Multilateral Trade Negotiations
Group "Non-Tariff Measures"

NON-TARIFF MEASURES NOT DEALT WITH MULTILATERALLY
NOTIFIED UNDER THE PROCEDURES OF MTN/NTM/26

European Communities

1. At its meeting of 13 January 1977, the Group "Non-Tariff Measures" adopted procedures for negotiations on non-tariff measures not dealt with multilaterally (MTN/NTM/26, paragraph 5 and Annex). A note by the secretariat dealing with the procedures which it would adopt in relation to notifications submitted in accordance with those procedures was circulated in MTN/NTM/W/82.

2. The following notification has been received from the European Communities.

In accordance with the procedures agreed on by Group "Non-Tariff Measures" at its meeting of 13 January 1977 (MTN/NTM/26, paragraph 5 and Annex), I have the honour to communicate the attached list of measures, on which the European Communities would like to hold consultations with the following countries:

Argentina  
Brazil  
Chile  
Colombia  
Ecuador  
United States  
Japan  
Mexico  
Pakistan  
Peru  
New Zealand

It should be noted that this is only an initial list and the European Communities reserve the right to submit further notifications later.
Annex

ARGENTINA

1. Statistical tax: 3 per cent of the c.i.f. value on all imported products.
   - Special steel fund tax: this results in an increase ranging from 4 to 6 per cent ad valorem c.i.f. in the price of imported iron and steel.¹
   - Special tax on forestry products: from 4 to 10 per cent of c.i.f. value on imports of forestry products such as paper, furniture and other manufactures of wood.
   - Surcharge on ocean freight charges: 12 per cent on all imported products.

2. Imports into Argentina must be insured with an Argentinian insurance company at rates controlled by the State. Discriminatory taxes are imposed on foreign companies.

3. When goods are carried on national flag vessels, they benefit from reductions of port charges, rebates on wharfage fees and exemption from consular fees. Tax rebates for exports of manufactured products are calculated at f.o.b. value when the products are shipped in foreign vessels and at c.i.f. value when shipped in Argentine vessels.

¹Law No. 20.086 of 17 January 1973
1. Port improvement tax: 3 per cent of c.i.f. value on all imported products.
   - Merchant marine improvement tax: 20 per cent of the freight on all goods transported by ships having more than 400 registered tons.
   - Dispatchers commission: from 2 to 5 per cent of c.i.f. value on all imported products.

2. Imports must be insured and reinsured in Brazil at rates of insurance controlled by the State.

3. A stamp tax is levied on freight carried in foreign bottoms.

   Brazilian vessels are exempt from lighthouse duties and receive reduction in pilotage fees at Santos and Rio de Janeiro.

   Tax rebates on exports of manufactured goods are calculated on the basis of the f.o.b. value when goods are shipped in a foreign vessel and at c.i.f. value when they are shipped in a Brazilian vessel.

4. Preferential tariff rates are applied under certain conditions for caustic soda and zinc.

5. Restrictions on imports on credit terms.
CHILE

1. Import registration tax: 3 per cent of c.i.f. value.

2. Import licensing regulations and exchange controls impede access to foreign insurance companies. Reinsurance operations must be assumed by national companies.
COLOMBIA

1. Import registration tax: 200 Colombian dollars. Export promotion tax: 5 per cent of c.i.f. value.

2. Imports must be insured in Colombia.
1. Imports must be insured in Ecuador at rates of insurance controlled by the State.
UNITED STATES

1. Embargo on goods imported and sold by "unfair practices" (Section 337 of the United States Tariff Act of 1930).

Under Section 337 of the United States Tariff Act of 1930, substantially modified by the Trade Act of 1974, provision is made for the exclusion of imports if they are found to be sold by unfair methods of competition, and if they cause substantial injury to a United States industry, or when it is found that they lead to restraint or monopolization of trade and commerce in the United States.

Some cases concerning Community exports are currently under examination by the International Trade Commission. Although no decision has yet been taken in this respect, various aspects of the investigations conducted under Section 337 appear likely to cause injury to trade:

- difficulties in determining the competent authority or agency and the scope of its competence is likely to create a multiplication of procedures and to lead to uncertainty with regard to the conduct and the final result of the investigation;

- the power of the ITC to decide on the exclusion of imports in cases involving subsidies or dumping is in conflict with Article VI of GATT which only concerns countervailing measures;

- Presidential powers to veto an ITC decision are now more restrained than those vested with the Presidency under the terms of the 1930 Tariff Act, thereby creating uncertainty with regard to compliance by the United States with its international obligations.

2. Repairs to ships abroad.

Under Section 466 of the 1930 Tariff Act, the United States applies a 50 per cent duty on repairs to United States ships abroad (duty imposed on equipment purchased and the repairs made). Under Section 610 of the Customs Regulations, this duty is also applied to aircraft under the same circumstances.

This duty is not provided for in the United States tariff, but can be found in the Special Statistical Reporting Numbers appended to the tariff.
JAPAN

1. Patent and trademark registration.

Patents, marks and utility models are not protected unless they have been filed and registered with the competent authorities in Japan, regardless of any protection they might enjoy under national or international patents.

2. Import credit restrictions.

All imports must usually be fully paid for within four months of customs clearance. Payment in advance of receipt of shipping documents as well as partial payment even within the permitted period are prohibited. Importers must obtain the approval of MITI for settlement on different terms.

3. Cigarette lighter tax.

Cigarette lighters valued at ¥ 1,700 or over are subject to a commodity tax of 20 per cent; other lighters of a lesser value are exempted from this tax. As a result, commodity tax is paid on almost all imported lighters. Lighters produced domestically are exempted from tax.
MEXICO

1. Imports must be insured in Mexico.

2. For certain products, including compressors, 90 per cent of the final product value must be produced by the domestic industry. Licences are sometimes only granted on the basis of the "potential" percentage of domestic production.
PAKISTAN

1. Imports must be insured in Pakistan at rates of insurance controlled by the State.
PERU

1. Maritime freight tax: 4 per cent on most imported products. Statistical tax: 1.5 per cent levied on c.i.f. duty-paid value.

2. Imports must be insured in Peru.
NEW ZEALAND

Harbour and statistical taxes

These taxes are higher for packaged goods than for bulk imports.