GENERAL AGREEMENT ON TARIFFS AND TRADE

PAKISTAN EXPORT FEE AND DUTY ON RAW JUTE
(Ref: Press Release GATT/109 of 14 February 1953)

The Ad Hoc Committee on Agenda and Intersessional Business at its meeting in February discussed a complaint by India regarding the adverse effects on Indian trade of the charges levied by the Government of Pakistan on exports of raw jute. It was stated that the Government of Pakistan charged a licence fee of ₹2/8/- (Pakistan) per maund on raw jute exported to India but not on exports to other destinations and, secondly, that an export duty was charged according to the standard of packing which also constituted a discrimination against exports to India since the rate was higher on the loose packing used for shipment to the Indian jute mills. The Chairman of the CONTRACTING PARTIES made suggestions to the two Governments with a view to the solution of the difficulties.

The CONTRACTING PARTIES have now been officially advised that the Governments of India and Pakistan concluded their consultations on the suggestions made to them by the Chairman and that an agreement, effective from 25 March, was reached whereby the Government of Pakistan removed the licence fee on exports of raw jute to India and also reduced the export duty on jute packed in loose bales to the rate applicable to other types of bales, while, at the same time, the Government of India reduced the price of coal sold to Pakistan to the level of the price charged to Indian consumers.

This agreement is along the lines proposed by the Chairman of the CONTRACTING PARTIES and disposes of the complaint lodged by the Government of India.