

V. CUSTOMS AND ADMINISTRATIVE PROCEDURES

Country of Origin Marking Requirements

Section 1304 of the Tariff Act of 1930 requires virtually all imported goods of foreign origin to "be marked in a conspicuous place as legibly, indelibly and permanently as the nature of the article (or container) will permit in such manner as to indicate to the ultimate purchaser in the United States the English name of the country of origin of the article".

U.S. Customs has often applied the country of origin marking rules in an inflexible, uneven and arbitrary way. Frequently, country of origin marking requirements and their administration have impeded access and have resulted in additional costs. For certain products, there has also been uncertainty as to the method and location of marking.

The NAFTA establishes marking disciplines and the NAFTA partners have issued marking rules based on tariff classification changes which provide greater clarity. These developments should alleviate some past difficulties.

Customs Administration

Certain administrative procedures, including excessive invoicing and reporting requirements, slow down the entry of goods and services into the United States. This may be due partly to limited resources for inspections, but perishable goods can spoil because of lengthy processing times. In addition, long laboratory testing procedures and limited ports of entry can further slow the movement of Canadian products into the United States market. Some of these problems may be alleviated through the implementation of the Customs Modernization Act of 1993.

VI. TECHNICAL AND REGULATORY BARRIERS

Standards and Testing

The United States has approximately 44,000 standards jurisdictions (federal, state and local regulatory authorities) that enforce an estimated 89,000 U.S. standards and technical regulations. This results in overlapping responsibility and redundant