The following communication, dated 9 April 1963, has been received from the Government of South Africa:

"I have the honour to submit, for the information of contracting parties, three copies of exchanges of notes between the Governments of the Republic of South Africa and the Federation of Rhodesia and Nyasaland concerning the content of Federal cigarettes.

"When the Trade Agreement was concluded on 16 May 1960, it was envisaged that the Federation's cigarette exports to South Africa would continue to be manufactured solely from leaf tobacco grown in the Federation. It was, however, subsequently realized that the concession provided for in Part III of Annexure A of the Trade Agreement will also apply to cigarettes containing a large proportion of imported tobacco. The concession could, therefore, be used to cover a substantially wider range of imports than originally intended.

"The exchanges of notes accordingly amend the Trade Agreement so as to reflect the original intention of the Governments of the Republic of South Africa and the Federation of Rhodesia and Nyasaland."

---

1BISD, Ninth Supplement, p.231.
Sir,

I have the honour to propose that the Trade Agreement of the 16th May, 1960, between the Governments of the Republic of South Africa and the Federation of Rhodesia and Nyasaland be amended by the deletion of Part III of Annexure B, which reads as follows:

"PART III.

The following goods, when manufactured in the Federation, shall, in terms of Article 4, on entry for consumption in the Union, be admitted at the most-favoured-nation rate of customs duty applicable thereto from time to time, subject to a rebate from such rate indicated hereunder in respect of such goods:

<table>
<thead>
<tr>
<th>Union Tariff Item</th>
<th>Description of Goods</th>
<th>Extent of Rebate</th>
</tr>
</thead>
</table>
| 54               | Cigarettes           | 105 cents per 1,000 cigarettes."

and by the substitution of the following therefor:

"PART III.

The following goods, when manufactured in the Federation from such percentage of leaf tobacco grown in the Federation as may be agreed from time to time between the parties to this Agreement and provided that the conditions mentioned in Article 7 are satisfied, shall, in terms of Article 4, on entry for consumption in the Republic of South Africa, be admitted at the most-favoured-nation rate of customs duty applicable thereto from time to time, subject to a rebate from such rate indicated hereunder in respect of such goods:

<table>
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<th>South African Tariff Item</th>
<th>Description of Goods</th>
<th>Extent of Rebate</th>
</tr>
</thead>
</table>
| 54                       | Cigarettes           | 105 cents per 1,000 cigarettes."

In the event of the above proposal being acceptable to you, I have the
honour to propose that, on acceptance of the above proposal, this note and
your acceptance be regarded as constituting an agreement between our two
Governments with effect from the 11th March, 1963.

I have the honour to be,

Sir,

Your obedient servant,

(sgd.) H.L.T. Taswell

ACCREDITED DIPLOMATIC
REPRESENTATIVE

The Honourable Sir Malcolm Barrow, C.B.E., M.P.,
Minister of Economic Affairs,
P.O. Box 8201,
Causeway,
SALISBURY.
Sir,

I have the honour to acknowledge receipt of your Note No. H(G)40/2/4 of today's date reading as follows:-

"I have the honour to propose that the Trade Agreement of the 16th May, 1960, between the Governments of the Republic of South Africa and the Federation of Rhodesia and Nyasaland be amended by the deletion of Part III of Annexure B, which reads as follows:-

"PART III.

The following goods, when manufactured in the Federation, shall, in terms of Article 4, on entry for consumption in the Union, be admitted at the most-favoured-nation rate of customs duty applicable thereto from time to time, subject to a rebate from such rate indicated hereunder in respect of such goods:-

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<td>Cigarettes</td>
<td>105 cents per 1,000 cigarettes.</td>
</tr>
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</table>

and by the substitution of the following therefor:-

"PART III.

The following goods, when manufactured in the Federation from such percentage of leaf tobacco grown in the Federation as may be agreed from time to time between the parties to this Agreement and provided that the conditions mentioned in Article 7 are satisfied, shall, in terms of Article 4, on entry for consumption in the Republic of South Africa, be admitted at the most-favoured-nation rate of customs duty applicable thereto from time to time, subject, to a rebate from such rate indicated hereunder in respect of such goods:-

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<tr>
<th>South African Tariff Item</th>
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<tbody>
<tr>
<td>54</td>
<td>Cigarettes</td>
<td>105 cents per 1,000 cigarettes.</td>
</tr>
</tbody>
</table>

In the event of the above proposal being acceptable to you, I have the honour to propose that, on acceptance of the above proposal, this note and your acceptance be regarded as constituting an agreement between our two Governments with effect from the 11th March, 1963."
I have the honour to confirm that the amendment to the Trade Agreement of the 16th May, 1960, proposed in your note as quoted above is acceptable to the Government of the Federation of Rhodesia and Nyasaland, and that your note and this reply shall be regarded as constituting an agreement between our two Governments with effect from the 11th March, 1963.

I have the honour to be,

Sir,

Your obedient servant,

(sgd.) M.P. Barrow.

MINISTER OF ECONOMIC AFFAIRS.

H.L.T. Taswell, Esq.,
Accredited Diplomatic Representative
for the Republic of South Africa,
P.O. Box 121,
SALISBURY.

Sir,

I have the honour to propose that the percentage of leaf tobacco grown in the Federation, to which reference is made in Part III of Annexure B to the Trade Agreement of the 16th May, 1960, between the Governments of the Republic of South Africa and the Federation of Rhodesia and Nyasaland, be fixed at 100 per cent until such time as the Governments of our two countries may agree on a different percentage.

In the event of the above proposal being acceptable to you I have the honour to propose that, on acceptance of the above proposal, this note and your acceptance be regarded as constituting an agreement between our two Governments with effect from the 11th March, 1963.

I have the honour to be,

Sir,

Your obedient servant,

(sgd.) H.L.T. Taswell
ACCREDITED DIPLOMATIC REPRESENTATIVE

The Honourable Sir Malcolm Barrow, C.B.E., M.P.,
Minister of Economic Affairs,
P.O. Box 8201,
Causeway,
SALISBURY.

Sir,

I have the honour to acknowledge receipt of your Note No.H(G)40/2/4 of today’s date reading as follows:--

"I have the honour to propose that the percentage of leaf tobacco grown in the Federation, to which reference is made in Part III of Annexure B to the Trade Agreement of the 16th May, 1960, between the Governments of the Republic of South Africa and the Federation of Rhodesia and Nyasaland, be fixed at 100 per cent until such time as the Governments of our two countries may agree on a different percentage.

"In the event of the above proposal being acceptable to you I have the honour to propose that, on acceptance of the above proposal, this note and your acceptance be regarded as constituting an agreement between our two Governments with effect from the 11th March, 1963."

I have the honour to confirm that the proposal in your note as quoted above is acceptable to the Government of the Federation of Rhodesia and Nyasaland, and that your note and this reply shall be regarded as constituting an agreement between our two Governments with effect from the 11th March, 1963.

I have the honour to be,

Sir,

Your obedient servant,

(sgd.) M.P. Barrow.
MINISTER OF ECONOMIC AFFAIRS

H.L.T. Taswell, Esq.,
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