Uruguay Round: pre-shipment inspections for exports from the Community

1994/0226(CNS) - 05/10/1994 - Legislative proposal

This proposal for a directive related to pre-shipment inspections for exports from the Community. The directive was in response to an agreement reached at the Uruguay Round negotiations, to which the Community was committed. Indeed, a certain number of developing countries, which had no adequate customs infrastructure of their own, had entrusted private companies with the task of inspecting goods intended for export to the territory of these countries, this to include a check on price, quality and quantity. This practice ("pre-shipment inspection") had not been previously regulated by Community legislation. The directive therefore provided for a certain number of principles to be applied to the practices of inspection companies, such as non-discrimination and the need for transparency (based on a procedure for prior notification of the competent authorities in the Member States and exporters). It defined in precise terms the criteria to be applied to all aspects of the inspection activity prior to shipment and a dual system was established for settling disputes between private persons, of the one part, and governments which were members of GATT, of the other part. With regard to private persons, differences between inspection companies and exporters were to be resolved by binding arbitration. As regards the national governments' compliance with the provisions of the Agreement on pre-shipment inspections, the GATT procedure for the multilateral settlement of disputes would apply in full.