## AIRGRAM

## TÉLÉGRAMME PAR AVION

SECRET

GATT/AIR/200(SECRET)

SUBJECT: NOTIFICATION BY THE GOVERNMENT OF THE UNION OF SOUTH AFRICA
UNDER THE DECISION OF 4 JUNE 1960

SINCE THE DISTRIBUTION OF AIRGRAM GATT/AIR/199(SECRET), A FURTHER NOTIFICATION, DATED 1 AUGUST 1960, HAS BEEN RECEIVED FROM THE SOUTH AFRICAN GOVERNMENT AS FOLLOWS:

"THE GOVERNMENT OF THE UNION OF SOUTH AFRICA DESIRES TO INCREASE, FROM 15 PER CENT TO 30 PER CENT AD VALOREM, ITS MOST-FAVOURED-NATION RATES ON BEDSHEETS AND PILLOW-CASES OTHER THAN OF CALICO, DRILL, TWILL, SATEEN OR WINTER SHEETING (EX TARIFF ITEM 73(1)(a)(x111)) INCLUDED IN ANNEX B, PART I, OF THE TRADE AGREEMENT BETWEEN THE UNION OF SOUTH AFRICA AND THE FEDERATION OF RHODESIA AND NYASALAND WHICH CAME INTO OPERATION ON 1 JULY 1960.

"SINCE THIS INCREASE OF DUTY WILL INCREASE THE EXISTING MARGIN OF PREFERENCE IN FAVOUR OF THE FEDERATION OF RHODESIA AND NYASALAND, THE GOVERNMENT OF THE UNION OF SOUTH AFRICA HEREBY WISHES TO NOTIFY THE CONTRACTING PARTIES OF THE ACTION CONTEMPLATED BY IT AND OF ITS READINESS TO CONSULT WITH ANY MATERIALLY AFFECTED CONTRACTING PARTY IN TERMS OF THE PROCEDURES OUTLINED IN DOCUMENT L/1225 OF 3 JUNE 1960, AND THE DECISION ADOPTED BY THE CONTRACTING PARTIES ON 4 JUNE 1960.

"THE ONLY CONTRACTING PARTIES LIKELY TO HAVE A SUB-STANTIAL INTEREST IN THE PROPOSED EXTENSION OF THE MARGIN OF PREFERENCE ON THE PRODUCTS CONCERNED ARE THE UNITED KINGDOM AND JAPAN. THE UNITED KINGDOM GOVERNMENT IS BEING ADVISED DIRECTLY OF THE CONTENTS OF THIS COMMUNICATION. THE TOTAL SOUTH AFRICAN IMPORTS IN 1958 AND 1959 AMOUNTED TO £90,579 AND £78,021 RESPECTIVELY, OF WHICH IMPORTS FROM THE UNITED KINGDOM WARE VALUED AT £38,284 AND £27,788 AND THOSE FROM JAPAN AT £34,400 AND £38,696."

IN ACCORDANCE WITH THE PROCEDURES SET OUT IN PARAGRAPH 2 OF THE DECISION OF 4 JUNE 1960 (L/1225) ANY CONTRACTING PARTY WHICH CONSIDERS THAT THE PROPOSED ACTION "IS LIKELY TO CAUSE MATERIAL DAMAGE TO ITS COMMERCIAL INTERESTS" AND WHICH WISHES TO ENTER INTO CONSULTATIONS WITH THE GOVERNMENT OF SOUTH AFRICA "WITH A VIEW TO ARRIVING AT A MUTUALLY SATISFACTORY SETTLEMENT" SHOULD COMMUNICATE WITHOUT DELAY WITH THE SOUTH AFRICAN GOVERNMENT.

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