

# **MEMORANDUM D21-2-1**

Ottawa, January 1, 1991

## **SUBJECT**

### **REVENUE EXEMPTIONS AND PRIVILEGES GRANTED TO THE UNITED NATIONS**

This Memorandum outlines and explains the privileges and revenue exemptions granted to the United Nations pursuant to the Privileges and Immunities (International Organizations) Act.

#### **Regulations**

The following two orders are made pursuant to the Privileges and Immunities (I.O.) Act.

### **ORDER RESPECTING THE ACCESSION TO CONVENTION ON THE PRIVILEGES AND IMMUNITIES OF THE UNITED NATIONS**

#### **Short Title**

1. This Order may be cited as the Privileges and Immunities Accession Order (United Nations).

#### **Privileges and Immunities**

2. The United Nations shall have the legal capacities of a body corporate.

3. The United Nations shall in Canada have the immunities and privileges set out in sections 2, 3, 4, 5, 7 and 9 of the Convention on the Privileges and Immunities of the United Nations, hereinafter referred to as the "Convention".

4. (1) Representatives of Members to the principal and subsidiary organs of the United Nations shall, while exercising their functions and during their journey to and from the place of meeting, have in Canada the privileges and immunities set out in section 11 of the Convention.

(2) Representatives of Members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations shall continue to have the immunities set forth in paragraph 11(a) of the Convention in respect of words spoken or written and all acts done by them in discharging their duties notwithstanding that they are no longer the representatives of Members.

(3) Where the incidence of any form of taxation depends upon residence, periods during which the representatives of Members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations are present in Canada for the discharge of their duties shall not be considered as periods of residence.

(4) Subsections (1), (2) and (3) do not apply to a representative of Canada or to a Canadian citizen.

(5) For the purposes of this section, the expression "representatives" includes delegates, deputy delegates, advisers, technical experts and secretaries of delegations.

5. (1) Officials of the United Nations whose names are included in the categories specified by the Secretary-General pursuant to section 17 of the Convention shall in Canada have the immunities and privileges set forth in section 18 of the Convention.

(2) The Secretary-General and all Assistant Secretaries-General, their spouses and minor children shall in Canada have the privileges and immunities, exemptions and facilities accorded to diplomatic envoys, in accordance with international law.

6. Experts, other than officials of the United Nations within the meaning of section 4 of this Order, performing missions for the United Nations shall in Canada have the privileges and immunities set forth in paragraphs 22 a), b), c), d), e) and f) of the Convention except in so far as any such privilege or immunity is waived by the Secretary-General pursuant to section 23 of the Convention.

7. Nothing in this Order shall be construed as exempting a Canadian citizen residing or ordinarily resident in Canada from taxation imposed by any law in Canada on salaries and emoluments.

## **ORDER FOR THE REMISSION OF CERTAIN DUTIES AND TAXES ON GOODS IMPORTED OR PURCHASED BY THE UNITED NATIONS**

### **Short Title**

1. This Order may be cited as the United Nations Remission Order.

### **Free Entry, Refund or Remission**

2. Authority is hereby granted, effective January 2, 1952, for the refund or remission of the excise stamp tax on official cheques and for free entry, refund or remission of the following customs duties and the consumption or sales tax imposed under the Customs Tariff and the Excise Tax Act on the goods listed in the schedule, when imported into Canada or purchased therein either for sale, use or free distribution by the United Nations or its agents, subject to compliance with the conditions and procedures set out in the schedule.

## **SCHEDULE**

(S.2)

### **Revenue**

#### **Exemption or Privilege**

#### **Conditions**

#### **Procedure**

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| 1. Exempt from the excise stamp tax on official cheques.  | (a) When such cheques are drawn on official funds of the United Nations.<br>(b) Cheques issued against personal accounts are subject to the excise stamp tax.   |  |
| 2. Exempt from customs Duties, including the consumption or sales tax and from prohibitions and Restrictions on imports and exports in respect of articles imported or exported by the United Nations for its official use. | (a) Articles which have been admitted free under these regulations and which have been in the use and possession of the importer in Canada for a period of at least one year may be sold or disposed of in Canada without payment of duty and taxes. Otherwise they shall be subject to the ordinary provisions of the Customs Tariff and the Excise Tax Act.<br>(b) "Official use" means use to advance the objects of the United Nations and not ensuring to the financial benefit of the importer or any other individual. | (i) Upon execution of the usual import and export entries as required.<br>(ii) The following statement should be endorsed by the importer on customs entries where applicable; "Free under provisions of the Privileges and Immunities (International Organizations) Act". |
| 3. Exempt from any prohibition or restriction on import, export, use or sale of its publications, printed matter, films and sound Recordings, and exempt from customs duties and excise taxes in respect thereof.           | Publications, printed matter, films and sound recordings may be imported, exported, used or sold without payment of customs duty, sales or excise taxes.  | (i) Upon execution of the usual import and export entries as required.<br>(ii) Import entries should bear the endorsement outlined in section 2, where applicable.   |

<p>4. When goods are purchased under appropriate certificates from manufacturers or wholesalers who are licensed under the Excise Tax Act, the United Nations should, under Article II, section 8 of the schedule to the Privileges and Immunities (International Organization) Act, be eligible to claim for the Remission or refund of the excise tax and/or the consumption or sales tax on goods imported or purchased in Canada for the official use of the United Nations as a body.</p>	<p>Provided, however, that any article which is exempted from these taxes, other than publications, printed matter, films or sound recordings shall be subject thereto at existing rates if sold or otherwise disposed of in Canada within a period of one year from the date of purchase, and the vendor shall be liable for such tax.</p>	<p>(i) Such exemption is to be effected by remission or refund where the United Nations is making taxable purchases, for official use, of goods on which such taxes have been charged or are chargeable. A senior officer or authorized agent should, when ordering the goods, include a certificate over his signature to the effect that the account is to be paid with the funds of the United Nations and that exemption is properly allowable under provisions of the Privileges and Immunities (International Organizations) Act.</p>
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<p>5. The United Nations shall have the right to use codes and to dispatch and receive its correspondence by courier or in bags which shall have the same immunities and privileges as diplomatic couriers and bags.</p>	<p>Nothing in this section shall be construed to preclude the adoption of appropriate security precautions to be determined by agreement between the United Nations and the Government of Canada.</p>	<p>When any despatch bag or package arrives in Canada addressed to the United Nations or to any of the senior officials of the United Nations which, from such examination as can be made thereof without breaking the seal, shall appear to contain only official documents, it shall be forwarded with detention by the customs authorities direct to the official to whom addressed.</p>
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**GUIDELINES AND GENERAL INFORMATION**

1. The Privileges and Immunities Accession Order refers to "representatives of states" "officials" and "experts". There are no "representatives of states" of the United Nations permanently granted any privileges in Canada. Also, there are very few "officials" or "experts" either posted in Canada or visiting Canada on behalf of the United Nations; however, for future guidance, the privileges and immunities granted to these three categories of persons are listed below.

## **Representatives of Members**

2. Pursuant to Article IV, Section 11 of the Convention, representatives, while exercising their functions and during their journey to and from the place of meeting, enjoy the following privileges and immunities:

- (a) immunity from personal arrest or detention and from seizure of their personal baggage;
- (b) inviolability for all papers and documents;
- (c) exemption in respect of themselves and their spouses from immigration restrictions; and
- (d) the same immunities and facilities in respect of their personal baggage as are accorded to diplomatic envoys.

3. Representatives shall have no right to claim exemption from customs duties on goods imported (otherwise than as part of their personal baggage) or from excise duties or goods and services tax.

## **Officials**

4. Pursuant to Article V, Section 18 of the Convention, officials of the United Nations shall:

- (a) be immune, together with their spouses and relatives dependent on them, from immigration restrictions and alien registration; and
- (b) have the right to import free of duty their furniture and effects at the time of first taking up their post in Canada.

## **Experts**

5. Pursuant to Article VI, Section 22 of the Convention, experts (as described in Section 6 of the Privileges and Immunities Accession Order) shall be accorded such privileges and immunities as are necessary for the independent exercise of their functions during the period of their mission, in particular

- (a) immunity from personal arrest or detention and from seizure of their personal baggage;
- (b) inviolability for all papers and documents; and

(c) the same immunities and facilities in respect to their personal baggage as are accorded to diplomatic envoys.

### **United Nations laissez-passer**

6. Article VII, Section 24 of the Convention states that the United Nations may issue United Nations laissez-passer to its officials. These laissez-passer shall be recognized and accepted as valid travel documents.

7. To be valid, the laissez-passer must bear the official seal of the United Nations and an imprint of the Secretary General's authorized official of the Secretariat.

8. The Secretary-General, Assistant Secretaries-General and Director travelling on United Nations laissez-passer on the business of the United Nations shall be granted the same facilities as are accorded to diplomatic envoys.

9. Members of the Staff of the United Nations other than above shall be accorded all possible Customs courtesies and facilities.

### **Specialized Agencies of the United Nations**

10. The United Nations has 15 specialized agencies, some with offices and/or officials in Canada. The 15 specialized agencies are:

- (a) International Atomic Energy Agency (I.A.E.A.),
- (b) International Labour Organization (I.L.O.),
- (c) Food and Agricultural Organization of the United Nations (F.A.O.),
- (d) United Nations Educational, Scientific and Cultural Organization (UNESCO),
- (e) World Health Organization (W.H.O.),
- (f) International Monetary Fund (I.M.F.),
- (g) International Development Association (I.D.A.),
- (h) International Bank for Reconstruction and Development (I.B.R.D.) (World Bank),
- (i) International Finance Corporation (I.F.C.),
- (j) International Civil Aviation Organization (I.C.A.O.),
- (k) Universal Postal Union (U.P.O.),

- (l) International Telecommunications Union (I.T.U.),
- (m) World Meteorological Organization (W.M.O.),
- (n) Inter-Governmental Maritime Consultative Organization (I.M.C.O.),
- (o) General Agreement on Tariffs and Trade (G.A.T.T.).

11. The revenue exemptions and privileges extended to the Specialized Agencies should not be confused with those extended to the parent body. Memoranda D21-2-2 to D21-2-7 inclusive, deal with those Specialized Agencies that by special Orders in Council, have been granted revenue exemptions and privileges in Canada.

**Films, Publications, etc.**

12. Section 3 to Schedule (s. 2) of the United Nations Remission Order specifically provides for exemption from any prohibition or restriction on the importation, exportation, use or sale of United Nations publications, printed matter, films and sound recordings. These goods are exempt of customs duties, goods and services tax and excise taxes provided that on the execution of the usual Customs accounting documents and export declarations, the endorsement contained in Section 2 of the Schedule to this Remission Order is noted.

**Importations by UNICEF**

13. The United Nations International Children's Emergency Fund (UNICEF) receives shipments in its own name rather than in the name of the United Nations although it is an integral part of that organization. This agency is entitled to and may be accorded the revenue exemptions and privileges granted to the United Nations as prescribed in this Memorandum.

## **REFERENCES**

### **ISSUING OFFICE —**

Tariff Programs

### **LEGISLATIVE REFERENCES —**

C.R.C., c. 1317

C.R.C., c. 1320

### **HEADQUARTERS FILE —**

4582-1, 4583-1

### **SUPERSEDED MEMORANDA "D" —**

D21-2-1, June 1, 1986

### **OTHER REFERENCES —**

D21-2-2 to D21-2-7

Privileges and Immunities (International Organizations) Act

SERVICES PROVIDED BY THE DEPARTMENT ARE AVAILABLE IN BOTH  
OFFICIAL LANGUAGES.

THIS MEMORANDUM IS ISSUED UNDER THE AUTHORITY OF THE DEPUTY  
MINISTER OF NATIONAL REVENUE, CUSTOMS AND EXCISE.