The communications set out in this document were received subsequent to issuing documents AC/12 and Addenda 1-5.

I. AUSTRIA

Since the report on the implementation of the Action Programme was submitted by Austria (see AC/12 and Add.3), the secretariat has been informed by the Austrian authorities that the last step of the liberalization programme, which was originally envisaged for 31 December 1964, has been advanced and made effective on 1 October 1964. Details of the measures taken will be supplied shortly.

II. SWITZERLAND

In response to the request contained in GATT/AIR/397, the progress report on the implementation of the Action Programme set out below has been received from the Government of Switzerland.  

Standstill provision

No duties have been increased and no restriction intensified, nor have any new restrictions been introduced.

As regards eggs in the shell, dried or otherwise preserved as well as ovalbumin for non-technical use, because of the present abnormal conditions in the international egg market, the charges levied to maintain the egg price compensation fund were doubled by an order issued by the Federal Council on 29 May 1964. The order is valid until 31 December 1964.

1 In view of the interest of these measures to less-developed countries, the Austrian liberalization measures were brought to the attention of Sub-Committee 1 of the Action Committee at its meeting from 12 to 13 October.

2 The report by Switzerland shows not only progress made in respect of the products covered by the Action Programme, but also progress relating to other products of special export interest to less-developed countries as notified to Committee III.
Quantitative restrictions

With the exception of cut fresh flowers (06.03) which are subject to import quota from 1 May to 25 October, fresh onions (ex 07.01) which are subject to the "three-phase system", fruit juice (ex 22.07), certain wines (22.05) and casein (ex 35.01) which is subject to a mixing regulation, no quantitative restrictions are applied on any of the products included in the list annexed to document Spec(64)99.

As regards casein, the takeover ratio as between the domestic and the imported product has recently been changed from 2:1, which it had been since 1958, to 1:1.

Duty-free entry for tropical products

With effect from 1 January 1964, Switzerland has eliminated customs duties on tea, maté and tropical wood.

The 1964/65 trade negotiations will provide an opportunity for further tariff reductions.

Elimination of tariffs on primary products

With very few exceptions, Swiss customs duties on primary products are below the 5 per cent level. These duties might be reduced still further during the 1964/65 trade negotiations.

Reduction of tariffs on semi-processed and processed products

These products will be included in the 1964/65 trade negotiations.

Reduction of internal fiscal charges and revenue duties

Switzerland does not apply any internal fiscal charges (consumption tax etc.) except the turnover tax not applicable to foodstuffs and certain other products which applies to both imported and domestic products.

III. UNITED KINGDOM

In addition to the progress report circulated in document AC/12/Add.5, the delegation of the United Kingdom has submitted information on its import control of jute goods. Details of the arrangements in effect since September 1964, and the relaxations which have earlier been put into effect, are set out below.
Arrangements before August 1963

1. In general terms, before 1957 all jute goods imported by the Jute Control from India and Pakistan (with the exception of heavy bags, common sacking and wool-packs - not made in Dundee - and yarn, which were sold at cost plus the Jute Control's overheads) were sold at prices equivalent to those at which efficient Dundee producers could make and sell comparable products. (The Jute Control's range of imports, which was clearly defined, was limited to those goods which were traditionally imported from pre-war India.) The relationship between the prices for imported goods and Dundee goods is not constant and the effect of this arrangement was that the prices of Indian and Pakistani goods were marked-up by an amount which varied from time to time and on occasion, fluctuated quite sharply. In 1957 a fixed mark-up of 30 per cent (which in practice was lower than the previous mark-up) was introduced for those cloths (mainly used for bag making) of the greatest importance to India and Pakistan and which formed the major part of the Jute Control's imports; this mark-up was reduced to 20 per cent in 1960. Neither in 1957 nor in 1960 was any change made in the arrangements for the import of other jute goods from India and Pakistan.

2. Under these arrangements (apart from yarn which the Jute Control does not stock), the Jute Control imported whatever quantities were required to enable it to meet from stock the demand for the specifications it handled, i.e. its imports were a reflection of the demand for Indian and Pakistani goods at the prices determined by the pricing policies currently in force.

3. Imports from sources other than India and Pakistan were on private account and were controlled by import licensing. Licenses were and continue to be granted freely for all types of jute goods from the Irish Republic. As regards supplies from other countries, before August 1963 licenses were not granted for cloth and bags within the Jute Control's range of operations but they were granted freely for other specifications; licenses were also granted freely for imports of yarn (the licenses did not cover imports from the Eastern Area to which special considerations apply). Imports from Commonwealth countries and the Irish Republic were and are free of import duty; imports from foreign countries bear a duty of 10 per cent or 15 per cent on jute yarn (according to type) and 20 per cent on jute cloth and sacks and bags.

Changes in import policy for jute goods: August 1963

4. Following a review of its import policy for jute goods, the British Government announced changes for the import of jute goods. These changes were more fundamental than the moves made in 1957 and 1960. Their main effects were, first to remove the restrictions (see paragraph 3) on the types of jute goods which could be imported by the Jute Control from India and Pakistan and on private account from other countries. As before (and as opposed to the effect a quota would have) there was no limit on the amounts which might be imported by the Jute Control. Imports from
countries other than India and Pakistan, the Irish Republic and the Eastern Area, became subject to a global quota of 1,200 tons covering all specifications. Secondly, to reduce the fixed mark-up from 20 per cent to 10 per cent on those jute goods of major importance to India and Pakistan. Thirdly, to return to private trade certain goods (heavy bags, common sacking and wool-packs) previously imported by the Jute Control without the addition of a mark-up.

Changes in import policy for jute goods: September 1964

5. Certain changes proposed by the British Government in 1963 were deferred pending an enquiry into certain alternatives that the jute industry asked to be considered. The enquiry completed its task in August, and further changes based on its results have been introduced.

6. The effect of the latest changes is to liberalize further the British arrangements for imported goods. As regards India and Pakistan a further range of cloths (some three quarters of the jute controlled imports) are no longer subject to a mark-up and are being returned to private trade before the end of 1964; this range includes, but is wider than, the range previously sold by the Jute Control with a 10 per cent mark-up. For certain other cloths, previously sold at a price similar to those for equivalent Dundee products a reducing mark-up has been introduced. The remainder, previously subject to a 50 per cent mark-up now receives a mark-up of 45 per cent. There will be a review of the arrangements in 1967.

7. As a consequence of this relaxation of imports from India and Pakistan, imports from all other countries (apart from the Irish Republic and the Eastern Area to which special conditions apply) of the range of cloths now being returned to private trade will be licensed freely outside the quota established last year. Although the quota now covers a similar range of goods it is being maintained at 1,200 tons per annum.