

Sec. E7757/1946 **PART 2. OMNIBUS WEEKLY ORDER 44/1947**

City Gate House,  
Finsbury Square,  
London, E.C.2.

27th October, 1947.

**Exchange Control Passengers' Baggage.**

1. *Explanatory.*—Form C.D.3, copies of which can be obtained from Collectors' Offices, is completed by the exporter himself in respect of goods exported to "prescribed destinations", i.e. destinations outside the "Scheduled Territories" (the "Scheduled Territories" include every part of the British Empire, except Canada and Newfoundland which are dollar countries, together with Iraq, Transjordan, Iceland and the Faroe Islands) to show that payment has been, or will be, made in an approved manner, i.e. in the appropriate foreign currency or its equivalent. The form is in the main a registration form for the purposes of post export control and is not a permit except in special cases such as are detailed below. In the case of normal commercial exportations against payment in an approved manner it is completed by the exporter and lodged with the pre-entry: pages 1/2 are retained for transmission to the Valuation Branch where they are registered as a charge against the exporter. When payment is received the exporter lodges the duplicate form (pages 3/4) with his bank, who certify in the space provided that payment has been received in the proper manner. The duplicate form is then passed to the Bank of England and finally to the Valuation Branch, where it is written off against the original but is then subject to check and verification of the declared values.

The form also serves to record permission given by the Bank of England, on behalf of the Treasury, for export otherwise than on sale or on variations of the standard terms of sale. In such cases the exporter must apply through his own bankers to the Bank of England and submit the form for endorsement before presenting his pre-entry.

It is to be noted that the provisions of Section 23 of the Exchange Control Act in regard to payment for exports (the C.D.3 procedure) apply only to goods exported to destinations outside the "Scheduled Territories" whereas the provisions of Section 22 in regard to the prohibition on the export of certain articles apply to all destinations outside the United Kingdom, the Channel Islands and Eire.

As regards baggage exports the following procedure is to be adopted.

2. *Exports in baggage by persons resident outside the United Kingdom.*—Goods exported by non-residents will have been either: (a) previously imported by them; or (b) acquired in this country. In the case of (a) there is no loss of national assets involved and in the case of (b) it is on balance reasonable to assume that the goods have been bought from a "resident" for foreign currency, or for sterling drawn against non-resident funds, which in effect is the same as payment in foreign currency.

It has, therefore, been decided that form C.D.3 as proof of payment need not be lodged in respect of any goods exported by non-residents in their baggage, unless the officer concerned has reason to suspect that the goods are not the property of that non-resident. Where there are definite doubts as to bona fides and the quantity of merchandise involved is considerable, pre-entry and the

production in the Long Room of a satisfactory form C.D.3 may be called for. The result of such action may of course be that the goods concerned have to be sent on after the passenger's departure.

### 3. *Exports in baggage by persons resident in the United Kingdom.*

(a) *Bona fide personal effects and reasonable quantities of gifts.*—A "franked" form C.D.3, i.e. a form C.D.3 endorsed by the Bank of England with permission to export "without proceeds", need not be required in respect of reasonable quantities of bona fide personal effects exported to prescribed destinations in baggage. This concession is limited to portable articles exported in the baggage or effects, or on the person, of passengers, which they might reasonably be expected to carry with them for their own regular and private use and does not apply to goods exported on behalf of other persons, or for sale. The concession is strictly not applicable to goods exported in baggage as gifts, but in practice reasonable quantities of gifts may be passed without form C.D.3 at the discretion of the Officer. The terms of this extension of the concession are not to be communicated to the public.

#### (b) *Other goods.*

(i) *Travellers other than emigrants.*—In view of the withdrawal of the basic foreign currency travel allowance, foreign travel (in the sense of travel outside the "scheduled territories") by residents other than emigrants is for the present likely to be mainly confined to officials and business travellers, but there is no ban on foreign travel so long as foreign currency for maintenance purposes is not required. Valuables such as furs and jewellery are already provided for by export licensing machinery, but attention should be paid to the possibility of outgoing residents taking with them in their baggage other goods of a kind which could readily be sold abroad, e.g. valuable carpets, scarce commodities, etc., in order to provide themselves with foreign currency. This type of traveller should not be permitted to export goods other than personal effects covered by paragraph 3 (a) above of any considerable value, unless he is in possession of either an export licence or, for goods not subject to export licensing control, a *franked form C.D.3*.

(ii) *Emigrants.*—Residents are not permitted to transfer capital to places outside the "scheduled territories" without the permission of the Treasury. In the case of emigrants to places outside the "scheduled territories", limited transfers, normally spread over a period of 4 years, are permitted, but the emigrant has to produce to the Bank of England a schedule of the household effects he proposes to transfer and the value of those effects is taken into account in the controlled transfer of capital. Valuables such as works of art are already provided for by export licensing machinery, but as regards other items of any considerable value, e.g. valuable carpets, the exporter should be in possession of a *franked form C.D.3* in respect of the goods. In the ordinary course a specification of the effects to be transferred will be attached to the form C.D.3, each page of the specification being stamped by the Bank.

4. *"Franked" C.D.3 Forms.*—In cases where franked forms C.D.3, i.e. forms endorsed with Bank of England permission to export "without proceeds", are produced in respect of goods carried in accompanied baggage, pre-entry need not be required solely for exchange control reasons but the form may be accepted from the traveller, endorsed "Accompanied Baggage" and forwarded to the Valuation Branch, the envelope being marked "Exchange Control (Exports)".

5. *Goods not permitted to be exported.*—Unless there is a deliberate attempt to evade the exchange control regulations, e.g. by concealment, in cases where goods are not permitted to be exported under these instructions the exporter should be informed that the goods are prohibited to be exported without the permission of the Treasury, for which application should be made through a bank. The goods should not be seized, so far as exchange control considerations alone are concerned, but the exporter should be informed that he must make his own arrangements for the disposal of the goods.

In cases of deliberate attempts to evade the exchange control regulations the goods should be detained and the facts reported.

6. *Goods exported by travellers to the "scheduled territories" via prescribed territories.*—Since Section 23 of the Exchange Control Act applies only to goods exported to destinations in prescribed territories and does not cover goods exported to the "scheduled territories" form C.D.3 is not required in respect of any goods exported in the baggage of persons travelling to ultimate destinations in the "scheduled territories" via prescribed territories, unless the officer concerned has reason to suspect that the traveller intends to dispose of the goods en route outside the "scheduled territories".

7. *Commercial Travellers' Samples.*—These instructions do not apply to commercial travellers' samples exported under the special arrangements in force.

By Order of the Board,

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