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Geneva, November 26th, 1932.

LEAGUE OF NATIONS

COMMUNICATIONS AND TRANSIT ORGANISATION

**Comparative Study of the Laws in the Various European Countries
governing the Question of Customs Exemption
for Liquid Fuel used by Motor Vehicles in Traffic by Land,
River, Sea and Air.**

The question of Customs exemption for liquid fuel used by motor vehicles crossing the frontier was raised by the German representative on the Commission of Enquiry for European Union during its session of May 1931. The proposal submitted to the Commission in this connection by the German representative was as follows :

“ Recent years have witnessed an extraordinary growth in the use of motor transport in European traffic, by land, water and air alike. On the road, the motor is predominant for the conveyance of both passengers and goods ; in waterborne traffic, whether by sea or inland waterways, there has been a constant increase in the equipment of vessels with motors ; air transport has so far been confined exclusively to motor-driven craft.

“ The provisions at present in force in the various European States as regards the Customs clearance of motor fuel for transport crossing the frontiers have failed to keep pace with the rapid growth of traffic ; moreover, they differ in almost all countries. To facilitate traffic between the European States it would be desirable to have uniform regulations for Europe, such regulations to take equal account of modern traffic requirements and of the fiscal interests of the European countries.

“ The German Government accordingly considered that it should place this issue before the Commission of Enquiry for European Union.

“ It proposes, with a view to the further examination of the question :

“ (1) That the Communications and Transit Committee of the League be instructed to study the matter further, in consultation, if necessary, with the Economic Committee ;

“ (2) That the Governments of the States represented on the Commission of Enquiry for European Union be requested to send to the Secretariat information concerning the relevant regulations at present in force in the different countries.”

The Commission of Enquiry for European Union examined this proposal and adopted the following resolution :

“ The Commission of Enquiry requests the Council to ask the Communications and Transit Organisation to study this question, if necessary in collaboration with the Economic Organisation, and invite the States Members of the Commission of Enquiry to forward to the Secretariat the documentary material relating to the regulations applied in this connection in the different countries.”

This resolution was approved by the Council and transmitted to the Advisory and Technical Committee for Communications and Transit, which dealt with the question at its sixteenth session in May and June 1931, and adopted the following resolution :

“ The Advisory and Technical Committee,

“ Having received the request of the Commission of Enquiry for European Union, approved by the Council at its meeting of May 22nd, 1931, concerning Customs exemption for liquid fuel :

“ Considers it desirable that the States represented on the Commission of Enquiry should forward to the Secretariat, in addition to documentation with regard to the regulations applied in the different countries, all information or observations which these

States may desire to submit on this question. The same request will also be addressed to the International Air Navigation Commission, the International Air Traffic Association, the International River Commissions, the International Shipping Conference, the International Association of Recognised Automobile Clubs, the International Tourist Alliance, the International Commercial Motor Transport Federation and the International Chamber of Commerce.

“ The Chairman of the Committee is requested to set up in due course for the study of this question a special committee to which the documentation collected will be transmitted.”

In accordance with this resolution, and with a view to collecting the material to be submitted to the above-mentioned special committee, the Secretariat asked the Governments of the States Members of the Commission of Enquiry for European Union and the international organisations enumerated in the Advisory and Technical Committee's resolution to supply the information referred to in that resolution. In addition, in later requests which were made in several cases, the Secretariat indicated the supplementary information which still appeared to be necessary.

The Governments of all the States in question have sent their replies to the Secretariat, as have all the international organisations mentioned above, with the single exception of the International Commercial Motor Transport Federation.

Below will be found the material provided by these various replies. It is presented separately for the four categories of traffic affected : (I) Land Traffic ; (II) River Traffic ; (III) Maritime Traffic ; (IV) Air Traffic.

The reason for adopting this mode of presentment is that the study to be undertaken will probably bear on each of these four categories separately, and that the conclusions reached and the consequences ensuing therefrom may be different in these various domains.

For each of the four categories, the replies of the different States are indicated separately and given in the form of summaries containing all the essential details. In cases in which the reply of an international organisation gives certain particulars supplementing the information on the same subject contained in the reply of a State, these particulars are placed after the information provided by that State with a mention of the source.

Lastly, in order to take into account the passage in the above-mentioned resolution of the Advisory and Technical Committee in which the States were requested to forward, in addition to documentation with regard to the regulations applied in the different countries, all information or observations which these States might desire to submit on this question, a last chapter entitled “ Suggestions and General Observations ” contains the various replies received in this connection. The indications which appear therein should enable the special committee to judge of the intentions of the different countries—particularly as regards any amendments of their present regulations which they might be prepared to accept in given circumstances—and to obtain a better idea of the possibilities of arriving at agreements on the subject. It must be admitted, however, that the majority of States give no indications to this effect in their replies ; on the other hand, comparatively numerous data are contained in the replies of the different international organisations.

In the last chapter, the replies are given for each State and international organisation, but without division by category of traffic. The reason for this is that a large number of these suggestions or observations were made in a general form in the various replies. When, however, they were submitted separately for the different categories of traffic, mention is made of this in the summary.

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Genève, le 22 août 1933.

SOCIÉTÉ DES NATIONS

ORGANISATION DES COMMUNICATIONS ET DU TRANSIT.

Etude comparative des législations régissant, dans les différents pays d'Europe, la question de la franchise douanière pour les carburants utilisés par les véhicules à moteur dans le trafic terrestre, fluvial, maritime et aérien.

ADDENDUM.

**COMMUNICATION DU GOUVERNEMENT DE SA MAJESTÉ DANS LE
ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD.**

Foreign Office,
Londres, le 17 août 1933.

"Me référant au document de la Société des Nations No.C.805.M.373.1932, du 26 novembre, concernant la franchise douanière pour les carburants, j'ai l'honneur, d'ordre du principal Secrétaire d'Etat de Sa Majesté aux Affaires étrangères, de vous demander de bien vouloir procéder à certaines rectifications concernant les renseignements relatifs à la situation du Royaume-Uni en cette matière.

"2. En raison du nouveau droit frappant les huiles lourdes en vertu du "Finance Act, 1933", je suis chargé de vous demander de supprimer les mentions spéciales relatives aux huiles lourdes qui figurent dans les notes, sous la rubrique "Royaume-Uni", aux pages 3 (alinéa b), 7 (alinéa b), 11 (alinéa b) et 14 (alinéa c) dudit document.

"3. Je suis également chargé de demander la suppression des trois premières lignes suivant immédiatement la rubrique "Royaume-Uni" à la page 7 du même document.

"(signé) P. LEIGH SMITH."

LEAGUE OF NATIONS

ORGANISATION FOR COMMUNICATIONS AND TRANSIT.

Comparative Study of the Laws in the Various European Countries governing the Question of Customs Exemption for Liquid Fuel used by Motor Vehicles in Traffic by Land, River, Sea and Air.

ADDENDUM.

**COMMUNICATION FROM HIS MAJESTY'S GOVERNMENT IN THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND.**

Foreign Office,
London, August 17th, 1933.

"With reference to League document No. C.805.M.373.1932. of the 26th November concerning customs exemption for liquid fuel, I am directed by His Majesty's Principal Secretary of State for Foreign Affairs to request that certain amendments may be made in regard to the information which concerns the position of the United Kingdom in this matter.

"2. In view of the imposition of the new duty on heavy oils under the Finance Act, 1933, I am to request that the separate references to heavy oils in the notes under the heading of the United Kingdom on pages 3 [paragraph (b)], 7 [paragraph (b)], 11 [paragraph (b)], and 14 [paragraph (c)] of this document should be deleted.

"3. I am also to request that the first two lines immediately following the heading "The United Kingdom" on page 7 of this document may also be deleted.

"(signed) P. LEIGH SMITH".

I. LAND TRAFFIC.

Albania.

The Government's reply states that liquid fuel is subject to a monopoly and that, in virtue of the law on monopolies, motor vehicles may import, duty free, a quantity of liquid fuel not exceeding 25 kilogrammes for driving these vehicles.

Germany.

(a) Freedom from Customs duty is granted in respect of motor spirit contained in the tank up to a maximum of 20 litres, or in respect of greater quantities in cases in which such quantities have previously been taken out of the country by the vehicle in question; nevertheless, in cases of long distance touring, exemption is granted for the whole of the contents of ordinary tanks.

(b) Exemption is granted for all oil contained in the engine and for a spare tin of 1 kilogramme; it is also granted for grease used for the direct greasing of the vehicle.

The *I.A.R.A.C. (International Association of Recognised Automobile Clubs)* states, *inter alia*, in its reply that foreign motorists proceeding to Germany for the week-end and not utilising their vehicles for commercial purposes may import, duty free, the quantity of petrol contained in the vehicle's tank, even if this quantity is in excess of 20 litres. They may enter in these conditions as from Friday night.

Austria.

Exemption from Customs duty and all other taxes is granted in respect of all liquid fuel contained in the ordinary tanks of vehicles temporarily entering the country. These tanks may be quite full when the frontier is crossed. On the other hand, liquid fuel contained in spare tins is subject to duty.

Belgium and Luxemburg.

(Belgo-Luxemburg Customs Union.)

As regards motor vehicles, exemption is granted in respect of all the contents of ordinary tanks, if such fuel is introduced *bona fide* and not for speculative purposes. On the other hand, the contents of tins are liable to duty.

The United Kingdom.

(a) Dutiable liquid fuel imported with motor vehicles and intended for their use is admitted free of duty, provided the quantity is "reasonable" and provided it is retained on board.

(b) Heavy oils employed by vehicles propelled by Diesel engines are always admitted free of duty.

(c) In the case of liquid fuel containing alcohol supplementary duties are charged.

The *I.A.R.A.C.* states in its reply with regard to the United Kingdom that a small quantity of petrol may only be left in vehicles when they are transported by certain cargo boats. Vehicles transported by steamer must be emptied of all fuel.

Bulgaria.

Exemption is granted for liquid fuel carried by motor vehicles crossing the frontier.

Denmark and Iceland.

1. Denmark.

(a) No import duties are charged as a rule for liquid fuel.

(b) The quantities of liquid fuel carried for its own consumption on a vehicle coming from abroad are also exempted for the excise duty on petrol, when they are considered reasonable by the Customs.

The *I.A.R.A.C.* states in its reply that exemption is granted in respect of liquid fuel contained in the motor vehicle's tank.

2. Iceland.

(a) Liquid fuel carried by motor vehicles for their own consumption is admitted free of duty on importation.

(b) Liquid fuel imported into the country separately for consumption by foreign motor vehicles pays Customs duty.

Spain.

The reply states that, in the case of land transport, the Decree applicable to liquid fuel permits the importation, duty free, of fuel and oil contained in the ordinary tanks of motor vehicles, whose capacity is fixed by this Decree.

The same Decree provides that petrol, gasoline, petroleum and lubricants imported in tins or other receptacles which are not the ordinary tanks belonging to the vehicle will be subject to the Customs duties in force.

Estonia.

The reply, which is of a general character, states that exemption is granted in respect of three days' supply of liquid fuel and lubricants carried by vehicles crossing the frontier.

Finland.

(a) Exemption is granted in respect of the quantities of liquid fuel contained in the tanks of vehicles coming from abroad.

(b) The duties on liquid fuel carried on leaving the country are not refunded.

The *I.A.R.A.C.* states in its reply that exemption is granted for the petrol contained by the vehicle on arrival.

France.

(a) Exemption is granted in respect of liquid fuel (other than that with an alcohol base) contained in ordinary tanks; nevertheless, this facility is only granted for tourist vehicles and does not apply to commercial vehicles.

(b) All liquid fuel with an alcohol base, as well as other liquid fuel if contained in tins, is liable to duty.

(c) In practice, commercial vehicles only pay duty on the liquid fuel necessary for the part of their journey to be effected in French territory, but on condition that the rest should be re-exported, and subject to reciprocity.

The *I.A.R.A.C.* adds in its reply that a spare tin of petrol may be taken out of France and re-imported should it not have been consumed abroad.

Greece.

The reply states that the Customs exemption granted in principle to liquid fuel used by motor vehicles crossing the Greek frontier only applies to the liquid fuel contained in the ordinary tanks of the vehicle—*i.e.*, those which form an integral part of the latter; spare tins, etc., are therefore excluded.

Hungary.

The reply reproduces a general provision of the Customs law, which stipulates, *inter alia*, that means of transport—*i.e.*, railway, road, water and air vehicles which cross the Customs frontier—including their liquid fuel, are exempt from Customs duty in cases in which it is clear that there is no intention of permanent import or export and that it is not desired to evade the Customs provisions.

The *I.A.R.A.C.* states in its reply that exemption is granted in respect of petrol contained in the tanks of vehicles.

Irish Free State.

(a) Customs exemption is granted on arrival in respect of liquid fuel imported by the vehicle for its own use on condition that the quantity is reasonable and that it is not unladen.

(b) Exemption from the duties applicable to liquid fuel is granted in respect of the quantities laden on the vehicle's departure for abroad, for its own use.

The *I.A.R.A.C.* states in its reply regarding the Irish Free State that the shipping companies only authorise the transport in the tanks of motor vehicles of the quantity of petrol required to take the vehicle to the nearest petrol station—*i.e.*, about 9 litres.

Italy.

Exemption is granted for liquid fuel contained in ordinary tanks. That contained in tins is liable to duty.

Latvia.

The reply, which is of a general character, is negative and states that, for fiscal reasons and in order to protect the home liquid fuel industry, it is not possible to admit liquid fuel duty free.

The *I.A.R.A.C.* states in its reply that there are no special regulations limiting the quantity of petrol imported, duty free, in the tanks of motor vehicles.

Lithuania.

The reply, which is of a general character, enumerates the Customs taxes to which the various kinds of liquid fuel are subject on import into Lithuania. Otherwise, there are no special restrictions imposed on such import. The reply also states that the import of liquid fuel by vehicles and for the needs of these vehicles is exempt from Customs duty.

The *I.A.R.A.C.* states in its reply that exemption is granted in respect of liquid fuel contained in the tanks.

Norway.

(a) The reply states that liquid fuel (oils and petrol) pays no Customs duty.

(b) Nevertheless, a special tax is levied on petrol or mixtures wherein petrol is an essential part but used for motor vehicles, whether imported into or produced in Norway.

(c) Liquid fuel carried from abroad by motor vehicles for their own use is admitted duty free up to a maximum of 200 litres.

Netherlands.

Liquid fuel contained in motor vehicles at the time of their arrival in Netherlands territory, in so far as the quantity does not exceed normal travelling requirements, is admitted duty free without other formal restriction of the quantity imported.

The *I.A.R.A.C.* states in its reply that exemption is granted as a general rule for the quantities of petrol necessary for the journey, each case being considered separately.

Poland.

The reply refers to a Decree of 1926 which stipulates that exemption is granted in respect of adequate quantities of petrol introduced with the vehicle.

The *I.A.R.A.C.* states in its reply that exemption is granted in respect of liquid fuel contained in the tanks of the vehicles and in spare tins.

Portugal.

Exemption is granted in respect of petrol imported in the ordinary tanks of motor vehicles, except in certain cases of minor frontier traffic owing to the possibility of smuggling.

Roumania.

The reply states that, as regards motor traffic, exemption is only granted in respect of the quantities contained in the tanks.

Sweden.

Exemption from Customs duties and other taxes is granted in respect of the supply of petrol and other supplies imported by vehicles with a view to their propulsion and for use thereon.

The *I.A.R.A.C.* states in its reply that exemption is granted in respect of quantities of liquid fuel judged reasonable by the Customs.

Switzerland.

(a) Exemption from Customs and monopoly duties is granted in respect of liquid fuel introduced on motor vehicles in their ordinary tanks and used for their propulsion, on condition that there are no abuses, and subject to reciprocity.

(b) On the other hand, liquid fuel contained in special receptacles (tins) is liable to Customs duty.

(c) Certain restrictions are, however, imposed on traffic in the frontier zone within a radius of 10 kilometres.

Czechoslovakia.

(a) Exemption is granted in respect of "suitable" quantities of liquid fuel intended for consumption during the journey but contained solely in the ordinary tank.

(b) Quantities in excess of those indicated above, as well as quantities obtained in Czechoslovak territory, are liable to duty.

The *I.A.R.A.C.* states in its reply that exemption is granted in respect of liquid fuel contained in the tanks of vehicles.

Turkey.

Exemption is granted in respect of liquid fuel carried by vehicles which enter Turkey from abroad and return thither, on condition, however, that this fuel is not unladen in the country.

The *I.A.R.A.C.* states in its reply that exemption is granted in respect of all the contents of the tanks of vehicles and of their spare tins.

Union of Soviet Socialist Republics.

The reply of this country, which is of a general character, states that the Government, while reserving the question of the technical details of applying this exemption, sees no objection to the admission free of duty at the frontier of liquid fuel employed by motor vehicles travelling by land, water or air, not exceeding the quantity capable of being contained in the ordinary tank of the engine. As regards lubricants, the quantity admitted duty free must not exceed 10 kilogrammes.

Yugoslavia.

The liquid fuel utilised by motor vehicles is admitted free of duty on crossing the frontiers by land.

The *I.A.R.A.C.* states in its reply that exemption is granted in respect of liquid fuel contained in the tanks of vehicles.

II. RIVER TRAFFIC.

Albania.

The Albanian Government's reply states that liquid fuel is subject to a monopoly, but that the law contains no definite provisions as regards the quantity of liquid fuel admitted free of Customs duty on motor vessels and intended for their propulsion. Nevertheless, this quantity may not be greater than that required to cross the territory of the kingdom.

Germany.

Customs exemption is granted in respect of :

(a) Liquid fuel and lubricants imported by vessels as a means of propulsion, but not consumed in Germany and subsequently re-exported ;

(b) Liquid fuel laden on vessels on the Rhine, but intended for consumption abroad ;

(c) Liquid fuel carried on vessels in direct transit through German territory, without change of loading, in the quantities necessary to effect this journey in transit ;

(d) The quantity of liquid fuel carried on board vessels crossing the German frontier and necessary for a journey of forty-eight hours.

The *Central Rhine Navigation Commission* communicates in its reply the text of a resolution adopted by it on April 8th, 1930, which contains a statement by the German delegation defining the system at present in force on the section of the Rhine which flows through German territory. This statement contains the following passage :

" The supplies on board are admitted duty free on tugs crossing Germany, provided their train of barges or the loads of these trains are not modified, and on barges and cargo boats crossing Germany, provided their load is not modified."

Austria.

Exemption from Customs duties and all other taxes is granted in respect of all liquid fuel contained in the ordinary bunkers of vessels temporarily entering the country. These bunkers may be quite full on crossing the frontier. On the other hand, liquid fuel contained in special separate receptacles is liable to duty.

The *International Danube Commission* communicates the reply which it has received from the Austrian Government stating that complete exemption is granted in respect of liquid fuel in bunkers in the case of transport in transit or traffic with foreign countries.

Belgium and Luxemburg.

(Belgo-Luxemburg Customs Union.)

(a) As regards motor-boats, exemption is granted in respect of all the contents of ordinary tanks if such fuel is introduced *bona fide* and not for speculative purposes. On the other hand, the contents of tins are liable to duty.

(b) At present, liquid fuel for the engines of vessels is exempt from duty whether imported as merchandise or as supplies for the vessel.

(c) Under the previous system (1926 to 1930) exemption was granted in respect of liquid fuel supplies up to the maximum required for the journey as far as the inland terminus and back. The reply states that, if duties were reintroduced, this latter exemption would again be granted.

The United Kingdom.

The reply contains no special information on inland navigation. Nevertheless, the general clauses indicated for navigation appear to apply also to inland navigation :

(a) Dutiable liquid fuel imported on ships and intended for their use is admitted free of duty, provided the quantity is "reasonable" and provided it is retained on board.

(b) Heavy oils employed by ships propelled by Diesel engines are always admitted free of duty.

(c) In the case of liquid fuel containing alcohol, supplementary duties are charged.

(d) In the case of foreign-going ships the duty paid on oil loaded for use on the voyage is refunded or, alternatively, such oil may be delivered under bond without payment of duty.

Bulgaria.

The reply states that Customs exemption is granted in respect of surplus fuel carried by foreign vessels calling at Bulgarian ports. Should these vessels supply themselves with liquid fuel from private stations during their call, a tax of 1 per cent is chargeable on the value of the fuel, in addition to statistical and weighing fees.

The *International Danube Commission* communicates the reply which it has received from the Bulgarian Government and which specifies that there is complete exemption in respect of bunker fuel carried on board and that vessels may supply themselves free of duty with liquid fuel in Bulgarian ports.

Denmark.

The reply contains no information concerning inland navigation.

Spain.

The reply contains no information concerning inland navigation.

Estonia.

The reply, which is of a general character, states that exemption is granted in respect of three days' supply of liquid fuel and lubricants carried on board vessels crossing the frontier.

Finland.

(a) Exemption is granted in respect of the quantities of liquid fuel contained in the tanks of vessels coming from abroad.

(b) The duties on liquid fuel loaded on the vessel's departure for abroad are not refunded.

France.

(a) Duty is charged on all liquid fuel carried on board sporting-craft, pleasure boats, etc.

(b) As regards other craft (motor-boats, tugs, etc.) duty is charged only on the quantity consumed in French territory, on condition that the remainder is re-exported.

(c) Furthermore, the part of the French Government's reply dealing with maritime traffic, which contains provisions also relating to *international rivers*, states that :

“ Exemption from Customs duty and other taxes is granted in respect of all liquid fuel used by vessels navigating on the sea or on the sections of waterways subject to Customs supervision, as well as on international rivers. No distinction is made between liquid fuel imported from abroad by these vessels and that obtained from depots in France.”

Greece.

The reply states that the Customs exemption granted in principle to liquid fuel used by motor vessels crossing the Greek frontier only applies to the liquid fuel contained in the ordinary tanks of the vessel—*i.e.*, those which form an integral part of the latter—spare tins, etc., are therefore excluded.

Hungary.

The reply reproduces the general provisions of the Customs law, which stipulates, *inter alia*, that means of transport—*i.e.*, railway, road, water and air vehicles—which cross the Customs frontier, including their liquid fuel, are exempt from Customs duty in cases in which it is clear that there is no intention of permanent import or export, and that it is not desired to evade the Customs provisions.

In addition, as regards inland navigation in particular, the reply provides the following information :

(a) Exemption is granted in respect of liquid fuel brought by vessels from abroad if these vessels are in direct transit. If, on the other hand, these vessels, although in transit, stop in Hungary for a time longer than the normal, or carry on towage operations in that country, the quantities of liquid fuel consumed during this time are liable to duty.

(b) As regards liquid fuel obtained from the depots of foreign companies in Hungary (at Budapest), the duty is payable immediately if this fuel is employed for traffic in Hungary ; if, on the other hand, it is employed for a journey abroad, its quantity is entered in the return of service materials, and the Customs formalities are carried out at the frontier of exit, which is notified in advance of the passage of these vessels. (It appears from this latter stipulation that duty is perhaps charged on the quantities consumed as far as the frontier.)

Irish Free State.

(a) Customs exemption is granted on arrival in respect of liquid fuel imported by the vessel for its own use on condition that the quantity is reasonable and that it is not unladen.

(b) Exemption from the duties applicable to liquid fuel is granted in respect of the quantities laden on the vessel's departure for abroad, for its own use.

Italy.

The reply does not expressly state whether the regime indicated below applies also to inland navigation or only to maritime navigation.

(a) Exemption is granted in respect of liquid fuel imported as supplies for use :

(1) In the case of Italian vessels—until the end of the unloading ;

(2) In the case of foreign vessels—for the whole of their stay in Italian ports.

(b) Exemption is granted in respect of liquid fuel taken on board as supplies in Italian ports by all vessels of over thirty tons' burden and used for navigation outside the waters of the ports. The same treatment is applied to yachts of all sizes, but subject to reciprocity.

Latvia.

The reply, which is of a general character, is negative, and states that, for fiscal reasons, and in order to protect the home liquid-fuel industry, it is not possible to admit liquid fuel duty free.

Lithuania.

The reply, which is of a general character, enumerates the Customs taxes to which the various kinds of liquid fuel are subject on import into Lithuania. Otherwise, there are no special restrictions imposed on such import. The reply also states that the import of liquid fuel by vehicles and vessels and for the needs of these vehicles is exempt from Customs duty.

Norway.

The reply states that liquid fuel (oils and petrol) pays no Customs duty. Nevertheless, a special tax is levied on petrol carried from abroad in motor-boats and intended for their own use.

Netherlands.

(a) Exemption is granted in respect of the quantity of liquid fuel necessary for a journey of not more than eight days.

(b) Liquid fuel carried on board vessels in Netherlands ports cannot be unladen without Customs authorisation.

(c) Liquid fuel for the use of outgoing vessels may be purchased in transit from abroad or at the depots without payment of duty.

Poland.

The reply states, as regards Customs exemption granted in respect of liquid fuel imported by motor-boats and motor-ships, that the law in force contains no special provision on this subject ; but, as import duties can only be levied in cases in which vessels cross the Customs frontier, and in view of the geographical conditions of Poland, these duties can only be applied to liquid fuel imported by river motor-boats and motor-ships.

The *International Oder Commission* states in its reply that there is no exemption in respect of liquid fuel in inland navigation ; but it indicates the possibility of an arrangement to this effect (see, for further details, the section " Suggestions and General Observations ").

Portugal.

(a) Exemption is granted in respect of petrol and oil for the use of the engines of motor vessels and carried in the tanks intended for their reception.

(b) For small craft known as " motor-boats ", exemption is granted in respect of petrol imported in the ordinary tanks, except in certain cases of minor frontier traffic owing to the possibility of smuggling.

Roumania.

(a) The system applied as regards fuel of foreign origin employed by vessels is the following :

When the fuel is carried in bunkers or on board a vessel, either in a solid or liquid state, it is exempt from duty on condition that it is entered in the ship's register and is declared at the Customs as ship's supplies.

When it is on land or in depot-barges moored to the wharf or in the store-room of the barge, the door being sealed and padlocked by the Customs authorities, it is treated as if it were fuel placed in the wharf depots.

Liquid fuel may only be stored in depots, tank-reservoirs or elsewhere for the supplying of vessels after payment of the duties.

(b) National or nationalised fuel is exempt from the export duty of $\frac{1}{2}$ per cent and from the consumption and turnover taxes when it is taken as ship's supplies.

(c) The reply further states that there are no free ports in Roumania and that, as regards the free zones, their regime is subject to the Law of July 29th, 1929, which, however, has not been carried into effect for lack of the necessary capital.

The Roumanian Government's reply to the *International Danube Commission* on this question states, *inter alia*, that tanks may not be filled with liquid fuel of foreign origin on land in Roumanian ports unless such fuel has been " nationalised "—*i.e.*, has paid import duty, the consumption duty of $\frac{1}{2}$ per cent, etc.

Sweden.

(a) Crude oil and petroleum utilised by marine engines are, as a general rule, admitted into Sweden free of Customs duty and other taxes.

(b) Exemption from Customs duty and other taxes is granted in respect of the supplies of petrol and other supplies imported by means of transport with a view to their propulsion and for use on board.

(c) Nevertheless, as regards motor-boats, only the quantities necessary for the journey are admitted duty free.

Switzerland.

(a) Liquid fuel and lubricants which are introduced with motor-craft travelling in the Swiss frontier waters are admitted free of duty in so far as they constitute normal supplies for the journey and are contained in tanks directly connected with the engine, on condition that there are no abuses and subject to reciprocity.

(b) Supplies of liquid fuel and lubricants which are carried in separate receptacles—*i.e.*, which do not form an integral part of the engine or of the vessel—are liable in principle to the payment of import duty. Nevertheless, the placing of these receptacles under Customs seal and the temporary suspension of the payment of Customs duty may be granted by the Customs offices of entry in cases in which these supplies are not used for travelling in Swiss waters, but exclusively for the return journey abroad.

Czechoslovakia.

The liquid fuel consumed on international rivers is exempt from Customs duty.

The *International Danube Commission* and the *International Oder Commission* state in their replies that such fuel is also exempt from all other taxes.

The *International Elbe Commission* communicates to us the Czechoslovak delegate's reply, which adds to the above information that exemption from Customs duties in respect of liquid fuel is not granted in the case of actual importation.

Turkey.

The reply contains no information on inland navigation.

Union of Soviet Socialist Republics.

The reply of this country, which is of a general character, states that the Government, while reserving the question of the technical details of applying this exemption, sees no objection to the admission free of duty at the frontier of liquid fuel employed by motor vehicles travelling by land, water or air, and not exceeding the quantity capable of being contained in the ordinary tank of the engine. As regards lubricants, the quantity admitted duty free must not exceed 10 kilogrammes.

Yugoslavia.

The liquid fuel utilised by motor vessels is admitted free of duty on crossing the frontiers by river.

III. MARITIME TRAFFIC.

Albania.

The Government's reply states that liquid fuel is subject to a monopoly, but that the law contains no definite provisions as regards the quantity of liquid fuel admitted free of Customs duty on motor vessels and intended for their propulsion. Nevertheless, this quantity may not be greater than that required to cross the territory of the Kingdom.

Germany.

Exemption is granted in respect of :

(a) Liquid fuel and lubricants used by vessels coming from the sea or going to sea and required for the journey from the Customs frontier to the first port of destination, including the stay at the latter, and, similarly, for the return, no distinction being made between liquid fuel imported from abroad and that obtained within the country at a Customs depot ;

(b) Liquid fuel and lubricants imported by vessels as a means of propulsion, but not consumed in Germany, and subsequently re-exported ;

(c) Liquid fuel laden on vessels on the Rhine, but intended for consumption abroad ;

(d) Liquid fuel carried on vessels in direct transit through German territory, without change of loading, in the quantities necessary to effect this journey in transit ;

(e) The quantity of liquid fuel carried on board vessels crossing the German frontier and necessary for a journey of forty-eight hours.

Belgium and Luxemburg.

(Belgo-Luxemburg Customs Union.)

(a) At present, liquid fuel for the engines of vessels is exempt from duty, whether imported as merchandise or as supplies for the vessel.

(b) Should duties be reintroduced, exemption would be granted in respect of liquid fuel carried as supplies by incoming sea-going vessels, as well as in respect of the quantity laden as supplies by outgoing vessels, but on condition that this petrol is not unladen in the country.

The United Kingdom.

(a) Dutiable liquid fuel imported on ships and intended for their use is admitted free of duty, provided the quantity is "reasonable" and provided it is retained on board.

(b) Heavy oils employed by ships propelled by Diesel engines are always admitted free of duty.

(c) In the case of liquid fuel containing alcohol, supplementary duties are charged.

(d) In the case of foreign-going ships, the duty paid on oil loaded for use on the voyage is refunded, or, alternatively, such oil may be delivered under bond without payment of duty.

Bulgaria.

The reply states that Customs exemption is granted in respect of surplus fuel carried by foreign vessels calling at Bulgarian ports. Should these vessels supply themselves with liquid fuel from private stations during their call, a tax of 1 per cent is chargeable on the value of the fuel, in addition to statistical and weighing fees.

Denmark and Iceland.

1. Denmark.

(a) No import duties are charged as a rule on liquid fuel.

(b) Exemption is granted in respect of supplies of liquid fuel liable to duty carried by vessels coming from abroad and intended for their own use, but on condition that such liquid fuel is consumed in Denmark on board the vessel or re-exported by it. Nevertheless, in the case of cabotage between two Danish ports, import duty is levied on the quantities consumed.

(c) The quantities of liquid fuel carried for its own consumption on board a vessel coming from abroad are also exempted from the excise duty on petrol.

2. Iceland.

(a) Liquid fuel carried by vessels for their own consumption is admitted duty free on arrival.

(b) Liquid fuel imported separately into the country, with a view to consumption by foreign motor vehicles, is liable to Customs duty.

Spain.

The reply states that, in the case of maritime transport, the legal regime applicable to liquid fuel provides that fuel considered as ship's supplies cannot be unladen or transhipped, and that, to prevent this, the Customs are authorised to ask the captain of the ship, if they think it desirable, to provide evidence of the use and consumption on board of the fuel.

Estonia.

The reply, which is of a general character, states that exemption is granted in respect of three days' supply of liquid fuel and lubricants carried on board vessels crossing the frontier.

Finland.

(a) Exemption is granted in respect of the quantities of liquid fuel contained in the tanks of vessels coming from abroad.

(b) The duties on liquid fuel laden on the vessel's departure for abroad are not refunded.

France.

Exemption from Customs duty and other taxes is granted in respect of all liquid fuel used by vessels navigating on the sea or on the sections of waterways subject to Customs supervision, as well as on international rivers. No distinction is made between liquid fuel imported from abroad by these vessels and that obtained from depots in France.

Greece.

The reply states that the Customs exemption granted in principle to liquid fuel used by motor vessels crossing the Greek frontier only applies to the liquid fuel contained in the ordinary tanks of the vessel—*i.e.*, those which form an integral part of the latter—spare tins, etc., are therefore excluded.

Irish Free State.

(a) Customs exemption is granted on arrival in respect of liquid fuel imported by the vessel for its own use on condition that the quantity is reasonable and that it is not unladen.

(b) Exemption from the duties applicable to liquid fuel is granted in respect of the quantities laden on the vessel's departure for abroad, for its own use.

Italy.

(a) Exemption is granted in respect of liquid fuel imported as supplies for use :

(1) In the case of Italian vessels—until the end of the unloading ;

(2) In the case of foreign vessels—for the whole of their stay in Italian ports.

(b) Exemption is granted in respect of liquid fuel taken on board as supplies in Italian ports by all vessels of over thirty tons' burden and used for navigation outside the waters of the ports. The same treatment is applied to yachts of all sizes, but subject to reciprocity.

Latvia.

The reply, which is of a general character, is negative, and states that, for fiscal reasons and in order to protect the home liquid-fuel industry, it is not possible to admit liquid fuel duty free.

Lithuania.

The reply, which is of a general character, enumerates the Customs duties to which the various kinds of liquid fuel are subject on import into Lithuania. Otherwise, there are no special restrictions imposed on such imports. The reply also states that the import of liquid fuel by vehicles and for the needs of these vehicles is exempt from Customs duty.

Norway.

The reply states that liquid fuel (oils and petrol) pays no Customs duty. Nevertheless, a special tax is levied on petrol carried from abroad in motor-boats and intended for their own use.

Netherlands.

(a) Exemption is granted in respect of the quantity of liquid fuel necessary for a journey of not more than eight days.

(b) Liquid fuel carried on board vessels in Netherlands ports cannot be unloaded without Customs authorisation.

(c) Liquid fuel for the use of outgoing vessels may be purchased in transit from abroad or at the depots without payment of duty.

Poland.

The reply states, as regards Customs exemption granted in respect of liquid fuel imported by motor-boats and motor-ships, that the law in force contains no special provision on this subject ; but, as import duties can only be levied in cases in which vessels cross the Customs frontier, and in view of the geographical conditions of Poland, these duties can only be applied to liquid fuel imported by river motor-boats and motor-ships.

Portugal.

(a) Exemption is granted in respect of petrol and oil for the use of the engines of motor vessels and carried in the tanks intended for their reception.

(b) For small craft known as " motor-boats ", exemption is granted in respect of petrol imported in the ordinary tanks, except in certain cases of minor frontier traffic, owing to the possibility of smuggling.

Roumania.

(a) The system applied as regards fuel of foreign origin employed by vessels is the following :

When the fuel is carried in bunkers or on board a vessel, either in a solid or liquid state, it is exempt from duty on condition that it is entered in the ship's register and is declared at the Customs as ship's supplies.

When it is on land or in depot-barges moored to the wharf or in the store-room of the barge, the door being sealed and padlocked by the Customs authorities, it is treated as if it were fuel placed in the wharf depots.

Liquid fuel may only be stored in depots, tank-reservoirs or elsewhere for the supplying of vessels after payment of the duties.

(b) National or nationalised fuel is exempt from the export duty of $\frac{1}{2}$ per cent and from the consumption and turnover taxes when it is taken as ship's supplies.

(c) The reply further states that there are no free ports in Roumania and that, as regards the free zones, their regime is subject to the Law of July 29th, 1929, which, however, has not been carried into effect for lack of the necessary capital.

Sweden.

(a) Crude oil and petroleum utilised by marine engines are, as a general rule, admitted into Sweden free of Customs duty and other taxes.

(b) Exemption from Customs and other taxes is granted in respect of the supplies of petrol and other fuel imported by vessels with a view to their propulsion and for use on board.

(c) Nevertheless, as regards motor-boats, only the quantities necessary for the journey are admitted duty free.

Turkey.

(a) Exemption is granted in respect of liquid fuel carried by vessels which visit Turkish ports from abroad and return thither, on condition, however, that this fuel is not unladen in the country.

(b) The same provisions are applicable to the liquid fuel which vessels of this category obtain from transit depots in Turkey.

Union of Soviet Socialist Republics.

The reply of this country, which is of a general character, states that the Government, while reserving the question of the technical details of applying this exemption, sees no objection to the admission, free of duty at the frontier, of liquid fuel employed by motor vehicles travelling by land, water or air, and not exceeding the quantity capable of being contained in the ordinary tank of the engine. As regards lubricants, the quantity admitted duty free must not exceed 10 kilogrammes.

Yugoslavia.

The liquid fuel utilised by motor vessels is admitted free of duty on crossing the frontiers by sea.

IV. AIR TRAFFIC.

Albania.

The Government's reply states that liquid fuel is subject to a monopoly, but that the law contains no definite provisions as regards the quantity of liquid fuel admitted free of Customs duty on aeroplanes and intended for their propulsion. Nevertheless, this quantity may not be greater than that required to cross the territory of the Kingdom.

Germany.

Exemption is granted in respect of liquid fuel on board aircraft on their arrival from abroad, on condition that it is not unladen within the country or employed for purely internal voyages.

Austria.

(a) Exemption from Customs duties and all other taxes is granted in respect of all liquid fuel contained in the ordinary tanks of aircraft temporarily entering the country. These tanks may be quite full on crossing the frontier. On the other hand, liquid fuel contained in special separate receptacles is liable to duty.

(b) Exemption from Customs and other duties is granted in respect of all liquid fuel carried by aircraft which only make a single landing in Austria. The latter may also fill their tanks with liquid fuel, free of duty, within the country for their outward flight.

(c) On the other hand, for flights between different points in Austria only Austrian liquid fuel may be employed.

Belgium and Luxemburg.

(Belgo-Luxemburg Customs Union.)

(a) The system applied in respect of liquid fuel on board aircraft is governed by paragraph 7 of Annex H of the International Convention on Air Navigation of 1919—*i.e.*, exemption is granted in respect of the quantity of fuel needed for the journey as defined in the log-book.

Nevertheless, exemption is in practice granted in respect of the contents of the aircraft's tank, but on condition that these contents are not unladen in the country.

(b) There is no exemption for liquid fuel laden in the country on departure for abroad.

The United Kingdom.

(a) Dutiable liquid fuel imported on aircraft and intended for their use is admitted free of duty, provided the quantity is "reasonable" and provided it is retained on board.

(b) In accordance with paragraph 7 of Annex H of the 1919 Convention, the fuel on board aircraft arriving in the United Kingdom from abroad is not charged with Customs duty, provided the quantity does not exceed that needed for the journey as defined in the log-book.

(c) Heavy oils employed by aircraft propelled by Diesel engines are always admitted free of duty.

(d) In the case of liquid fuel containing alcohol, supplementary duties are charged.

(e) In the case of foreign-going aircraft the duty paid on oil loaded for use on the voyage is refunded or, alternatively, such oil may be delivered under bond without payment of duty.

Bulgaria.

Exemption is granted in respect of liquid fuel used by foreign companies which carry on international traffic on the basis of a Convention with Bulgaria ("Cina", Luft-Hansa, "Lot").

Denmark and Iceland.

1. Denmark.

(a) No import duties are charged as a rule on liquid fuel.

(b) Exemption is granted in respect of supplies of liquid fuel liable to duty carried by aircraft coming from abroad and intended for their own use, but on condition that such liquid fuel is consumed in Denmark on board the aircraft or re-exported by it. Nevertheless, in the case of transport between two points within the country, import duty is levied on the quantities consumed.

(c) The quantities of liquid fuel carried for their own consumption on board aircraft coming from abroad are also exempted from the excise duty on petrol.

2. Iceland.

(a) Liquid fuel carried by aircraft for their own consumption is admitted duty free on arrival.

(b) Liquid fuel imported separately into the country with a view to consumption by foreign aircraft is liable to Customs duty.

Spain.

The reply states that the system applicable to liquid fuel used in air navigation, whether the aircraft enters Spain by way of import or transit, is that laid down in the Regulations on Air Navigation of November 25th, 1919, which stipulate that "fuel on board shall not be charged with Customs duty, provided the quantity does not exceed that needed for the journey as defined in the log-book".

Estonia.

The reply, which is of a general character, states that exemption is granted in respect of three days' supply of liquid fuel and lubricants carried on board aircraft crossing the frontier.

Finland.

(a) Exemption is granted in respect of the quantities of liquid fuel contained in the tanks of aircraft coming from abroad.

(b) The duties paid in respect of liquid fuel laden on departure for abroad are not as a rule refunded. Nevertheless, the Finance Ministry has granted this privilege to two foreign air navigation companies maintaining regular communications with abroad.

France.

(a) The fuel on board aircraft arriving from abroad is not charged with Customs duty, provided the quantity does not exceed that needed for the journey as defined in the log-book.

(b) Liquid fuel laden in France by aircraft setting out for a flight over the sea or to a foreign country is delivered free of all duty.

Greece.

(a) The reply states that the Customs exemption granted in principle to liquid fuel used by aircraft crossing the Greek frontier only applies to the liquid fuel contained in the ordinary tanks of the aircraft—*i.e.*, those which form an integral part of the latter—spare tins, etc., are therefore excluded.

(b) As regards the aircraft of foreign companies serving on regular air lines, a departure from the exemption rule is provided for in cases in which the said aircraft obtain a fresh supply of fuel in Greek territory; import duty is then charged on the quantity of fuel necessary for flying over Greece, from the point of entrance to the point of exit.

Hungary.

The reply reproduces a general provision of the Customs law which stipulates, *inter alia*, that means of transport—*i.e.*, railway, road, water and air vehicles—which cross the Customs frontier, including their liquid fuel, are exempt from Customs duty in cases in which it is clear that there is no intention of permanent import or export, and that it is not desired to evade the Customs provisions.

Irish Free State.

(a) Customs exemption is granted on arrival in respect of liquid fuel imported by aircraft for their own use, on condition that the quantity is reasonable and that it is not unladen.

(b) Exemption from the duties applicable to liquid fuel is granted in respect of the quantities laden on the aircraft's departure for abroad, for its own use.

Italy.

(a) Exemption is granted in respect of liquid fuel obtained in Italy by foreign aircraft flying on commercial lines and intended for their own consumption, subject to reciprocity.

(b) Fuel on board aircraft is not charged with Customs duty, provided the quantity does not exceed that needed for the journey (paragraph 7, Annex H, of the 1919 Convention).

(c) Exemption is granted in respect of liquid fuel used under Government control by Italian air navigation companies operating commercial lines, for the needs of their aircraft serving on these lines.

Latvia.

The reply, which is of a general character, is negative, and states that, for fiscal reasons and in order to protect the home liquid-fuel industry, it is not possible to admit liquid fuel duty free.

Lithuania.

The reply, which is of a general character, enumerates the Customs duties to which the various kinds of liquid fuel are subject on import into Lithuania. Otherwise there are no special restrictions imposed on such import. The reply also states that the import of liquid fuel by vehicles, and for the needs of these vehicles, is exempt from Customs duty.

Norway.

The reply, which is of a general character, states that liquid fuel (oils and petrol) pays no Customs duty. Nevertheless, a special tax is charged on petrol conveyed from abroad by aeroplanes and intended for their own use.

Netherlands.

The reply states that liquid fuel contained in aircraft at the time of their arrival in Netherlands territory, in so far as their quantity does not exceed normal travelling requirements, is admitted duty free without other formal restriction of the quantity imported.

Poland.

(a) The fuel on board aircraft is not charged with Customs duty, provided the quantity does not exceed that needed for the journey as defined in the log-book (paragraph 7, Annex H, of the 1919 Convention).

(b) On the basis of a Decree of 1931, to which the Polish Government's reply refers, the facility indicated under (a) is granted subject to reciprocity.

Portugal.

The reply states that, as long as special regulations for aircraft have not been published, the same regime will be applied to aircraft as to motor vessels—viz., exemption is granted in respect of petrol and oil for the use of the engines of motor vessels and carried in the tanks intended for their reception.

Roumania.

The reply states that full Customs exemption is granted in respect of fuel and other lubricants carried on board aircraft as supplies, provided the quantity does not exceed that needed for the journey as defined in the log-book.

Sweden.

Exemption from Customs duties and other taxes is granted in respect of the supplies of petrol and other supplies imported by means of transport with a view to their propulsion and for use on board.

The *International Chamber of Commerce* states in its reply that, in Sweden, the duties are also refunded (probably on departure for abroad).

Switzerland.

(a) Exemption from Customs and monopoly duties is granted in respect of liquid fuel introduced on board aircraft in their ordinary tanks, and used for their propulsion, on condition that there are no abuses and subject to reciprocity.

(b) Nevertheless, liquid fuel contained in special receptacles (tins) is liable to Customs duty.

Czechoslovakia.

(a) Exemption is granted in respect of "suitable quantities" of liquid fuel intended for consumption during the journey.

(b) Quantities in excess of those indicated above, as well as quantities obtained in Czechoslovak territory, are liable to duty.

Turkey.

Exemption is granted in respect of liquid fuel carried by aircraft flying over Turkish territory, on condition, however, that this fuel is not unladen in the country.

Union of Soviet Socialist Republics.

The reply of this country, which is of a general character, states that the Government, while reserving the question of the technical details of applying this exemption, sees no objection to the admission, free of duty at the frontier, of liquid fuel employed by motor vehicles travelling by land, water or air, and not exceeding the quantity capable of being contained in the ordinary tank of the engine. As regards lubricants, the quantity admitted free of duty must not exceed 10 kilogrammes.

Yugoslavia.

The liquid fuel utilised by aircraft is admitted free of duty on crossing the frontiers by air.

V. SUGGESTIONS AND GENERAL OBSERVATIONS.

Austria.

The Government would not be prepared to give greater facilities than those at present granted, but it would be glad if a unification of the rules could be achieved in Europe.

Denmark.

(a) The Government would be prepared to accept an arrangement to exempt from import duties the liquid fuel carried by *automobiles* for their own consumption, corresponding to the facilities at present granted by it to the supplies of ships (see under Maritime Traffic, paragraph (b)), provided however that the quantities exempted do not exceed those required for the journey as far as the destination and for the return journey to a foreign country.

(b) As regards excise, the Government would be prepared to accept an arrangement to grant exemption in respect of liquid fuel carried by *ships* or *aircraft* for consumption on board. As regards fuel carried by *automobiles*, however, the Government could not grant such an exemption from excise duty, unless the latter was replaced by a fixed circulation tax on foreign automobiles. It is possible, however, that this tax would be less favourable to foreign motor vehicles than the present excise duty.

Spain.

The reply states that, in Spain, there would be difficulties in the way of any proposal for a modification of the system applicable to coal and petroleum and their derivatives, and that the granting of Customs exemption would encounter an insurmountable obstacle in the fundamental provisions of the Customs Law of March 20th, 1906, which, in its third part, forbids exemption from, or reduction in, Customs duties.

Estonia.

The Government regards as extremely desirable the establishment of uniform regulations governing the Customs treatment of liquid fuel at the frontiers of the different States.

Finland.

(a) The Government would in general be prepared to adopt exemption for liquid fuel contained in the tanks of vehicles, on condition that such fuel was not sold in the country.

(b) If a general agreement could be concluded for the refunding of the duties in respect of fuel laden on departure for abroad, Finland would propose—at any rate, as regards *aviation*—that this refund should only be made to foreign companies maintaining regular communications with abroad and co-operating with national aviation companies. This only applies to fuel employed for foreign-going traffic and not for internal traffic.

France.

(a) The Government hopes that the liberal treatment granted in France to *maritime* and *air traffic* as regards liquid fuel will be generally adopted by other countries.

(b) It considers that it would be an advantage to unify the rules applicable to *land* and *river traffic*; in this case, the Government would propose exemption for the fuel contained in the tanks of tourist, sporting and pleasure vehicles and craft. On the other hand, it would not be possible to consider granting the same facilities to commercial traffic, in view of the unfavourable position which would result for national enterprises operating only in France.

(c) In the Government's opinion, all these arrangements, if they are to be of any value, should be embodied in a draft plurilateral convention to be submitted to all the Governments concerned.

Latvia.

For fiscal reasons and for the protection of the home liquid-fuel industry, the Government could not entertain the abolition of duties on liquid fuel.

Poland.

The Government could not entertain suggestions aiming at the introduction of Customs exemption for liquid fuel as a general rule.

Sweden.

Notwithstanding the great facilities already granted in Sweden, the Government might be disposed, in the event of a general agreement providing more extensive facilities on the basis of reciprocity, to extend the facilities at present granted in respect of petrol to other kinds of liquid fuel imported by vehicles for their propulsion.

Union of Soviet Socialist Republics.

The reply of this country, which is of a general character, states that the Government, while reserving the question of the technical details of applying this exemption, sees no objection to the admission, free of duty at the frontier, of liquid fuel employed by motor vehicles travelling by land, water or air, and not exceeding the quantity capable of being contained in the ordinary tank of the engine. As regards lubricants, the quantity admitted duty free must not exceed 10 kilogrammes.

International Association of Recognised Automobile Clubs.

This Association states in its reply that the present situation with regard to fuel for automobiles is satisfactory in all the continental countries and therefore calls for no modification.

International Danube Commission.

In its reply to this Commission, the Bulgarian Government expresses the hope that all countries will introduce the same complete facilities as those granted in respect of liquid fuel in Bulgaria.

The French Government's reply to this Commission, based on the Statute of the Danube, expresses the opinion that all bunker fuel for Danubian vessels should be free from Customs duty.

International Oder Commission.

This Commission states that, in the reply which it has received from the Polish Government, the latter recognises the importance of granting, subject to reciprocity, exemption from Customs duty for the quantities of liquid fuel required by an incoming vessel in order to reach its port of destination, or in the case of transit in order to cross Poland.

International Shipping Conference.

This Conference states in its reply that, as a result of an enquiry it has made, owners of motor-vessels do not seem to have had any experience of difficulties in Europe regarding Customs clearance of liquid fuel. An owner expressed the opinion that it would seem preferable to introduce uniformity in the regulations covering this question in the various European countries.

International Commission for Air Navigation ("Cina").

This Commission states in its reply that it has been studying since 1929 the question of exemption for liquid fuel used in aviation, and that a Special Committee is examining the following questions in this connection :

- (1) Exemption from Customs duty on hydrocarbides ;
- (2) Creation of free ports at certain aerodromes ;
- (3) Revision of Annex H of the 1919 Convention.

This Special Committee discussed the following proposal submitted to it on this subject by the French delegation :

" On arrival, the fuel and lubricants carried on board and intended for the organs of propulsion of aircraft shall not be liable to Customs or other duties, provided that the quantity does not exceed that needed for the journey as defined in the log-book.

" On departure, fuel and lubricants intended as supplies for aircraft proceeding to another contracting State shall be delivered free of all Customs or other duties. Nevertheless, in case of a stop in its own territory, the State in which the aircraft obtained its supplies may render the granting of exemption subject to certain specified conditions."

Following upon the Committee's debates, the delegations of the United Kingdom, Greece, Japan, Roumania and Yugoslavia, in addition to that of France, felt able to accept immediately the point of view stated in the French Government's proposal. On the other hand, the delegations of Belgium, Czechoslovakia, the Netherlands, Poland and Sweden preferred to refrain from pronouncing and reserved their opinion until a later date.

In its reply to the enquiry undertaken on this subject by the "Cina", the German Government also showed itself favourable to this proposal.

Nevertheless, the Committee, noting that the question was at present being studied by the League of Nations in connection with all international means of locomotion, thought that it would be advisable, before making a definite pronouncement on this question, to await the results of the studies being made so as not to anticipate any general solution which might be adopted.

Meanwhile, the Special Committee, in the report in which it submitted to the "Cina" the new draft text for Annex H, proposed for the article relating to liquid fuel the text of the first paragraph of the French proposal mentioned above.

The Legal Sub-Commission of the "Cina", which was called upon to examine the above-mentioned report of the Special Committee, proposed in its report the deletion at the end of the article in question of the words "as defined in the log-book", for the reasons stated in the report.

The study of this question is still being pursued by the "Cina".

International Air Traffic Association.

The Association states in its reply that, in the majority of the countries of Europe, total or partial exemption for liquid fuel used in international air traffic is at present granted to air companies. It emphasises the importance of drawing up a general agreement granting complete exemption of duty to fuel and lubricants used in international air traffic, without distinguishing between the oil and lubricants consumed over the country in which they were obtained, and those consumed beyond the land or sea frontiers of that country. It states that the German, Swedish and Polish Governments are in favour of this measure, and believes that other Governments would also be prepared to adopt it.

International Tourist Alliance.

This organisation desires (a) that exemption should generally be granted in respect of the fuel contained in the ordinary tanks of *automobiles* and motor-boats and (b) that as regards *air traffic*, the provisions of paragraph 7 of Annex H of the International Convention on Air Navigation of 1919 should be maintained.

International Chamber of Commerce.

1. *River Traffic*.—The Chamber draws attention to the following resolution of its Conference on Danube Navigation held at Cracow in September 1930 :

"The question of the exemption from Customs and other duties of solid and liquid fuel and of lubricants required by vessels navigating on the Danube was discussed, and the Conference considers that it is important and urgent that this question should be carefully examined by the States concerned with a view to a favourable solution."

2. *Air Traffic*.—The Chamber expresses the desire that international regulations should be drawn up with regard to (a) exemption in respect of liquid fuel carried on board on entering the country, and (b) the refund of duty on liquid fuel obtained within the country for aeronautical purposes.

3. *Land Traffic*.—Pending the results of the enquiry undertaken by the Chamber, the latter expresses the opinion that it would be desirable to apply to automobiles the same facilities as those proposed for aviation in paragraph 2 above.
