Notices by the United Kingdom of 2 December 1954

Under the procedures of the Decision of 24 October 1953 (G/65) the following notification was received on 2 December from the United Kingdom Government:

"1. In accordance with the procedures approved by the CONTRACTING PARTIES and set out in document G/65 dated 26 October 1953, Her Majesty's Government notified you and the contracting parties principally concerned, on 11 March 1954, of their intention to increase the unbound, most-favoured-nation rates of duty on certain flowers, foliage and nursery stock. The most-favoured-nation duties on these items were increased by Her Majesty's Government with effect from 21 May 1954.

"2. Representations have since been made by the United Kingdom importing interests that considerable difficulty has been caused by the operation of the new duty of '4½d. per lb. or 10 per cent, whichever is the greater' which now applies to a range of flowers. On prices present and foreseen, the operative rate of duty is the ad valorem charge of 10 per cent. The consequent necessity of valuing the goods, the greater part of the trade in which is conducted on a consignment basis, involves the keeping and submission of accounts of sales and other paper work formerly not required which in turn increases selling expenses and is likely to reduce the return to the Overseas exporter. There is also some risk of the clearance of the goods through the Customs being delayed. It has therefore been decided to replace the existing alternative ad valorem and specific rates of duty by specific duties. This will be done by providing a new single specific rate for lilac, peony and ranunculus together and leaving the remainder of the group chargeable at 4½d. per lb.

"3. The items in question are set out below. Details of the value of the trade involved in representative prewar and postwar years are set out in statistical sheet number 8 enclosed in the United Kingdom's notification of 11 March 1954 (SECRET/8)."
<table>
<thead>
<tr>
<th>Tariff Item</th>
<th>Class or description of goods</th>
<th>Previous Rate of duty</th>
<th>Present Rate of duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 3, Group II (1) (iv)</td>
<td>Trees, shrubs, bushes, plants and flowers, not comprised in subparagraph (i)(ii) or (iii) of this paragraph - (b) Gysophila, Heather, Ixia, Lilac, Marguerite, Marigold, Narcissus (polyanthus types), Peony, Ranunculus, Roman Hyacinth, Snowdrop, Star of Bethlehem, Stock</td>
<td>2d. per lb.</td>
<td>4½d. per lb. or 10 per cent, whichever is the greater</td>
</tr>
</tbody>
</table>

"4. The new single specific rate of duty on lilac, peony and ranunculus will be equivalent, on average, to 10 per cent ad valorem based on current representative prices of these flowers which have been obtained from importers. The change is not intended to make any difference to the total amount of duty charged. At certain periods in the season some individual consignments of lilac, peony or ranunculus may pay more, and some less, duty than they do at present but neither of these is the object of the change. Her Majesty's Government consider that there is no possibility of a diversion of trade to the British Preferential Area as a result of this change but that their present intentions in this matter should be notified to those concerned in accordance with the procedures formerly followed.

"5. I am today simultaneously informing the Netherlands, Belgian and the French authorities of her Majesty's Government's intentions in this matter, as it is in the interests of overseas exporters no less than of United Kingdom importers of flowers that the intended change to specific duties should be made without delay and at the earliest possible moment during the current season, I am asking the authorities concerned to intimate at the earliest possible moment within the 30 days laid down in the procedures, whether or not their Governments wish to request consultations in respect of any of the items on which changes are to be made. I am also suggesting
that if there are any points of doubt or difficulty arising in connexion with this matter which they would wish to discuss, they might ask their representatives to get into touch, at the earliest possible date, with Mr. A.W. McKenzie who is the Assistant Secretary of the responsible Division of the Board of Trade."

Any contracting party wishing to request a consultation concerning the United Kingdom proposal is asked to notify the Executive Secretary not later than 4 January 1955. In cases where no such request is received by that date the Executive Secretary will notify the United Kingdom Government that the waiver granted by the CONTRACTING PARTIES will apply to the products concerned.