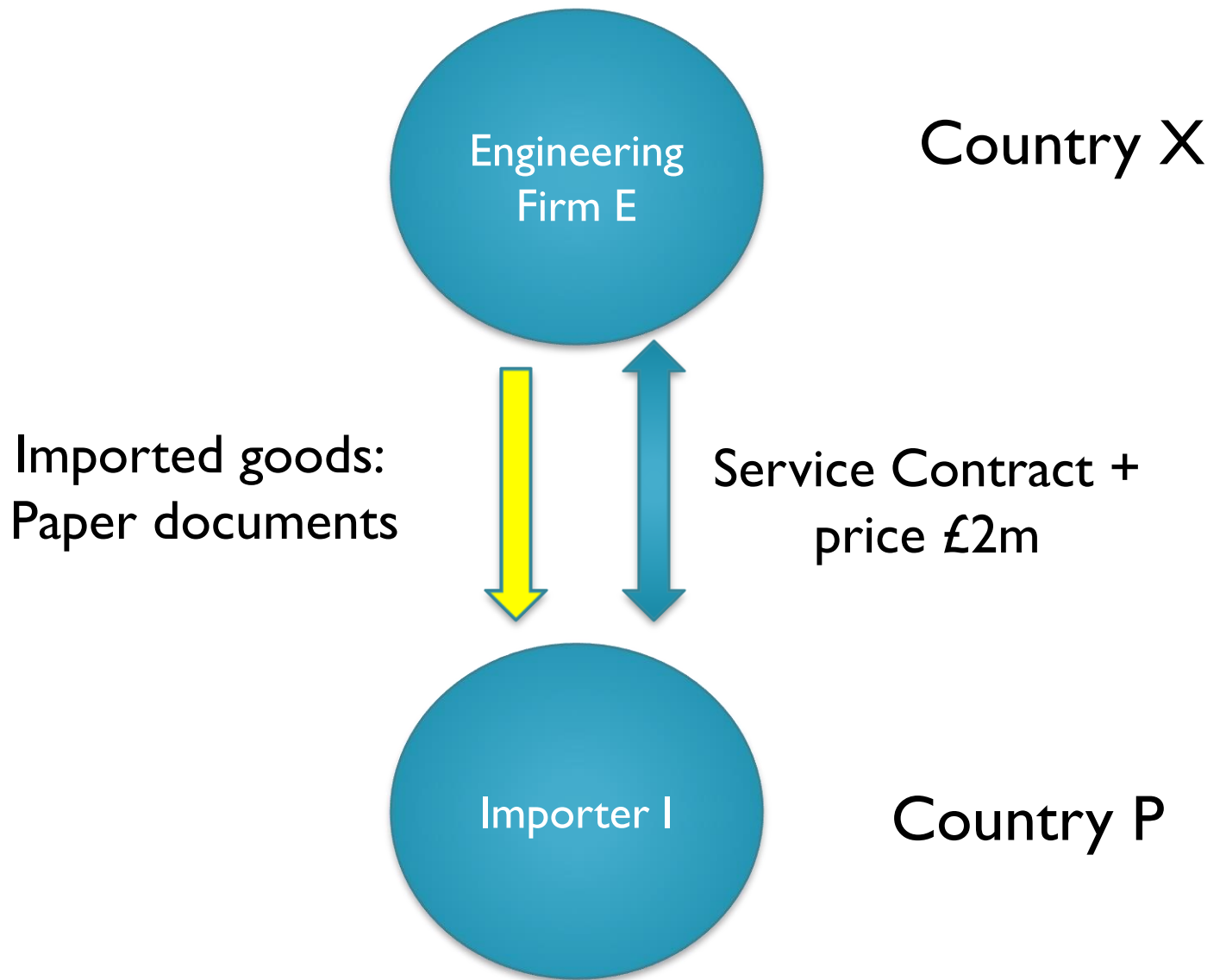
# Business Design documentation

Instrument of the Technical Committee on Customs  
Valuation :

Advisory Opinion 22.1

## Valuation of imported technical documents relating to design and development of an industrial plant

- Importer I in country P enters into a service contract with Engineering Firm E in country X for the construction of an industrial plant in country P.
- As a means of providing services needed to construct the industrial plant, the engineering designs and development plans are produced by E in paper form (“the documents”) and sent to I
- In consideration for these services, I pays the contract price to E



What is the Customs value?

Opinion of the Technical Committee :  
How should the Customs value of the documents be determined under the Agreement? (I)

- The documents in question, which are tangible, should be regarded as “goods” for which determination of the Customs value is required. No goods are imported other than the documents.
- In this case, the documents have not been sold for export to the country of importation. Accordingly, [Article 1](#) of the Agreement cannot be applied.
- Based on the facts provided, [Articles 2, 3, 5](#) and [6](#) are also not applicable. Consequently the Customs value of the imported goods should be determined under the provisions of [Article 7](#) of the Agreement.

## Opinion of the Technical Committee : How should the Customs value of the documents be determined under the Agreement? (2)

- The contract price is for the services performed for the construction of the industrial plant under the service contract and not in consideration for the imported documents. Therefore, that payment should not be taken into consideration when determining the Customs value of the documents.
- The Customs value of the documents could be determined in consultation with the importer by flexible application of Article 7 of the Agreement. E.g., on the basis of the cost directly incurred in transcribing the engineering designs and development plans onto the paper and printing of such documents.