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

1994/0226(CNS) - 22/12/1994 - Final act

The Council of Ministers adopted the regulation, which the Commission had initially submitted in the form of a directive, on pre-shipment inspections for exports from the Community (Regulation (EC) No 3287/94).This Regulation was in response to an agreement reached at the Uruguay Round, to which the Community was committed. The situation was that 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 so-called "pre-shipment inspection" was not previously regulated by Community legislation. The present Regulation therefore provided for a certain number of uniform principles to be applied to the practices of inspection companies operating on the customs territory of the European Community on behalf of the third countries concerned. These obligations related mainly to the requirement for transparency based on a procedure for prior notification of the Commission, which would then inform the Member States of the main provisions of contracts agreed with those governments for which the inspection programmes had been set up. The Regulation simplified the inspection procedures as far as possible, particularly with regard to price verification, and defined in precise terms the criteria to be applied to all aspects of the inspection activity prior to shipment. As regards the settlement of disagreements between exporters and inspection entities, a dual system was established for settling disputes between private persons, of the one part, and governments which are members of the WTO, of the other part. Differences between inspection companies and exporters were to be resolved by binding arbitration. As regards the national governments' compliance with the provisions of the WTO Agreement on pre-shipment inspections, the WTO procedure for the multilateral settlement of disputes would apply in full. The Community and the Member States could, if requested, provide user countries with technical assistance designed to eliminate the circumstances which lead these countries to resort to pre-shipment inspection. The Regulation was to enter into force on 01.01.1995 and would be directly applicable in all Member States. Each country would appoint an agent to be responsible for matters relating to pre-shipment inspection, whose name was to be passed on to the Commission.