IRELAND - ACCESSION

Information on Ireland's Commercial Policy
and Regulations

Replies from the Government of Ireland to the
Questions Submitted by Contracting Parties

In document Spec(60)318 contracting parties were invited to submit questions relating to Ireland's commercial policy and trade measures. The questions asked and the Irish Government's replies are contained in the Annex hereto.

The attention of contracting parties is drawn to documents L/1285/Add.1 and Add.3 announcing that one copy of the following has been distributed to each contracting party: Trade Agreements between Ireland and the United Kingdom, Canada, Ceylon and the Union of South Africa; Irish Customs and Excise Tariff.
ANNEX

I. Tariffs

Question 1

Can you give a general idea of the ad valorem incidence of the Irish tariff based on 1959 imports and customs receipts?

Reply

Annual receipts from protective duties are approximately £3.5 million. The value of imports which attracted duty is about £18 million. Accordingly, the average ad valorem incidence is about 20 per cent.

Question 2

What are the governmental and administrative procedures for amending the Irish tariff?

Reply

Duties may be imposed, terminated or varied (1) by a Financial Resolution which must be confirmed within four months by a Finance Act, or (2) by a statutory instrument made under the Imposition of Duties Act 1957. A statutory instrument made under the latter Act must be confirmed not later than the end of the year following that in which the instrument was made.

Question 3

What is the method of valuation used for customs purposes?

Reply

Value for the purpose of goods liable to ad valorem duty is the price the goods would fetch on a sale in the open market at the time they are imported, on the assumption that the seller bears freight, insurance, commission and all other costs, charges and expenses (excluding any duty or tax chargeable in the State) incidental to the sale and the delivery of the goods at the port of importation.

The system of valuation of goods is that provided for in the Brussels Convention of the valuation of goods for customs purposes.

Question 4

Is it intended that the new Irish tariff now in preparation according to the Brussels Nomenclature, should serve as a basis for the negotiations with a view to Ireland's accession to the GATT? Is Ireland in a position to submit a table of concordance between the old and the new tariff? What are the principles underlying the proposed changes for the former tariff?
Reply

Ireland is in process of transposing her existing tariff into the form of the Brussels Nomenclature, but the new tariff will not be available in time to serve as a basis for any negotiations which Ireland may undertake with a view to accession to the GATT. Accordingly, any such negotiations would have to be based on the existing tariff.

By reason of the complexities of the work of transposition, it is not expected that it will be possible to produce a table of concordance between the existing and the proposed new tariff.

Question 5

What is the Irish tariff treatment of those items of interest to Australia not shown in the Irish tariff? The goods are:

- Wheat
- Millet (including panicum)
- Plain white wheaten flour
- Bran
- Furred skins
- Calf skins (not furred)
- Wool (greasy, scoured and carbonized)
- Mixed fatty acids and oil fatty acids
- Printers' materials
- Kitchenware and cooking utensils
- Telephone and telegraph instruments
- Machines and machinery, n.e.i. (statistical item 59990 in Australian trade statistics)
- Riding saddles
- Meat (of all kinds)
- Butter
- Cheese
- Barley
- Oats

Reply

Goods not liable to any duty:

- Wheat
- Millet including panicum
- Plain white wheaten flour
- Bran
- Furred skins
- Calf skins (not furred)
- Riding saddles
- Mixed fatty acids and oil fatty acids
- Butter
- Cheese
- Barley
- Oats
Goods liable to duty:

A. Furred skins

1. Sheep skins
   Tariff Reference (T.K.) 195

2. Dressed skins which have been cut, shaped or sewn or have undergone any process of manufacture other than dressing with or without dyeing and are from their shape or design identifiable as articles of wearing apparel or for use in the making of such articles
   T.R. 57/10

3. Parts of skins, e.g. fox brushes which are in a finished condition
   T.R. 57/10

4. Other
   Free

B. Wool - greasy, scoured or carbonized

1. Noils
   T.R. 89

2. Other
   Free

C. Printers' materials

D. Kitchenware and cooking utensils

   T.R. Nos. 2/1, 14/1, 14/2, 47/4, 47/5, 68, 68/3, 77/3, 78/3, 79/5, 101/9, 102/9, 103, 110/5, 119/1, 121/1, 124/1, 128, 128/2, 130, 130/1, 151/5, 180/7, 197, 250/1, 266/9

   Tariff Supplement Reference (T.S.R.) No. 561

E. Telephone and telegraph instruments

1. Wireless telegraphy apparatus
   T.R. 266/4

2. Other
   Free

In addition, T.S. Reference No. 530 applies to all articles of domestic use of a fancy or ornamental character with the exceptions indicated at that reference number of the Tariff Supplement or at paragraph 1 of the explanatory notes to the Supplement.
F. Machines and machinery (all duties on machines and machinery except motor cars are mentioned here).

G. Meat

Question 6

* Do Government imports pay import duties, and is there a distinction between imports for Government use and for resale?

Reply

Any imports on Government account are subject to the same tariff treatment as imports on private account.

Question 7

What subsidiary charges are levied on imports over and above import duties?

Reply

There are none.

Question 8

Is Ireland in a position to furnish a statement relating to levies on imports?

Reply

There are no levies on imports apart from the customs duties shown in the Customs and Excise Tariff.

Question 9

Apart from customs duties, are there any fiscal consumption taxes, excise duties or any other taxes having equivalent effect and, if so, how are they being applied?

Reply

A list of excise duties is set out at pages 185-188 of the tariff. There are customs duties on the corresponding imported articles.
In the case of a number of items, viz. cider and perry, matches, hydro-carbon oils, table waters and tyres, differentials between the customs and excise rates are maintained for the protection of the Irish industry.

In the case of beer, breweries in Ireland receive a rebate in certain circumstances on the first 5,000 standard barrels brewed annually.

Question 10

Are any internal taxes levied on imports at higher rates than on domestic production?

Reply

No.

Question 11

Does Ireland have any anti-dumping legislation? If so, what are the provisions?

Reply

There is no specific anti-dumping legislation. In cases of dumping recourse is had to legislation governing the imposition and variation of import duties.
II. EXPORT CHARGES

Question 12
What taxes are imposed on exports?

Reply
There are no taxes or levies on exports with the exception of a minor levy on exports of fresh salmon.

Question 13
Is Ireland in a position to furnish a statement relating to levies on exports?

Reply
See reply to question 12.

III. PREFERENTIAL ARRANGEMENTS AND BILATERAL AGREEMENTS

Question 14
What is the scope of the preferential arrangement with respect to trade now in force?

Reply
Ireland's trade statistics are not compiled in a form which enables a precise answer to be given to this question. It is estimated, however, that producers' capital goods and raw materials - which are not subject to any duties - together with items liable to revenue and other duties to which preferential rates are not attached, account for 75 per cent of Ireland's total imports. Of the remaining 25 per cent about two thirds consist of dutiable goods with preferential rates. Such goods represented nearly £40 million of Ireland's total imports in the calendar year 1959.

Question 15
Can you make a statement summarizing Ireland's preferential tariff system and commitments?

Reply
(1) It will be seen from the Irish Customs and Excise Tariff that rates of duty are shown in three columns headed respectively:

Full
Preferential - United Kingdom and Canada
Preferential - Other Commonwealth Countries
(2) Preferences in the Irish tariff structure originated in the preferential system operated by the United Kingdom before the establishment of the State. Ireland is accorded preferences by the United Kingdom and certain countries of the British Commonwealth, and in return Ireland accords certain preferences to goods originating in the United Kingdom and other Commonwealth countries.

(3) In a Trade Agreement between Ireland and the United Kingdom in 1938 Ireland undertook inter alia that British goods would be admitted at preferential rates of duty whenever such rates existed, and that existing preferential rates of duty would not be reduced. Article 11(3) of the Agreement provided that preferential margins of at least one third of the full rate (or 10 per cent ad valorem whichever was the greater) would be provided when new duties were being imposed or adjusted. Ireland also undertook that where licences were being issued for the admission of dutiable goods either free of duty or at a rate less than that ordinarily chargeable, the goods would be admitted duty-free from the United Kingdom, and similar goods covered by such licences, originating in a non-Commonwealth country, would be subject to a duty of 10 per cent ad valorem (or an appropriate rate of specific duty) unless they were of a class or kind of which supplies were not for the time being available in the United Kingdom.

(4) In an agreement with Canada concluded in 1932 Ireland undertook not to charge higher duties on Canadian goods than on the goods of any other country.

(5) Under a Trade Agreement with South Africa, also concluded in 1932, Ireland undertook to provide specified margins (expressed as percentages or proportions of the full rates) on a narrow range of commodities.

(6) Between 1938 and 1950 the general practice when imposing new duties was to provide for a general preferential rate applicable to the goods of all Commonwealth countries.

(7) In 1950 a Treaty of Friendship, Commerce and Navigation was concluded with the United States. The Treaty provided for the mutual granting of most-favoured-nation treatment. It was also provided (Article Xa.3), however, that the most-favoured-nation provisions would not apply to advantages accorded by Ireland to members of the British Commonwealth. It was further provided that so long as the United States might be obligated by the GATT or by the Havana Charter not to increase preferences, the advantages referred to should be no greater than those in force on the date of signature of the Treaty, or provided for in Article 11(3) of the Trade Agreement of 1938 with the United Kingdom (see paragraph (3) above).

(8) Since the conclusion of the Treaty with the United States new preferences, where provided, are accorded to goods of United Kingdom and Canadian origin only, the full rate applying to goods from all other countries.
Question 16

Are there any customs agreements with Northern Ireland (preferential duties, frontier traffic, etc.)?

Reply

No.

Question 17

What are the preferential tariff agreements between Ireland and the Commonwealth (in particular Great Britain)?

Reply

The preferential tariff agreements are as follows:

- United Kingdom Trade Agreement dated 25 April 1938
- Trade Agreement dated 31 July 1948
- Trade Agreement dated 13 April 1960
- Canada Trade Agreement dated 20 August 1932
- South Africa Trade Agreement dated 20 August 1932
- Ceylon Trade Agreement dated 20 November 1953

Question 18

Is the 1932 Trade Agreement between Canada and Ireland still the basis for Canada's equal treatment with the United Kingdom in the Irish Tariff?

Reply

Yes.

Question 19

What is the present status of the undertakings on canned meat, butter and eggs given to Ireland by the United Kingdom in the Annex to the 1948 Trade Agreement?

Reply

These undertakings were given in circumstances of bulk purchase by the United Kingdom authorities. The importation into the United Kingdom of the three commodities mentioned is now on private account.

Question 20

Is Ireland a party to any bilateral trade agreement(s) (other than those with the United Kingdom and Canada) under which import quotas are guaranteed to the other country?
Reply

Except in the case of the Trade Agreements with the United Kingdom, Ireland is not a party to a bilateral agreement under which import quotas are guaranteed to the other country.

Question 21

In the event of Ireland acceding to the GATT, what preferential customs duties is it intended to retain?

Reply

So long as the retention of particular customs duties is necessary, the Government of Ireland would propose to continue the preferential arrangements shown in the customs tariff.

It would be the intention of the Government, whenever new duties are being imposed or whenever duties imposed since the coming into force of the Trade Agreement of 1938 with the United Kingdom are being adjusted to provide for the charging of a preferential rate of duty on United Kingdom goods as follows: the difference between the rate of customs duty charged on United Kingdom goods and the full rate would be not less than one third of the full rate, or 10 per cent ad valorem, whichever is the greater. This arrangement would be in accordance with the Trade Agreement of 1938.

The Government would intend also to continue to accord to imports from Canada the tariff treatment provided for in the Trade Agreement of 1932 between Ireland and Canada, namely, the admission of Canadian goods at rates of duty not less favourable than those applicable to any other country.

In the case of the eight items scheduled in the Trade Agreement of 1932 with South Africa, it would be the intention of the Government of Ireland to continue to accord the margins of preference specified therein in the event of adjustment of the duties on the products concerned.
IV. Quantitative Restrictions

Question 22

To what extent are imports regulated by quantitative restrictions, and to what extent do quantitative restrictions involve discrimination?

Reply

Particulars of the quantitative restrictions maintained by Ireland are given at pages 1 to 9 of the Irish Customs and Excise Tariff. Discriminatory treatment arises in only four minor cases, viz. apples, tomatoes, seed wheat and motor cars valued at not less than £1,300 c.i.f.

Question 23

Is entry of all items into Ireland unrestricted except for those shown on pages 1 to 9 of the Irish Tariff?

Reply

Yes.

Question 24

What are Ireland's plans for removing non-tariff import controls?

Reply

Machinery exists for the review of industrial import restrictions and their replacement by duties. This machinery has been used to review certain import restrictions, and following such reviews the restrictions have been replaced by duties.

It is not the desire of the Government to retain import restrictions longer than is necessary for the protection of the industries concerned.

Should Ireland become a contracting party, the Government would be conscious of their obligations under the General Agreement and would strive for the elimination of such restrictions as might be removed without risk of serious damage to industries and employment.

So far as agricultural restrictions are concerned see reply to question 31.

Question 25

Are all import quotas global?

Reply

Yes, with the minor exceptions indicated in reply to question 26.
Question 26

If not, on what basis are quotas allocated, e.g. country-by-country, currency areas?

Reply

The exceptions to the global quota arrangements are those relating to apples, tomatoes, seed wheat and private motor cars of a c.i.f. value of not less than £1,300. The arrangements in respect of these commodities - which are summarized hereunder - derive from the provisions of Articles 9 and 17(3) of the Trade Agreement, 1938, as amended by Article VI.4 of the Trade Agreement, 1948 between Ireland and the United Kingdom.

Apples: Imports from the United Kingdom are free of quantitative restrictions throughout the year. Imports from other countries are suspended when home-produced supplies are available.

Tomatoes: During the period in which home-produced supplies are available imports are suspended, but a limited quantity is permitted to be imported from the United Kingdom. Throughout the rest of the year there are no quantitative restrictions.

Seed Wheat: Only a limited quantity of imported seed is required to supplement home-produced supplies and this is obtained exclusively from the United Kingdom.

Certain private motor cars: Completely assembled private motor vehicles of a c.i.f. value of £1,300 or more manufactured in the United Kingdom or Canada are admitted free of quantitative restrictions. Similar cars from other countries are subject to import restrictions which are operated on a global basis.

Question 27

What criteria are used in allocating quotas between countries or areas?

Reply

See answer to question 26.

Question 28

What restrictions are imposed on exports?

Reply

Particulars of the restrictions on exports are given at pages 10 to 15 of the Irish Customs and Excise Tariff. The restrictions on agricultural items are primarily designed to ensure quality standards while the purpose of the controls on the industrial items is to conserve supplies of certain raw materials for industry. These controls are reviewed annually and where such reviews show that it is possible to permit the free export of particular commodities, they are removed from control.
V. Subsidies

Question 29
Are subsidies being used to stimulate exports?

Reply
With a view to stabilising farm income subsidies are paid on the export of certain commodities. For details see reply to question 30.

Question 30
Is Ireland in a position to furnish a statement relating to the various incentives (direct or indirect methods) in favour of imports and exports?

Reply
There are no incentives, direct or indirect, in favour of imports.

As regards exports, direct aid is made available for the following commodities:

(a) Bacon: Any loss on exports is met from a stabilization fund which is fed from contributions by the State and from levies payable by pig producers. If market conditions should make it more profitable to export pig meat in the form of pork rather than bacon, subsidy may be paid on the pork exported.

(b) Fat cattle and carcase beef: As a temporary measure designed to facilitate the disposal by farmers of reactor cattle under the Bovine Tuberculosis Eradication Scheme, a price guarantee is given by the Government in respect of such cattle (live or slaughtered). The rate of guarantee is linked to the level of the United Kingdom guaranteed prices for Irish store cattle fattened in that country and, depending on the level of market prices, an export subsidy may be paid from time to time.

(c) Butter: If the price obtainable in export markets falls below the cost of production and marketing, the difference is met from the Dairy Produce (Price Stabilization) Fund which is fed from contributions by the State and from levies on milk producers.

(d) Other dairy products (chocolate crumb, milk powder and cheese): As a temporary measure, milk used for the manufacture for export of milk powder (full cream) or cheese attracts payments from the Dairy Produce (Price Stabilization) Fund which is fed in the manner indicated at (c) above. In the case of chocolate crumb a temporary State contribution towards transport costs is payable in respect of chocolate crumb exported to Great Britain.
Indirect aid to exports is afforded by a system of taxation reliefs applicable by legislation to profits from new or increased exports. The relief which takes the form of an exemption from Income Tax and Corporation Profits Tax in respect of profits derived from new or increased exports of Irish-manufactured goods is granted for a ten-years' period ending not later than 5 April 1975. There is provision also for relief at a gradually reducing rate for each of the five years immediately following the ten-years' period. Alternatively, relief may be obtained by a company for a period of five years to the extent of 25 per cent of the Income Tax and Corporation Profits Tax referable to profits from the sale of all goods manufactured by it in the State and exported by it.
VI. AGRICULTURAL POLICY

Question 31

What is the present position on Ireland's agricultural policy and agricultural support schemes (including details of guaranteed prices, export subsidies, stringency of import controls, etc., for agricultural commodities of interest to Australia)?

Reply

The main objective of Irish agricultural policy at present is to maintain and intensify the upward trend in agricultural output which has been evident in recent years and to do so on a sound economic, and therefore lasting, basis. With this objective in mind the Government operates measures to ensure so far as practicable stability of prices to farmers, to improve technical efficiency through extended advisory services, etc., to eliminate livestock diseases and to raise the productivity of the land. Since increases in production have mainly to be exported, it is of special importance to bring about reductions in production costs per unit of output.

As an indication of the importance to Ireland of a thriving and efficient agricultural industry it may be mentioned that 38 per cent of the Irish population are engaged in agriculture, that agriculture accounts for between 25 and 30 per cent of the national income and that agricultural products represent over 60 per cent of the country's total exports. Because of this high degree of dependence on the agricultural industry the scope for support to the industry is limited and such support can only be provided where it is absolutely necessary.

Price support arrangements are operated in respect of wheat, feeding barley, sugar beet, milk and certain grades of pigs. The representative basic price guaranteed to producers for wheat is 73s. per barrel of 280 pounds while there is an assured minimum price to producers of 38s. per barrel of 224 pounds for feeding barley. The basic guaranteed price for sugar beet is 121s.6d. per ton. In the case of milk the price support arrangements ensure an estimated average price of 1s.7d. per gallon to producers not including the value (approximately 3d. per gallon) of skimmed milk returned to producers. The guaranteed minimum prices to producers for pigs range between 225s. and 245s. per cwt. dead weight, depending on the grade of the carcase.

Particulars of export subsidies on agricultural products are given in the reply to question 30.

So far as import controls on agricultural products are concerned, particulars of those controls are given at pages 2 to 7 of the Irish Customs and Excise Tariff. Ireland enjoys a high degree of freedom from animal and plant diseases and many of the import controls on agricultural products are designed to ensure the maintenance of this position which is so essential to a country that is highly dependent on agricultural exports.
other import controls is to protect agricultural income which is of particular importance in the Irish economy. With regard to products of special interest to Australia the following is the position. Imports of wheat and feeding stuffs are restricted to the quantities needed to supplement home-produced supplies, while imports of meat are prohibited because of animal health considerations. Imports of dairy produce are controlled with a view to reserving and stabilizing the home market for Irish producers. Imports of sugar may be effected only by the appropriate State agency, namely, the Irish Sugar Company Ltd.

VII. STATE TRADING

Question 32

To what extent is there State trading in import and export fields?

Reply

Sugar may be imported only by a State company.

So far as exports are concerned, butter and potatoes are exported by central marketing bodies on which the State and producing and trading interests are represented. The small exports of condensed milk are made by a State company.

Question 33

To what extent does the Irish Government participate in external trade in items of interest to Australia?

Reply

See reply to question 32.

Question 34

For the commodities on which the Government participates in external trade, what are the criteria used in determining whether imports will be permitted?

Reply

To the extent that home-production falls short of total needs imports are permitted. The importing agency conducts its operations on commercial lines.
VIII. GENERAL QUESTIONS

Question 35

Is Ireland in a position to furnish a statement relating to her import and export policy?

Reply

Despite obstacles to the sale of her agricultural products abroad and the urgent need to build up an industrial arm to relieve unemployment and check emigration, Ireland has pursued a liberal import policy. Practically all imports are on private account and in accordance with the Trade Liberalization Code of the OECD. Ireland has liberalized 90 per cent of her imports on private account, and such liberalization has been extended to all countries without discrimination.

As regards export policy, Ireland is largely dependent on the United Kingdom market which absorbs about three-quarters of the total exports, and trade relations with that country are, therefore, a matter of prime importance. It is the aim of the Government of Ireland to foster the development of these trade relations which are of a special character deriving from the close economic association of the two countries. It is also the Government's aim to expand trade with continental Europe and, further, to supplement such trade by developing markets elsewhere throughout the world.