PROPOSED NEW BASE DATE FOR PERMISSIBLE MARGINS OF PREFERENCE
FOR THE FEDERATION OF RHODESIA AND NYASALAND

Notification by the Federation of Rhodesia and Nyasaland

The following communication, dated 29 August 1960, has been received from the Government of the Federation of Rhodesia and Nyasaland:

"In terms of the recommendation contained, at paragraph 15, in the Report (L/1225) of the Working Party on Rhodesia and Nyasaland/South Africa Trade Relations, which Report was adopted by CONTRACTING PARTIES at the sixteenth session, the following proposals are submitted by the Federal Government regarding new base dates in terms of Article I of the General Agreement. The Federal Government proposes that, in place of the existing base dates of 1 April 1941 for Southern Rhodesia and 10 May 1947 for the remainder of the Federation, a single base date be registered which shall be 1 January 1960:

Provided that:

(1) in respect of goods originating in a country which, on the introduction of the Customs Tariff of the Federation on 1 July 1955, was:

(a) a colony being part of Her Britannic Majesty's dominions;

(b) a territory administered by the government of any country of the British Commonwealth under the trusteeship system of the United Nations, excluding any territory administered under such system by a fully self-governing country of the British Commonwealth other than the United Kingdom;

(c) a British protectorate or British protected state,

the margins of preference operative on the base date shall be deemed to be those applicable on the base date to similar goods originating in the United Kingdom."
(ii) in respect of the following goods originating in the Union of South Africa and South-West Africa, the margins of preference applicable on the base date shall be deemed to be as indicated hereunder:

<table>
<thead>
<tr>
<th>Good</th>
<th>Margin of Preference</th>
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</thead>
<tbody>
<tr>
<td>Ice-Cream</td>
<td>(22½% ad valorem) or (5d. per lb.) whichever shall be the greater</td>
</tr>
<tr>
<td>Ice-Cream Powder</td>
<td>(22½% ad valorem) or (5d. per lb.) whichever shall be the greater</td>
</tr>
<tr>
<td>Cream</td>
<td>22½% ad valorem</td>
</tr>
<tr>
<td>Ghee</td>
<td>3d. per lb.</td>
</tr>
<tr>
<td>Pig Meat, canned, excluding bacon and ham</td>
<td>20% ad valorem</td>
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"The Federal Government sees great merit in adopting a single base date rather than a series of base dates for different countries. At the same time, the unqualified adoption of a single date will conflict with certain particular requirements of the situation. The date proposed has been selected as being that meeting most of the requirements. In particular, it takes account of the adjustments which have been made in terms of the Decision of the CONTRACTING PARTIES dated 3 December 1955, the Resolution of 13 November 1956 and the Decision of 20 November 1958. The date falls within the period provided by CONTRACTING PARTIES for adjustments. It fails to satisfy requirements in three respects only. No other single date would meet all requirements or be more satisfactory generally than that proposed of 1 January 1960. The above proposal therefore envisages that the three remaining requirements should be covered by the suggested proviso.

"The first requirement arises from the progress to independence of countries which, when the Federal Customs Tariff was introduced, were dependent territories of the United Kingdom. Special preferences are provided for such countries in the Federal Tariff. The Federal Government wishes to retain the ability to continue such preferences where appropriate, notwithstanding that some of the countries concerned may have become independent between 1 July 1955 and 1 January 1960.

"The second question is related to the first. In general, the special preferences accorded to the countries in question are the same as those provided for the United Kingdom. In certain cases, however, it was necessary for protective reasons to apply for the time being a
higher rate of duty and consequently a smaller margin of preference on certain goods. This result could have been achieved in a number of ways, but the device adopted involved a substantive change in the tariff in force on the proposed binding date. The Federal Government wishes to preserve its ability to reduce such duties to the United Kingdom level where appropriate, and the proviso accordingly establishes the United Kingdom margin on 1 January 1960, instead of the margin actually applicable, as that bound in terms of Article I.

"The third requirement arises from the nominal increases in the margins of preference applicable in terms of the 1960 Agreement between the Federation and the Union of South Africa to certain agricultural products. These increases were accepted by the CONTRACTING PARTIES as being within the terms of the Decision of 3 December 1955, and were notified accordingly. They were not, however, in force on the proposed binding date and the suggested proviso specified the items concerned and the margins applicable in each case.

"The Federal Government trusts that the CONTRACTING PARTIES will find these proposals acceptable. In the period between now and the seventeenth session the Federal Government will be pleased to answer any questions which may be referred to it by individual contracting parties on the subject."