

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED
LIMITED B
GATT/CP/58/Add.12
14 September 1950
ORIGINAL : ENGLISH

CONTRACTING PARTIES

S U B S I D I E S

NOTIFICATIONS REQUIRED BY ARTICLE XVI AND BY
THE DECISION OF THE CONTRACTING PARTIES OF
2 MARCH 1950

Notification by Sweden

The following communication, dated 7 September 1950, has been received from the Government of Sweden :

"With reference to document GATT/CP/58/Add.5 and the Ministry's telegram on August 31, I have the honour to submit the following information on Swedish subsidies in accordance with Article XVI.

"The subsidies actually in force in Sweden may be divided in two groups :

1. Subsidies introduced in connection with the general price regulations of agricultural products.
2. Subsidies introduced before or in connection with the devaluation of the Swedish Crown (September 1949) in order to neutralize the effect on Sweden's domestic price level of price increases abroad.

"In both cases the subsidies do not work as a stimulus for exports, nor are they so intended. Thus, to the extent where subsidies exist to reduce the foreign price on the Swedish market a special fee corresponding to the subsidy is charged when exporting the product in question.

"On the other hand it is difficult to determine with sureness whether certain subsidies possibly may have an effect of hampering imports. In the agricultural field the Swedish prices are actually, even without subsidies, lower than abroad, wherefore in this case the subsidies can be said definitely not to have such influence on the import trade. As to other commodities the subsidies now in force will be suspended around the turn of the year or in early 1951."

