# **GENERAL AGREEMENT**

**ON TARIFFS AND TRADE** 

<u>RESTRICTED</u> Spec(93)41/Add.1 6 October 1993

Original: English

### WORKING PARTY ON THE ACCESSION OF CHINESE TAIPEI

#### **Questions and Replies**

### <u>MEXICO</u>

## Addendum

The representative of Chinese Taipei has submitted the additional replies reproduced hereunder to the questions submitted by Mexico, for circulation to members of the Working Party on the Accession of Chinese Taipei. This text and the earlier documentation reproduced in documents L/7189/Rev.1 and L/7097 and Addenda will be considered at the meeting of the Working Party scheduled to take place on 12-15 October 1993.

#### Market access

What are your most sensitive sectors in which you have specific policies?

### Reply

The most sensitive sectors in which Chinese Taipei has specific policies are the agricultural sector and the automobile and motorcycle manufacturing sector. In the agricultural sector, Chinese Taipei imposes import control on a number of products and has other policies to provide assistance to farmers. In the area of automobiles and motorcycles, Chinese Taipei imposes certain local content requirement on local manufacturers and area restriction on imports.

## I. Agricultural sector

### Question I-1

Do you have quotas (quantitative restrictions) applied to agricultural products?

### Reply I-1

Certain agricultural products such as apples are subject to quantitative restrictions.

#### **Question I-2**

Do you have any tariff quota applied to agricultural products?

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# Reply I-2

Currently, the agricultural authority of Chinese Taipei does not impose any tariff quota.

## **Question I-3**

Do you have import licences and if so, could you give us a list of such licences?

### Reply I-3

For products that are currently subject to import licences, please refer to the Customs Import Tariff and Classification of Import and Export Commodities of Chinese Taipei, which is available at the GATT Secretariat.

# **Question I-4**

What are your sanitary and phytosanitary (SPS) measures most commonly used in this sector?

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### Reply I-4

The most commonly used SPS measures in the agricultural sector are set out in the Commodities Inspection Law, the Statute for Prevention and Control of Infectious Livestock Diseases, the Quarantine Restrictions on the Importation of Animal and Animal Products, the Quarantine Restrictions on the Importation of Plants and Plant Products, the Law Governing Food Sanitation, the Regulations Governing the Quarantine at International Port, and the Quarantine Regulation on Imported Fishery Products. The English translations of the above laws and regulations are available at the GATT Secretariat.

## **Question I-5**

Could you provide us with a list of such SPS measures, and of the products in which they are applied?

### Reply I-5

The SPS measures and the products to which they are applied are set out in the laws and regulations referred to in Reply I-4.

### **Question I-6**

Regarding cholera, we have information in the sense that some products are subject to restrictions. Could you comment on that.

### Reply I-6

Imported products are not subject to general cholera area restriction. Only those fresh, frozen, or refrigerated fishery products that are vulnerable to cholera infection are subject to area restriction when their exporting countries are declared to be cholera infection areas. The declaration and lifting of cholera infection areas are carried out according to information released by the World Health Organization.

# **Ouestion I-7**

Is there any other non-tariff barrier applied to agricultural products?

## Reply I-7

Currently there is no non-tariff barrier applied to agricultural products other than those that have been reported in the above.

## II. <u>Automotive sector</u>

## **Question II-1**

Do you have any non-tariff barrier to the importation of autos and trucks?

## Reply II-1

Importation of automobiles and trucks are currently subject to area restrictions; please refer to the table of Restrictive Area Commodities on Importation provided in the ANNEX to document L/7189/Rev.1 for the products and area involved.

### **Question II-2**

What is the tariff level applied to products of this sector?

## Reply II-2

Please refer to Chapter 87 of the Customs Import Tariff and Classification of Import and Export Commodities of Chinese Taipei for the tariffs applied to automobiles.

# **Question II-3**

Is there any regulation concerning the origin of the products?

## Reply II-3

There is currently no rule of origin for such product.

## **Question II-4**

Is there any regulation regarding fuel consumption on vehicles?

# Reply II-4

Regulation regarding fuel consumption of vehicles is provided in the Rules Governing Fuel Consumption Standard and Inspection.

### **Question II-5**

Is there any prohibition to import products in this sector?

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## Reply II-5

Under the current area restriction, imports of certain automobiles and trucks from certain specific areas are prohibited. For further details, please refer to the table of Restrictive Area Commodities on Importation provided in the ANNEX to document L/7189/Rev.1.

III. Preliminary interests of Mexico

## (A) Meat

Mexico has particular interest in exporting poultry. We are exploring the possibility of exporting bovine meat, specially cuts of pork.

## **Question III-(A)-1**

Here, our main concern is to have a clear picture of whether Chinese Taipei has SPS measures on these products and in particular if imports from Mexico are allowed?

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## Reply III-(A)-1

Currently, Mexico has not been declared by the relevant authority of Chinese Taipei to be free from foot-and-mouth disease, rinderpest, contagious bovine pleuropneumonia, African swine fever. According to the Statute for Prevention and Control of Infectious Livestock Diseases and the Quarantine Requirements for the Importation of Animal and Animal Products into Chinese Taipei, importation of poultry, bovine meat and pork from Mexico is currently not allowed.

#### **Question III-(A)-2**

Would you consider the removal of current prohibitions?

### Reply III-(A)-2

Mexico can apply to the relevant authorities of Chinese Taipei according to the Procedures for Recognition of Disease-Free Status of a Foreign Country for being declared a disease-free area. When such application is granted by the relevant authority, the above products then can be imported.

### (B) <u>Seafood</u>

Mexico's main exporting seafood products are shrimps and lobsters.

#### **Question III-(B)-1**

We notice that you apply relatively high tariffs to these products. Would you consider their reduction?

#### Reply III-(B)-1

Chinese Taipei would appreciate Mexico's delivering a request list for reduction of tariffs, including shrimps and lobsters, in order to facilitate bilateral tariff reduction negotiation at a later stage.

# **Question-(B)-2**

Do you have any non-tariff restrictions on shrimps and lobsters?

# Reply III-(B)-2

Currently, shrimps and lobster can be imported only from cholera-free areas.

# (C) <u>Honey</u>

# Question III-(C)-1

We believe that the 45 per cent tariff rate applied to honey is too high; are you thinking to revise it?

# Reply III-(C)-1

Chinese Taipei will review the tariff rate applied to honey in the bilateral tariff consultation with Mexico.

# Question III-(C)-2

Is there any non-tariff measure applied to honey?

## Reply III-(C)-2

There is currently no non-tariff measure applied to honey.

## (D) <u>Flowers</u>

## Question III-(D)-1

The tariffs applied to flowers are relatively high, would you consider to lowering them?

# Reply III-(D)-1

Chinese Taipei will review the tariff rate applied to flowers in the bilateral tariff consultation with Mexico.

## Question III-(D)-2

Do you have any non-tariff measures?

## Reply III-(D)-2

Importation of flowers in subject to the List of Animal and Plant Products subject to quarantine and other relevant quarantine regulations.

# (E) <u>Vegetables</u>

Mexico is a competitive producer and exporter of vegetables (HS 07). Therefore, the expansion of the world market is in the best interest for my country.

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### Question III-(E)-1

Are you considering the reduction of tariffs applied to vegetables?

### Reply III-(E)-1

Chinese Taipei would appreciate Mexico's delivering a request list for reduction of tariffs, including vegetables, in order to facilitate bilateral tariff reduction negotiation at a later stage.

### **Question III-(E)-2**

There are also a number of non-tariff measures. Could you explain them? Could you envisage their eventual elimination?

### Reply III-(E)-2

Importation of vegetables is subject to the List of Animal and Plant Products subject to quarantine and other relevant quarantine regulations.

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### (F) <u>Fruits</u>

Mexico is also a competitive producer and exporter of fruits such as: avocados, mangoes, citrus (grapefruit, oranges, lemons), strawberries, pineapples, melon, watermelons and walnuts.

### **Question III-(F)-1**

Mexico is looking for a reduction of tariffs and a revision of the various non-tariff measures applied to these products.

### Reply III-(F)-1

Chinese Taipei will review the tariff rates applied to these products in the bilateral tariff consultation with Mexico. With respect to non-tariff measures, Chinese Taipei will apply these measures on a non-discriminatory basis. Given the sensitivity of agricultural imports, Chinese Taipei would require a transitional period.

#### (G) Vegetables and fruits, prepared or preserved (HS 2001, 2002, 2005, 2006, 2007 and 2008)

### **Question III-(G)-1**

We notice that you apply high tariff rates to these products as well as some non-tariff measures. Would you be willing to reduce tariffs and remove non-tariffs on such items?

#### Reply III-(G)-1

Chinese Taipei will review the tariff rates applied to these products in the bilateral tariff consultation with Mexico. With respect to non-tariff measures, Chinese Taipei will apply these measures on a non-discriminatory basis. Given the sensitivity of agricultural imports, Chinese Taipei would require a transitional period.

# (H) Fruit juice (HS 2009: orange and grapefruit juice)

## Ouestion III-(H)-1

We notice that you apply high tariff rates to these products as well as some non-tariff measures. Would you be willing to reduce tariffs and remove non-tariffs on such items?

## Reply III-(H)-1

Chinese Taipei will review the tariff rates applied to these products in the bilateral tariff consultation with Mexico. With respect to non-tariff measures, orange and grapefruit juice can be imported only when they meet the sanitation requirements set forth in the Law Governing Food Sanitation.

(I) <u>Beer</u>

## Question III-(I)-1

We would like to ask for a reduction of the 50 per cent tariff rate applied to beer and for the elimination of the non-tariff measure.

## Reply III-(I)-1

According to the bilateral agreement between Chinese Taipei and the United States on cigarette and alcoholic beverage imports, monopoly tax is levied on such products in lieu of import tariffs, harbour construction dues, commodities tax and business tax. Therefore, there is no separate levy of tariffs for cigarette, beer and wine products imported according to the General Operating Regulation of TTWMB for Importing Foreign Beer, Wine, and Cigarettes. Since January 1987, Chinese Taipei has permitted imports of cigarettes, wine, beer and spirits. Legal importers can apply to the TTWMB for importation of these products and sell them to the domestic market by paying only specific monopoly tax at NT\$30/litre for beer and NT\$830/1,000 sticks for cigarettes. No tariff or other inland sales tax is required; there is no non-tariff barrier.

## (J) <u>Cigarettes (HS 2402</u>)

## Question III-(J)-1

We would also like to ask for a reduction of the 50 per cent tariff rate applied to cigarettes and for the elimination of the non-tariff measure.

### Reply III-(J)-1

Please refer to supra Reply III-(I)-1.