ACTION BY GOVERNMENTS RELEVANT TO THE PROVISIONS OF PART IV

Addendum

The following notification on the implementation of Part IV has been received from the Government of the Federal Republic of Germany and should be included in Annex II of COM.TD/60:

FEDERAL REPUBLIC OF GERMANY

1. Customs sector

After the termination of the Kennedy Round the European Economic Community countries, contrary to the envisaged plan of staging the reduction of tariff concessions, have put into effect, at an advanced date, viz. as from 1 July 1968, customs concessions for about 100 tariff items of the Common Customs Tariff, which are of export interest to less-developed countries.

2. Quantitative import restrictions

Imports of woven carpets of coconut fibre - ex 58.02 - have been liberalized as from 1 June 1968.

In the agricultural sector quantitative restrictions on tariff items Nos. 17.01, 17.02, 17.03 and 17.05 have been eliminated as from the beginning of 1968 because of the introduction of the Common Market regulation for sugar.

3. Activities of the German Foreign Trade Information Agency (Bundesstelle für Aussenhandelsinformation = BfA)

(a) The BfA, assuming the functions of a national liaison agency to the Joint GATT/UNCTAD International Trade Centre (hereinafter referred to as "the Centre"), has further enlarged its information service concerning German commercial, legislative and marketing data. The number of direct inquiries received from less-developed countries and/or their representatives in the Federal Republic of Germany has increased considerably.
(b) Delegations of trade promotion organizations of less-developed countries as well as a number of individual visitors from Asia and South America, who are actively engaged in the field of export promotion in their native country, received expert advice in the BfA on questions of foreign trade promotion and on how to establish contact with public authorities, recognized associations, and with firms of the German industry.

(c) Trainees from Asian and South American countries participated in BfA in-service training courses under the fellowship programme.

(d) During several fairs, which took place at home and in less-developed countries, staff members of the BfA were at the disposal of foreign groups interested in export promotion.

(e) Co-operation with the Trade Centre was further intensified. The BfA contributed, inter alia, to publications edited by the Centre, e.g. on export promotion techniques, export advertising and trade fairs. The English version of the booklet on German customs regulations published by the BfA was made available to the Trade Centre for purposes of distribution among less-developed countries. Assistance was given to the Market Information Service of that Centre concerning all questions relating to the German markets, in particular market analyses on wine, tobacco, rabbit meat, fresh fruit and vegetables, manioc, preserved meat, carpets, rugs, hides and skins. At the beginning of 1968 an expert on packaging export goods was sent to Columbia. Finally, the BfA's staff or foreign correspondents working in less-developed countries was enlarged last year to include several new correspondents.

4. Activities of the German Foundation for Less-Developed Countries

In October 1967 the German Foundation for Less-Developed Countries organized a seminar on export promotion for twenty-three junior officers of French-speaking African countries interested in that field. A seminar on export promotion was held for commercial attachés and senior officers of the governmental civil service from non-European Mediterranean countries in October 1968. During the same period a seminar was held for eleven Asian trainees concerned with trade fairs.

5. Other measures

Under a German consulting project concerning export promotion in India, twenty Indian counterparts were trained in the Federal Republic of Germany for about two months through a German consulting firm.
6. Trade fair promotion and management

The annual import fair of "Partners of Progress" was held between 27 September to 6 October 1968 within the framework of the German Fair of Industry, which took place in Berlin. Fifty-six less-developed countries (as against fifty in 1967) from Africa, Asia and Latin-America participated. Exhibitors from those countries received financial assistance from the German Federal Government, viz. DM 20,000 were allotted for each exhibitor to cover expenses for the stand, construction and interior decoration as well as to meet travel expenses for one expert from the exhibiting country and for one native staff member of the foreign mission in the Federal Republic of Germany.

7. Law on Tax Incentives and Financial Aids for Investments of German Entrepreneurs in Developing Countries

Through the Amendment dated 1 March 1968, the Law on Tax Incentives and Financial Aids for Investments of German Entrepreneurs in Developing Countries promulgated on 23 December 1963 and due to expire at the end of 1967, was extended until the end of 1972. Apart from this the Amendment provides for several appreciable additions of substance. Up to now German entrepreneurs' capital investments made in developing countries have been favoured by the investor being given, as a charge against domestic taxes, an outright assessment deduction of 15 per cent of investment costs, and allowed to build up a tax-free reserve of 50 per cent of the remaining 85 per cent of investment costs. After six free years, the reserve has to be liquidated by stages over the next six years. If the entrepreneur takes full advantage of these tax benefits he will receive regularly an immediate financial aid from the Government of about 55 per cent of his expenditure on capital investments.

Thanks to this Amendment an additional number of capital investments which may be made in less-developed countries has been included in the benefits provided by the Development Aid Tax Law.