

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Action Committee

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IMPLEMENTATION OF THE CONCLUSIONS OF MINISTERS RELATING TO THE ACTION PROGRAMME

Communications from Governments

Addendum

In response to the invitation in GATT/AIR/338 to governments to submit a report indicating the measures they have taken and those they will take before the end of the year to implement the Action Programme (MIN(63)7), communications, reproduced below, have been received from the Commission of the EEC, submitted also on behalf of the member States of the Community and from the delegation of Sweden and from the delegation of Czechoslovakia.

EUROPEAN ECONOMIC COMMUNITY

"... The Commission of the European Economic Community has the honour to communicate to you, for the information and the work of the Action Committee, the various measures which the Community has taken or decided to take in the near future and which further the expansion of the trade of developing countries. These measures are consistent with the principles and objectives which the representatives of the Community had occasion to expound at the GATT ministerial meeting in May last. The Commission wishes to point out on this occasion that the nature and effect of these measures also correspond to the objectives of the Action Programme.

Measures in the tariff field

- "(a) On 22 May 1963 the Council of the EEC decided that the second alignment of national duties towards the common customs tariff, which took effect on 1 July 1963, should be carried out on the basis of the common tariff reduced by 20 per cent, with the exception of products covered by Annex II of the Rome Treaty and a few items in Annex I, List G of the Treaty, as well as products on which the common tariff has been reduced by more than 20 per cent during the recent multilateral tariff negotiations. In practice, this means that alignment of duties on the above reduced basis has been applied to all the products examined by Committee III on which no tariff reduction of more than 20 per cent had been made, the only exceptions being:

- products covered by Annex II of the Rome Treaty i.e. tobacco, fish in airtight containers and tropical products, the latter being referred to in paragraphs (b) and (c) below;
- four products included in Annex I, List G of the Treaty (certain ferro-alloys under heading 73.02, aluminium and aluminium waste, and unwrought lead).

The measures providing for a 20 per cent suspension of the common tariff will remain in force provisionally until 31 December 1963.

"(b) As from 1 January 1964 the common customs tariff duties to be applied by the EEC member States on tea, maté and tropical timber will be suspended provisionally until 31 December 1965 at the level indicated below, for each of the products referred to:

Tariff item No.	Description of products	Present rate of duty	Rate of duty as at 1.1.64
09.02	Tea:		
	A. imported in immediate containers of a net capacity of not more than 3 kgs.	23%	5%
	B. Other	18%	Fully suspended
09.03	Maté	25%	Fully suspended
44.03	Wood in the rough, whether or not stripped of its bark or merely roughed down:		
	A. Tropical wood of the species specified in the Additional Note to this Chapter	5%	Fully suspended
44.04	Wood, roughly squared or half-squared, but not further manufactured:		
	A. Tropical wood of the species specified in the Additional Note to this Chapter	5%	Fully suspended
44.05	Wood, sawn lengthwise, sliced or peeled, but not further prepared, of a thickness exceeding 5 mm.:		
	A. Tropical wood of the species specified in the Additional Note to this Chapter	10%	Fully suspended

"(c) The Association Convention signed at Yaoundé on 29 July 1963 provides that upon its entry into force after the requisite ratifications, substantial reductions in the common customs tariff rates are to be made on a series of tropical products.

Tariff item No.	Description of products	Former rate of duty	Reduced rate of duty
08.01 C	Pineapples	12%	9%
ex 08.01 D	Coconuts (dehydrated pulp)	5%	4%
09.01 A I a	Coffee, neither roasted nor freed of caffeine	16%	12%
09.02 B	Tea other than imported in immediate containers of a net capacity of not less than 3 kgs.	18%	10.8%
09.04 A I	Pepper of the genus <u>Piper</u> , neither crushed nor ground	20%	17%
09.05	Vanilla	15%	11.5%
09.07 A	Cloves (whole fruit, cloves and stems), neither crushed nor ground	20%	15%
ex 09.08 A II	Nutmeg, neither crushed nor ground, other than when intended for the industrial manufacture of essential oils or resinoids	20%	15%
18.01	Cocoa beans, whole or broken, raw or roasted	9%	6.75%

Furthermore, as regards coffee and cocoa, an additional suspension has been decided upon, so that the rates of duty effectively applied on these two products will be 9.6 per cent and 5.4 per cent respectively. These autonomous reductions have been decided upon by common consent among the parties to the Convention.

Measures in the field of quotas

"The Commission also wishes in the present communication to recall the new liberalization measures taken on 2 July 1963 by France vis-à-vis GATT Member countries (GATT press release No. 85 of 2 August 1963) and notes that some of the products included in the list - in particular, jute yarn and woollen yarn - are of great interest for exports by the developing countries.

"The Benelux countries have expressed their intention of liberalizing, by 31 December 1964 at the latest, imports of castor oil, which is the last remaining product under quantitative restriction among those of interest to the developing countries and included in the lists of Committee III."

SWEDEN

"... the Swedish Government intends to put a proposal before the Swedish Parliament during its coming autumn session to the effect that import duties on tea be abolished. No such duties are levied on tropical timber.

"Although unanimity was not reached during the ministerial meeting in May on the abolition of import duties and internal taxes on coffee my Government also intends to propose that Swedish internal taxes on coffee be abolished.

"In case the Swedish Parliament would approve these proposals the corresponding changes in our import regulations would come into effect on 1 January 1964.

"As regards Swedish policies on the importation of products from the less-developed countries I would like to refer to the statement by the Swedish Minister of Commerce, Mr. Gunnar Lange, during the last ministerial meeting as well as to information reproduced in various GATT documents such as COM.III/89/Rev. and COM.III/73 and Addendum."

CZECHOSLOVAKIA

"... In his statement of 20 May 1963 the Czechoslovak representative to the ministerial session, Mr. Jaroslav Kohout, Vice-Minister of Foreign Trade, voiced the support of the Action Programme of Developing Countries and stated that 'we would be ready to join this Action Programme with respect to all points relevant to us and would implement these recommendations in a way that would give them due effect; speaking more specifically, we would provide that these measures be conducive to an increase of imports comparable at least to that achieved in other countries'.

"Already before the ministerial session of the CONTRACTING PARTIES Czechoslovakia took a number of steps similar to those mentioned in paragraph 8 of the Action Programme and tending towards positive measures aimed at expansion of markets for the products from developing countries together with the diversification of Czechoslovak imports from developing countries. Some results of those measures were clearly illustrated in document COM.III/87/Add.3 of 11 September 1962. Some other steps aimed at the implementation of the Action Programme are now under consideration by the respective Czechoslovak authorities.

"As far as the concrete provisions of the Action Programme under MIN(63.7 are concerned, the position of Czechoslovakia in the period since May 1963 is the following:

1. Standstill provision

"Czechoslovakia has not created any new customs or other barriers to imports from developing countries.

2. Elimination of quantitative restrictions

"Czechoslovakia does not maintain any quantitative restrictions on imports.

3. Duty-free entry for tropical products

4. Elimination of tariffs on primary products

5. Reduction and elimination of tariff barriers to exports of semi-processed and processed products from less-developed countries

"Recommendations relevant to items 3, 4 and 5 are being considered by the competent Czechoslovak authorities.

6. Progressive reduction of internal fiscal charges and revenue duties

"Czechoslovakia does not maintain specific internal charges and revenue duties on products wholly or partially produced in developing countries.

7. Reporting procedures

"Czechoslovakia would be ready to report annually to the secretariat of GATT. The present report should be regarded as the first report covering the year 1963.

8. Other measures

"Other positive measures aimed at expansion and diversification of trade of developing countries are under consideration by the competent Czechoslovak authorities."