



AMERICAN INSTITUTE IN TAIWAN

1700 N. Moore Street  
Suite 1700  
Arlington, Virginia 22209  
Tel: (703) 525-8474  
Fax: (703) 841-1385

November 7, 1996

Mr. Jason C. Hu  
Representative  
Taipei Economic and Cultural  
Representative Office in the U.S.  
4201 Wisconsin Avenue, N.W.  
Washington, DC 20016-2137

Dear Representative Hu:

This letter is to confirm the Agreement between the Taipei Economic and Cultural Representative Office in the United States and the American Institute in Taiwan on TECRO/AIT Carnet for the Temporary Admission of Goods which was signed on June 25, 1996, and your letter of July 16, 1996.

These documents, when taken together, shall constitute the Agreement between our two sides on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'James C. Wood', is written over the typed name and title.

James C. Wood  
Chairman of the Board  
and Managing Director

駐美國台北經濟文化代表處  
Taipei Economic and Cultural Representative Office  
in the United States

4201 Wisconsin Avenue, N.W., Washington, D.C. 20016  
Tel: (202) 895-1800

EC-85-021

July 16, 1996

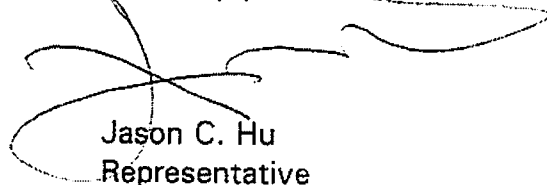
Mr. James C. Wood  
Chairman of the Board and Managing Director  
American Institute in Taiwan  
1700 N. Moore Street, # 1700  
Arlington, VA 22209

Dear Mr. Wood:

With reference to the Agreement between the Taipei Economic and Cultural Representative Office in United States and the American Institute in Taiwan on TECRO/AIT Carnet for the Temporary Admission of Goods (hereinafter referred to as the Agreement) which was signed on June 25, 1996, I have the honor, upon instruction, to inform you that "paragraph(d) of Article 1 as appears in line 2 , Article 2 of the Agreement shall read as "paragraph(e) of Article 1".

This letter and your letter of concurrence shall constitute an agreement between our two sides in this matter.

Sincerely yours,



Jason C. Hu  
Representative

AGREEMENT  
BETWEEN  
THE AMERICAN INSTITUTE IN TAIWAN  
AND  
THE TAIPEI ECONOMIC AND CULTURAL  
REPRESENTATIVE OFFICE IN THE UNITED STATES  
ON  
TECRO/AIT CARNET  
FOR THE TEMPORARY ADMISSION OF GOODS

PREAMBLE

The Taipei Economic and Cultural Representative Office in the United States (TECRO) and the American Institute in Taiwan (AIT) (hereinafter referred to as "the Contracting Parties"),

Having in mind the facilitating of the procedures for the temporary duty-free importation of goods,

Convinced that the adoption of common procedures for the temporary duty-free importation of goods would afford considerable advantages to the common commercial and cultural activities and would secure a higher degree of harmony and uniformity in the Customs systems of Contracting Parties,

Have agreed as follows:

## CHAPTER 1

### DEFINITIONS AND APPROVAL

#### Article 1

For the purpose of the present Agreement and Annex hereto, the term:

- (a) "import duties" means customs duties and all other duties and taxes payable on or in connection with importation and shall include all internal taxes and excise duties chargeable on imported goods, but shall not include fees and charges which are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to domestic products or a taxation of imports for fiscal purposes;
- (b) "temporary admission" means temporary importation free of import duties in accordance with the provisions of Article 3 of the present Agreement or by the laws and regulations in effect in the territory of importation;
- (c) "transit" means the conveyance of goods from a Customs office in the territory of a Contracting Party to another Customs office within the same territory, in accordance with the conditions laid down in the laws and regulations in effect in the territory of that Contracting Party.
- (d) "TECRO/AIT carnet" Admission Temporaire-Temporary Admission means the document reproduced as the Annex to the present Agreement;
- (e) "issuing association" means an association approved by the Customs authorities of a Contracting Party for the issue of TECRO/AIT carnets in the territory of that Contracting Party;
- (f) "guaranteeing association" means an association approved by the Customs authorities of a Contracting Party to guarantee the sums referred to in Article 6 of the present Agreement, in the territory of that Contracting Party;
- (g) "person" means both natural and legal persons, unless the context otherwise requires.

Article 2

The approval of an issuing association envisaged in paragraph (d) of Article 1 of the present Agreement may be subject, in particular, to the condition that the price of TECRO/AIT carnets shall be commensurate with the cost of services rendered.

CHAPTER II

SCOPE

Article 3

Each Contracting Party shall accept in lieu of its national Customs documents, and as due security for the sums referred to in Article 6 of the present Agreement, TECRO/AIT carnets valid for its territory and issued and used in accordance with the conditions laid down in the present Agreement for the following two categories of goods temporarily imported, unless importation of which is prohibited under laws and regulations in effect in the territory of that Contracting Party. Such goods shall go through customs formalities in force in that Contracting Party with permission of temporary exemptions from import duties and import permit(s) as demanded by the trade authorities:

- (a) professional equipment,
- (b) commercial samples and advertising material imported for the purpose of being shown or demonstrated with a view of soliciting orders.

CHAPTER III

ISSUE AND USE OF TECRO/AIT CARNETS

Article 4

1. Issuing associations shall not issue TECRO/AIT carnets with a period of validity exceeding one year from the date of issue. They shall indicate on the cover of the TECRO/AIT carnet the country (or region) in which it is valid and the name and the address of the corresponding guaranteeing association.
2. Once a TECRO/AIT carnet has been issued no extra item shall be added to the list of goods enumerated on the reverse of the front cover of the carnet, or on any continuation sheets annexed thereto (General List).

Article 5

The period fixed for the re-exportation of goods imported under cover of a TECRO/AIT carnet shall not in any case exceed the period of validity of that carnet.

CHAPTER IV

GUARANTEE

Article 6

1. Each guaranteeing association shall undertake to pay to the Customs authorities of the territory in which it is established the amount of the import duties and any other sums payable in the event of non-compliance with the conditions of temporary admission, or of transit, in respect of goods introduced into that territory under cover of TECRO/AIT carnets issued by a corresponding issuing association. It shall be liable jointly and severally with the persons from whom the sums mentioned above are due, for payment of such sums without protest.
2. The liability of the guaranteeing association shall not exceed the amount of the import duties by more than ten percent.
3. When the Customs authorities of the territory of importation have unconditionally discharged a TECRO/AIT carnet in respect of certain goods they can no longer claim from the guaranteeing association payment of the sums referred to in paragraph 1 of this Article in respect of these goods. A claim may nevertheless still be made against the guaranteeing association if it is subsequently discovered that the discharge of the carnet was obtained improperly or fraudulently or that there had been a breach of the conditions of temporary admission or of transit.
4. Customs authorities shall not in any circumstances require from the guaranteeing association payment of the sums referred to in paragraph 1 of this Article if a claim has not been made against the guaranteeing association within a year of the date of expiry of the validity of the carnet.

CHAPTER V

REGULARIZATION OF TECRO/AIT CARNETS

Article 7

1. The guaranteeing association shall have a period of six months from the date of the claim made by the Customs authorities for the sums referred to in paragraph 1 of Article 6 of the present Agreement in which to furnish proof of the re-exportation of the goods under the conditions laid down in the present Agreement or of any other proper discharge of the TECRO/AIT carnet.
2. If such proof is not furnished within the time allowed the guaranteeing association shall forthwith deposit, or pay provisionally, such sums. This deposit or payment shall become final after a period of three months from the date of the deposit or payment. During the later period the guaranteeing association may still furnish the proof referred to in the preceding paragraph with a view to recovery of the sums deposited or paid.
3. Either Contracting Party whose laws and regulations do not provide for the deposit or provisional payment of import duties, payments made in conformity with the provisions of the preceding paragraph shall be regarded as final, but the sums paid shall be refunded if the proof referred to in paragraph 1 of the Article is furnished within three months of the date of the payment.

Article 8

1. Evidence of re-exportation of goods imported under cover of a TECRO/AIT carnet shall be provided by the re-exportation certificate completed in that carnet by the Customs authorities of the territory into which the goods were temporarily imported.
2. If the re-exportation of goods has not been certified in accordance with paragraph 1 of this Article, the Customs authorities of the territory of importation may, even if the period of validity of the carnet has already expired, accept as evidence of re-exportation of the goods:

- (a) the particulars entered on a voucher which has been detached from the carnet on importation into the territory of the other Contracting Party, provided that the particulars relate to an importation which can be proved to have taken place after the re-exportation which it is intended to establish;
  - (b) any other documentary proof that the goods are outside that territory.
3. In any case in which the Customs authorities of Contracting Party waive the requirement of re-exportation of certain goods admitted into their territory under cover of a TECRO/AIT carnet, the guaranteeing association shall be discharged from its obligations only when those authorities have certified in the carnet that the position regarding those goods has been regularized.

#### Article 9

In the cases referred to in paragraph 2 of Article 8 of the present Agreement, the Customs authorities shall have the right to charge a regularization fee.

### CHAPTER VI

#### MISCELLANEOUS PROVISIONS

#### Article 10

Customs certificate on TECRO/AIT carnets used under the conditions laid down in the present Agreement shall not be subject to the payment of charges for Customs attendance at Customs offices and posts during the normal hours of business.

#### Article 11

In the case of the destruction, loss or theft of a TECRO/AIT carnet while the goods to which it refers have been exported to the territory of one of the Contracting Parties, the Customs authorities of that Contracting Party shall, at the request of the issuing association and subject to such conditions as those authorities may prescribe, accept a replacement document, the validity of which expires on the same date as that of the carnet which it replaces.



Article 12

1. When goods temporarily imported cannot be re-exported as a result of a seizure, other than a seizure made at the suit of private persons, the requirement of re-exportation shall be suspended for the duration of the seizure.
2. The Customs authorities shall, so far as possible, notify the guaranteeing association of seizures of goods admitted under cover of TECRO/AIT carnets guaranteed by that association and shall advise it of the measures they intend to take.

Article 13

TECRO/AIT carnet or parts of TECRO/AIT carnets intended to be issued in the territory into which they are imported and which are sent to an issuing association by a corresponding foreign association, by an international organization or by the Customs authorities of a Contracting Party, shall be admitted free of import duties and free of any import prohibitions or restrictions. Corresponding facilities shall be granted at exportation.

Article 14

For the purposes of the present Agreement the territories of Contracting Parties which include customs territories and possessions may be taken to be a single territory.

The Customs territories represented by the American Institute in Taiwan include the 50 states, the District of Columbia and Puerto Rico.

The Customs authorities of the Contracting Parties shall be obliged to observe the present Agreement to which they have acceded.

Article 15

In the event of fraud, contravention or abuse, the Contracting Parties shall, notwithstanding the provisions of the present Agreement, be free to take proceedings against persons using TECRO/AIT carnets, for the recovery of the import duties and other sums payable and also for the imposition of any penalties to which such persons have rendered themselves liable. In such cases, the associations shall lend their assistance to the Customs authorities.

Article 16

The Annex to the present Agreement shall be construed to be an integral part of the Agreement.

Article 17

The provisions of the present Agreement set out the minimum ones to be accorded and do not prevent adding more provisions when necessary to facilitate implementation of the TECRO/AIT Carnet System.

CHAPTER VII

FINAL PROVISIONS

Article 18

An agreement based on the principles of this Agreement shall be made between the guaranteeing associations of the Contracting Parties to prescribe their rights and obligations.

Article 19

1. The Contracting Parties shall meet together when necessary in order to consider the operation of the present Agreement and in particular in order to consider measures to secure uniformity in the interpretation and application of the present Agreement.
2. The Contracting Parties shall lay down the rules of procedure for their meetings.
3. This Agreement may, at the request of either Party, be revised by mutual consent.

Article 20

Any dispute between Contracting Parties concerning the interpretation or application to the present Agreement shall be settled by negotiation between them.

Article 21

1. This Agreement shall come into force on the date of signature thereof and shall remain in force until the expiry of 90 days from the date on which either of the Contracting Parties shall have given the other party notice in writing of its intention to terminate the Agreement.
2. Any revision of this Agreement, or the termination thereof, shall be effected without any prejudice to any rights or obligations accruing or incurred under this Agreement prior to the effective date of such revision or termination.

In witness whereof the undersigned, duly authorized for this purpose, have signed this Agreement.

FOR  
THE AMERICAN INSTITUTE  
IN TAIWAN

FOR  
THE TAIPEI ECONOMIC AND CULTURAL  
REPRESENTATIVE OFFICE IN THE  
UNITED STATES

*James C. Wood*  
\_\_\_\_\_  
NAME  
*Chairman and Managing  
Director*  
\_\_\_\_\_  
TITLE  
\_\_\_\_\_  
DATE  
*June 25, 1996*

*[Signature]*  
\_\_\_\_\_  
NAME  
*Representative*  
\_\_\_\_\_  
TITLE  
*June 25, 1996*  
\_\_\_\_\_  
DATE