OPENING STATEMENT BY THE REPRESENTATIVE OF TUNISIA

These consultations with the CONTRACTING PARTIES have become a custom and tradition to which Tunisia, being anxious to comply with the rules of the General Agreement, attaches great importance, although this is the first time that my country is participating in the work of this Committee.

My delegation is attending this meeting in order to describe and explain the quantitative restrictions which Tunisia has had to introduce. Before going into the substance, however, it may be useful to give a brief outline of the historical background of this policy, so that it can be better understood.

Tunisia is a young country and upon becoming independent it chose the difficult and hazardous path of economic and social development in which it has been resolutely engaged since 1962. It drew up projections for the first ten years, fixing a general outline for the planned development of Tunisia's economy to form a set of overall estimates and forecasts by sector, based on certain objectives in regard to quality and quantity. The objectives were to be attained in an initial stage through a preliminary Three-Year Plan (1962-1964), mainly designed to prepare Tunisia's economic structures for the growth effort and to pave the way for the directly productive investment planned for the second stage, with a view to a rapid increase in national product.

These preparations were aimed at a three-fold target comprising the fundamental objectives of the preliminary Three-Year Plan.

First of all, the objective of decolonization, implying at the domestic level the "Tunisification" of the foreign sector through an accelerated process, and at the external level a lesser degree of dependence on one or other trading partner.

The second objective was to carry out a set of structural reforms designed to adjust the national economy to the planning effort and to facilitate smooth and rapid development.

Lastly, the third objective was on the one hand to find out how the Tunisian economy would react to the various structural reforms, to gain a better appreciation in the three years of the possibilities of harmonizing development policies in the Magreb and, on the other hand, to prepare the elements and studies required for more thorough elaboration of the next plan.
The implementation of the preliminary Plan was to cost 270 million dinars, only one third of that amount coming from external resources.

Tunisia therefore had to make a considerable effort, and had to rely first on itself, all the more so since the investments were to help to meet its own needs, and delays in obtaining foreign aid made it necessary to pre-finance a large proportion of the projects.

In addition the early part of the Three-Year Plan was affected by a chronic trade deficit and rather limited foreign exchange reserves.

In order to meet this situation and to give the maximum assistance to the development effort, four objectives were set for foreign trade:

1. to take account of balance-of-payments difficulties;
2. to protect economic sectors which were in the process of development;
3. to reduce consumption of imported products in order to release productive savings (this being mainly aimed at luxury goods);
4. and in general to prohibit all imports which were not in conformity with the provisions of the Plan.

These were the principles considered whenever the Tunisian Government introduced prohibitions or quotas on any particular product, or any quantitative restrictions.

These same objectives will prevail in the implementation of the Four-Year Plan for the period 1964-68.

Having regard to the efforts already made in earlier years to improve infra-structures and train the managerial personnel required for development, the Four-Year Plan gives priority to investment in producing sectors while maintaining a fairly substantial part of the total effort for the completion of work on infra-structures and the continuation of the personnel training programme.

A further objective is the development of international co-operation in order to help Tunisia to attain its objectives of expansion and self-development.

So far as foreign trade is concerned, the Four-Year Plan provides for a reform of the import régime from three aspects:

First, as regards the customs tariff: The adoption of a more detailed nomenclature is envisaged so that products can be distinguished with greater precision and the system of import charges can be better suited to the objective. In addition, fiscal charges will be reduced to the minimum on raw materials and equipment goods, and raised on luxury articles and certain consumer goods.
An ad hoc committee has already begun to study certain aspects of this tariff reform.

Secondly, as regards import prohibitions: There is to be a further review of the various import prohibitions in force in Tunisia, to readjust them in the light of Tunisia's own economic interests.

Thirdly, as regards quantitative import restrictions: The principle is to eliminate protection by means of quotas and to replace it by tariff protection.

In summary the new régime would be along the following lines:

- a large number of non-essential products would be free of quota restrictions but would be subject to high customs duty;
- a list of global quotas would cover the majority of products;
- bilateral quotas would cover a small number of products which cannot be controlled by other means;
- essential products would be under a liberal system and subject to low customs duties.

That, Mr. Chairman, is Tunisia's policy in regard to import restrictions. In conclusion, I should like on behalf of my delegation to thank you for the kind attention which you and the distinguished representatives here have welcomed us.