

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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WORKING PARTY ON THE ASSOCIATION OF OVERSEAS TERRITORIES WITH THE EUROPEAN ECONOMIC COMMUNITY

COMMODITY NOTE: CANNED PINEAPPLES

(Brussels Nomenclature: Ex. 20.06)

Submitted by the United Kingdom Delegation

1. The present duty position is:

Benelux	25 per cent
France	35 "
Western Germany	20 "
Italy	22 "

2. It is understood that the common tariff is to be 24 per cent. The commodity is included in Annex II to the Treaty of Rome.

3. Production and import/export position of the Six

Known imports into the Six in 1955 amounted to £2.5 m. This does not take account of Italian imports which are covered by a general heading: imports into Italy under this heading amounted to only £72,000, mostly from the United States and India and there were no imports from the United Kingdom colonies. Known imports of canned pineapples into the other countries of the Six from the Associated Overseas Territories were worth £300,000 (12 per cent) and the United Kingdom's Dependent Overseas Territories £100,000. (There were also imports of £624,000 from Martinique.)

The following figures are also useful:

- (i) Martinique exported 3,072 tons of canned pineapples in 1956, valued at £672,000, and France is credited with importing 3,250 tons from Martinique in that year. Martinique also exported 30 tons of fresh pineapples in 1956.
- (ii) France imported 1,350 tons of fresh and 1,380 tons of canned pineapple from French West Africa in 1956.
- (iii) Total imports into France from all French Overseas Territories in 1956 were 1,530 tons of fresh and 4,720 tons of canned pineapples.
- (iv) The Belgian Congo exported only 13 tons of pineapple in 1955 (it is not clear whether this was canned).

4. The importance of Canned Pineapple to the United Kingdom Colonies

The colony with the greatest interest in the export of canned pineapple is Kenya. Fiji previously exported this commodity (£74,000 in 1954) but the industry came to an end in 1955 with the closing of the sole remaining cannery. The importance of the industry to Kenya is shown by the following figures:

	<u>Exports of canned pineapple (1956)</u>	<u>Canned pineapple as % of total exports</u>
Kenya	£766,000 (6,170 tons)	2.6

Exports to the United Kingdom accounted for 90.2 per cent (£691,000) and to the Six were made up as follows:

Western Germany	£16,857
France	392
Italy	5,164
Netherlands	375
Belgium	<u>341</u>
Total	£23,129 (say 200 tons)

Kenya has experienced difficulties in disposing of her production and one cannery was temporarily closed for a short time in 1957 in order to dispose of stocks.

5. The common tariff of 24 per cent is high and will create a considerable tariff preference and price premium for the A.O.T's and Martinique. However, it is the inclusion of the commodity in Annex II to the Treaty giving rise to fears of the application to it of the agricultural provisions of the Treaty which causes concern since it could be highly favourable to production in the A.O.T's of the Six and highly detrimental to the D.O.T's of the United Kingdom. In this connexion, it is not to be overlooked that the market for canned fruit generally is a very sensitive one and that the equilibrium between supply and demand is very finely balanced. Indeed, as has already been noted, Kenya has experienced difficulties in disposing of her production as have other Commonwealth countries.

6. In the consideration of canned pineapples it is desired to include fruit juices and concentrates, the common tariff on which it is understood will also be 24 per cent.