GENERAL AGREEMENT ON
TARIFFS AND TRADE

CONTRACTING PARTIES

TRADE RELATIONS BETWEEN THE UNION OF SOUTH AFRICA
AND THE FEDERATION OF RHODESIA AND NYASALAND

Joint Communication by the Delegations of the Union of South Africa
and the Federation of Rhodesia and Nyasaland

Following on the discussions about the special trade relations between South
Africa and the Federation of Rhodesia and Nyasaland which took place at the
fifteenth session of the CONTRACTING PARTIES, and the results of which are recorded
in document L/1110 of 19 November 1959, the Governments of the two countries have
conducted negotiations for a new trade agreement which is to replace the existing
trade agreement between them which is due to expire on 30 June 1960.

These negotiations have culminated in the formulation of the attached draft
of a new agreement which the two Governments now wish to submit to the CONTRACTING
PARTIES for their consideration.

Since the draft provides for material changes in the rates of duty presently
applicable in the two countries to each other's products and since the proposed
amended rates will not become effective before 1 July 1960, the two Governments
would particularly request that the contents of the draft agreement be treated
with the utmost secrecy.
TRADE AGREEMENT BETWEEN THE GOVERNMENTS OF THE
FEDERATION OF RHODESIA AND NYASALAND AND THE
UNION OF SOUTH AFRICA

The Governments of the Federation of Rhodesia and Nyasaland and the Union of South Africa, recognizing that it is desirable that trade between their respective territories should be as free and uninterrupted as possible, have agreed as follows:

Article 1

In this Agreement, unless inconsistent with the context: "Federation" means the Federation of Rhodesia and Nyasaland. "Union" means the Union of South Africa including the territory of South-West Africa.

Article 2

The goods enumerated in Annex A, when grown, produced or manufactured in the territory of one of the parties to this Agreement, shall be admitted into the territory of the other party only under the authority of a permit issued by or on behalf of the Government of the importing territory and shall, on importation, be so admitted free of customs duty.

Article 3

There shall, on importation into the Union, be admitted free of customs duty:

(a) during the period 1 July 1960 to 31 December 1960, a quantity which, together with any quantity so admitted during the period 1 January 1960 to 30 June 1960, under the then existing agreement between the Union and the Federation, shall be 2 million lbs. in weight of flue-cured Virginia-type leaf tobacco grown in the Federation;

(b) after 31 December 1960, in every calendar year, a quantity of 2 million lbs. in weight of such tobacco.

Article 4

Subject to the conditions mentioned therein, the goods enumerated in Annex B, when manufactured in the Federation, shall, in accordance with the provisions of that Annex, on entry for consumption in the Union be admitted free of duty or at the rates of duty specified in that Annex, as the case may be.

Article 5

Any goods, other than those referred to in Article 2, grown, produced or manufactured in the Union, shall, on entry for consumption in the Federation, be admitted at the Column C rate of customs duty in the Customs Tariff of the Federation applicable thereto from time to time.
Article 6

Rough and uncut diamonds, produced in the Union, shall, when exported to the Federation and certified on behalf of the Government of the Federation by an official thereof to be for industrial use therein, be free of export duty.

Article 7

For the purposes of this Agreement, goods shall not be regarded as having been manufactured in-

(a) the Federation, unless at least 25 per cent of the factory or works cost of those goods is represented by labour performed in that territory or by materials produced and labour performed in that territory;

(b) the Union, unless they have been subjected to the last process of manufacture in the Union and-

(i) contain not less than the "specified country content"; or

(ii) have been subjected in the Union to a process of manufacture, as determined from time to time in terms of Section 76 of the Customs and Excise Act, 1955, of the Federation.

Article 8

(1) A party to this Agreement may impose dumping duties on goods, grown, produced or manufactured in the territory of the other party and imported into the territory of the first-mentioned party.

(2) A party to this Agreement may impose countervailing duties to effect any subsidies granted, directly or indirectly, by the other party or by other bodies or individuals, in respect of any goods exported to the territory of the first-mentioned party from the territory of the other party.

(3) The parties undertake, on request by one of the parties, to afford the other party all possible assistance in the investigation of any allegation of dumping in respect of goods exported from the territory of one party to that of the other party.

Article 9

A party to this Agreement which levies an excise duty or surtax on any goods may impose a corresponding countervailing duty on like goods, grown, produced or manufactured in the territory of the other party and imported into the territory of the first-mentioned party.

Article 10

The parties agree to adopt, as far as possible, similar customs measures and procedures in order to facilitate tourism.
Article 11

Goods grown, produced or manufactured in the territory of either party to this Agreement shall be exempt from the imposition by either party of any quantitative import or export restrictions, except insofar as quantitative restrictions are permitted by Article 2, or are in force at the date of commencement of this Agreement: Provided that, after consultation between the parties, a party may impose -

(1) export restrictions temporarily applied to prevent or relieve critical shortages of foodstuffs or other products essential to the exporting party;

(2) import and export restrictions necessary to the application of standards or regulations for the classification, grading or marketing of commodities;

(3) import restrictions on agricultural or fisheries' products, or on products which can be directly substituted therefor, necessary to the enforcement of governmental measures which operate -

(a) to restrict the quantities of the like domestic product permitted to be marketed or produced; or

(b) to remove a temporary surplus of the like domestic product.

Article 12

(1) The parties to this Agreement agree to meet each calendar year and at intervals not exceeding fifteen months, for the purpose of reviewing the operation of this Agreement.

(2) A party which proposes to take or authorize action which it considers may affect any benefit accruing to the other party under the Agreement shall, whenever possible, consult in advance with, and give sympathetic consideration to any representations or proposals received from, that other party.

(3) If a party should consider, and notify the other party, that any benefit accruing to it directly or indirectly under the Agreement is being nullified or impaired, or that the attainment of any objective of the Agreement is being impeded, as the result of action by that other party, or as the result of the existence of any other situation, consultation between the parties shall be held without delay, at the request of the party so notifying the other, with a view to correcting the situation or making an adjustment acceptable to both parties.

Article 13

This Agreement shall come into operation on 1 July 1960, and shall remain in force for a period of five years and, unless notice of termination shall have been given by either party to the Agreement to the other twelve
months before the expiry of that period, shall thereafter remain in force until the expiry of twelve months from the date on which notice of termination is given.

Done at ................, in duplicate, in English and Afrikaans texts, each of which shall be of equal authenticity, this ............... day of ..................., One thousand Nine hundred and Sixty.

FOR THE GOVERNMENT OF THE FEDERATION OF RHODESIA AND NYASALAND

FOR THE GOVERNMENT OF THE UNION OF SOUTH AFRICA
ANNEX A

Article 2

Goods

Apples imported during the months of January, February, March or April
Barley; barley malt
Butter; cheese; ghee; cream other than sterilized cream; ice cream and
ice cream mixes
Cattle; beef, veal and edible products manufactured from the carcasses of
cattle, excluding meat extract, meat paste, meat powder, potted meat,
tinned meat
Citrus fruit imported during the months of June, July, August, September,
October or November
Compound products containing flour, meal, residues and other preparations of
a kind suitable only for use as animal feedstuffs, excluding:
(a) chemical additions to animal feedstuffs;
(b) anti-biotic growth stimulants;
(c) inert fillers;
(d) trace elements;
(e) synthetic animal feedstuffs;
(f) mixed bird seed;
(g) cat and dog foods;
(h) salt lick for cattle
Eggs of poultry, whether in shell, pulp or dried form
Goats; carcasses of goats
Grapes imported during the month of December
Kaffir corn; kaffir corn meal; kaffir corn malt
Leguminous seeds, including groundnuts, dried or otherwise, whole, ground,
or split, excluding:
(a) those which are tinned, bottled or preserved otherwise than
by drying;
(b) seed beans in quantities of less than 200 lbs.;
(c) garden and maple peas
Maize, excluding green maize on the cob, but including:
(a) dried maize on or off the cob;
(b) crushed maize;
(c) samp
Maize meal, including:
(a) maize grits;
(b) maize cones;
(c) hominy chop;
(d) maize offals;
(e) processed maize meal with or without additives

Munga; munga meal
Oilseed; oilcake; oilcake meal and offals and residues from oilseeds
Onions imported during the months of August, September, October, November,
December or January
Peaches imported during the month of November
Pears imported during the month of January
Pigs; edible products manufactured from the carcases of pigs, including
  canned products
Plums imported during the months of November or December
Potatoes
Poultry, whether live or dead, including day-old chicks
Rupoko; rupoko meal
Sheep; mutton, lamb and edible products manufactured from the carcases of
  sheep, excluding canned products
Timber in the rough or rough sawn of Coniferous or Eucalypt species of a
  value for duty purposes as defined in the customs legislation of the
  importing territory not exceeding 7/6d (seven shillings and sixpence)
  per cubic foot f.o.r./f.o.b. place of despatch
Boxes and casks, wooden, empty or in shooks or staves, of Coniferous or
  Eucalypt species
Tomatoes
Vegetable oils, excluding almond oil, castor oil, coconut oil, linseed oil,
  olive oil, palm kernel oil, palm oil.
ANNEX B

Article 4

PART I

1. The following goods, when manufactured in the Federation, shall, in terms of Article 4, on entry for consumption in the Union, be admitted:

(a) free of customs duty: Provided that at least 75 per cent of the factory or works cost of such goods is represented by labour performed in the Federation or by materials produced and labour performed in the Federation, or alternatively that such goods shall have been manufactured in the Federation from natural, artificial or synthetic fibres, whether or not such fibres shall have been grown, produced or manufactured in the Federation;

(b) at a rate of customs duty equal to the most-favoured-nation rate of duty applicable thereto from time to time, subject to a rebate from such rate of three-quarters of such rate: Provided that less than 75 per cent, but not less than 50 per cent, of the factory or works cost of such goods is represented by labour performed in the Federation or by materials produced and labour performed in the Federation;

(c) at a rate of customs duty equal to the most-favoured-nation rate of duty applicable thereto from time to time, subject to a rebate from such rate of one-half of such rate: Provided that less than 50 per cent of the factory or works cost of such good is represented by labour performed in the Federation or by materials produced and labour performed in the Federation.

2. The Government of the Union, after the expiry of a period of not less than thirty months from the date of the coming into force of this Agreement or when the manufacture in the Union of rayon or cellulose acetate staple fibre is commenced on a commercial scale, whichever shall be the later, shall have the right to exclude from this Part of this Annex all articles or textiles and clothing containing 25 per cent or more by weight of rayon or cellulose acetate: Provided that there shall be consultation between the parties to this Agreement before the exercise of such right of exclusion.

<table>
<thead>
<tr>
<th>Union Tariff Item</th>
<th>Description of Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>ex 65 ex (b) (iv)</td>
<td>Clothing: Ready made, new: knitted outer clothing n.e.e. including jerseys, pullovers and shirts</td>
</tr>
</tbody>
</table>
### Union Tariff Item

<table>
<thead>
<tr>
<th>Item</th>
<th>Description of Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>ex (v)</td>
<td>underwear (knitted), n.e.e.</td>
</tr>
<tr>
<td>ex (vi)</td>
<td>other clothing and infants' clothing, knitted</td>
</tr>
<tr>
<td>ex (vii)</td>
<td>towelling napkins</td>
</tr>
<tr>
<td>ex (c) (iv)</td>
<td>pyjamas and nightdresses, knitted, new</td>
</tr>
<tr>
<td>ex 73 (1)</td>
<td>Millinery, drapery, haberdashery, and textile articles of furnishing and napery, n.e.e.:</td>
</tr>
<tr>
<td>(vi)</td>
<td>bedsprads</td>
</tr>
<tr>
<td>(vii)</td>
<td>sanitary pads</td>
</tr>
<tr>
<td>(xiii)</td>
<td>towels (not made of woven terry towelling), sanitary and other household linens including tablecloths, serviettes, sheets, pillowcases and dusters</td>
</tr>
<tr>
<td>ex (xiv)</td>
<td>towels and face cloths of woven terry towelling</td>
</tr>
<tr>
<td>75 (1)</td>
<td>Canvas piece goods of more than 10 oz. in weight per square yard whether or not painted or surface coated</td>
</tr>
<tr>
<td>76 (6)(a)(v)</td>
<td>Terry towelling</td>
</tr>
</tbody>
</table>

### PART II

The following goods, when manufactured in the Federation, shall, in terms of Article 4, on entry for consumption in the Union, be subject to 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>Item</th>
<th>Description of Goods</th>
<th>Extent of Rebate</th>
</tr>
</thead>
<tbody>
<tr>
<td>154(2)(a)</td>
<td>Gramradios, with or without cabinets, assembled or un-assembled</td>
<td>15 per cent ad valorem</td>
</tr>
<tr>
<td>154(3)(a)</td>
<td>Radio receiving sets, n.e.e., with or without cabinets, assembled or unassembled</td>
<td>15 per cent ad valorem</td>
</tr>
<tr>
<td>154(4)(a)</td>
<td>Television receiving sets, with or without cabinets, assembled or unassembled</td>
<td>15 per cent ad valorem</td>
</tr>
</tbody>
</table>
### Union Tariff

<table>
<thead>
<tr>
<th>Item</th>
<th>Description of Goods</th>
<th>Extent of Rebate</th>
</tr>
</thead>
<tbody>
<tr>
<td>ex 154(7)</td>
<td>Parts, n.e.e., of gramradios, radio receiving sets n.e.e. and television receiving sets</td>
<td>5 per cent ad valorem</td>
</tr>
<tr>
<td>ex 251</td>
<td>Boots and shoes:</td>
<td></td>
</tr>
<tr>
<td>ex (a) (ii)</td>
<td>infants', with canvas uppers, sizes 3 to 6(\frac{1}{2})</td>
<td>15 per cent ad valorem or 2/- per pair, whichever rebate is the greater</td>
</tr>
<tr>
<td>ex (b)</td>
<td>with canvas uppers n.e.e. including those of the hockey or basketball type</td>
<td></td>
</tr>
<tr>
<td>ex (i)</td>
<td>children's, sizes 7 to 1(\frac{3}{4})</td>
<td>25 per cent ad valorem or 9d per pair, whichever rebate is the greater</td>
</tr>
<tr>
<td>ex (ii)</td>
<td>men's and youths', women's and maids', sizes 2 and upwards</td>
<td>25 per cent ad valorem or 3/- per pair, whichever rebate is the greater</td>
</tr>
<tr>
<td>(c)</td>
<td>cotton-mesh and canvas shoes of the tennis' or gymnasium type, the soles of which, excluding the socking, are wholly of rubber; and canvas boots and shoes with rope soles</td>
<td></td>
</tr>
<tr>
<td>(i)</td>
<td>men's and youths', women's and maids', sizes over 4</td>
<td>25 per cent ad valorem or 1/3d per pair, whichever rebate is the greater</td>
</tr>
<tr>
<td>(ii)</td>
<td>other</td>
<td>25 per cent ad valorem</td>
</tr>
<tr>
<td>303 (2)</td>
<td>Tape, wire and cylinder recording machines and accessories therefor</td>
<td>10 per cent ad valorem</td>
</tr>
</tbody>
</table>
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 of one-quarter thereof:

<table>
<thead>
<tr>
<th>Union Tariff</th>
<th>Description of Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 54</td>
<td>Cigarettes</td>
</tr>
</tbody>
</table>