NOTIFICATIONS OF SUBSIDIES UNDER ARTICLE XVI

(September 1954)

Addendum

By Decision of the CONTRACTING PARTIES of 2 March 1950, contracting parties maintaining subsidies falling within the scope of Article XVI of the Agreement were required to submit notifications as required by that Article.

Notifications received between December 1953 and August 1954 were circulated in L/223. Notifications from Belgium, Denmark, Pakistan and Turkey received in September 1954 are circulated herewith.

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1. Subsidies on Dairy Products

No substantial modification has been made since the notification of 13 July 1953 (document L/91/Add.1) in the system of subsidies to dairy products.

Under the latest relevant order published in the Moniteur on 6 August 1954, the following products are subsidized:

- hard cheese containing 45 per cent and 40 per cent butter fat
- medium hard cheese containing 45 per cent butter fat
- Herve ripened cheese
- Hatmaker and Spray powdered milk
- dried skimmed milk
- Hatmaker and Spray buttermilk
- concentrated milk

2. Subsidies to the Film Industry

The budget estimates of the Department of Economic Affairs for the year 1954 include an appropriation of 10 million Belgian francs for the purpose of assisting the Belgian film industry. This amount is earmarked for subsidies to be granted for the production of news reels, documentary films, shorts and main-feature films.

3. Subsidies to the Coal Industry

The modification made since June 1953 in the system of subsidies accorded to the Belgian coal industry are as follows:

The "A system" of equalization and the system of conventional subsidies have been maintained and the corresponding rates have not been altered.

On the other hand subsidies intended partly to offset the industrial tax levied on that part of the re-equipment fund which is actually used to finalize investments have been abolished.
BELGIUM (cont'd)

Since the second half of 1953 some Belgian exports to other members of the European Coal and Steel Community have been effected under the Compensation Scheme provided for under Section 26.2.c. of the Convention containing the transitional provisions annexed to the treaty constituting the European Coal and Steel Community.

As in the case of the "A system" of equalization, the resulting expenditure is shared equally by the High Authority and the Belgian Government.

THE BELGIAN CONGO AND RUANDA URUNDI

(Translation)

Notification of 8 September 1954

The ordinary budget estimates for the Belgian Congo and Ruanda Urundi for 1954 included an amount of 6-million Belgian francs for palm oil and 13,160.00 Belgian francs for wood.

DENMARK

Notification of 16 September 1954

No modifications have taken place in the measures of subsidization applied in Denmark since the last notification (see L/91/Add.1).

PAKISTAN

Notification of 22 September 1954

Pakistan has no subsidies to report under Article XVI of the GATT. A further communication will be sent in the event there is any further information to give.
1. Government Export Subsidies

Turkish exports of wines are granted subsidies in the sense of Article XVI of the General Agreement. Under Law No. 4250 of 8 June 1952 concerning the alcohol-alcoholic beverages monopoly, a bounty of 10 piastres (3.5 cents USA) per litre is granted for exports of wines. However, in view of the fact that exports of Turkish wines are of small importance the effect of this subsidy is quite negligible. In 1953 such exports did not represent more than 348,000 Turkish pounds (US $ 124,285).

2. Price-Support Policy

Under Law No. 3491 of 13 July 1938 concerning the produce of the soil, the Produce of the Soil Office purchases wheats for the purpose of preventing wheat being sold by wheat growers at prices below the normal price and for the purpose of supporting and regulating the wheat market. Purchases are effected at prices fixed annually by the Council of Ministers before 15 June. Such purchases, the object of which is to protect both producer and consumer, affect only a limited part of wheat production. In fact, purchases effected by the Produce of the Soil Office do not exceed one-sixth of total production. A great part of this quantity is offered for sale on the domestic market and any surplus is exported. Over and above the measure in question, wheat purchases and sales can be carried out freely and do not come under any monopoly.

Purchases are effected from time to time according to needs in the case of products like tobacco, for the purpose of regulating market conditions. Such purposes aim at protecting producers by enabling them to sell their produce at a fair price. Exports of such products are not granted any government subsidy.