

GENERAL AGREEMENT ON TARIFFS AND TRADE

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REPORTS RELATING TO IMPLEMENTATION OF PART IV

Addendum

Federal Republic of Germany and Sweden

FEDERAL REPUBLIC OF GERMANY

Summarized below is a statement transmitted - by letter dated 18 August - by the delegation of the Federal Republic of Germany in response to the invitation addressed to contracting parties in GATT/AIR/452 to submit reports on the implementation of Part IV of the General Agreement.

With respect to the standstill provision, as set out in Article XXXVII:1, the Federal Republic of Germany has stated that, since the de facto application of the new Part IV of the General Agreement the Federal Republic "has not introduced any measures impairing trade with less-developed countries".

As regards quantitative restrictions, the following items of interest to less-developed countries were liberalized in the past months: bovine leather, jute bags, sewing machines, woven fabrics of cotton, for padding cotton gauze. It is stated further that: "In the case of the remaining two products in the industrial sector (with the exception of cotton textiles), which are still subject to quantitative import restrictions, quotas have been appreciably increased recently".

The quota increases were as follows:

- (i) the quota for woven carpets of coir was increased from DM1.2 million in 1961, to DM3.4 million in 1965;
- (ii) the importation of jute fabrics, unless they are destined for consumption in the Federal Republic of Germany, was de facto freed from quantitative restrictions. The statement submitted by the Federal Republic further explains that, together with the liberalization of jute bags, this measure has had the result "that 90 per cent of imports of jute products have free access to the German market".

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In relation to quantitative restrictions applying to products in the agricultural sector, global quotas were established for the importation of vegetable oils which are still subject to quantitative restrictions. The Federal Republic has also stated that "only for 1 per cent of these products quantitative restrictions still apply", and that the global quotas which have been established for these products have not been fully utilized.

The statement submitted by the delegation of the Federal Republic also reports briefly on other measures which have been taken to facilitate increased imports from less-developed countries, namely:

(a) Structural adjustment measures

"The Federal Government is granting credits to industrial enterprises for the implementation of adjustment and reorganization measures required on account of international competition. To this end, the Federal Government earmarked an amount of DM25 million for 1965. Compared to earlier years the amount for 1965 is greater than for the previous years" (amounting to a total of DM64 million for the period 1958 to 1964 inclusive)... "The credits for this purpose are supplemented by the provision of credits for retraining of labour in connexion with such structural adjustments. In addition, the Federal Government is assuming guarantees under sectoral structural policies."

(b) Assistance in export promotion

Following contacts established with the GATT International Trade Centre, the German Federal Office for Foreign Trade Information, Cologne, has expanded the scope of its operations in favour of the less-developed countries, and will in future - through appropriate information media - advise interested trade circles, particularly those in less-developed countries, about import opportunities in the Federal Republic of Germany. "The Federal Office for Foreign Trade Information will also be in a position to reply to individual enquiries about import possibilities in the Federal Republic of Germany."

SWEDEN

With regard to the notification by Sweden, summarized in document COM.TD/8/Add.1, the following statement submitted by the Swedish delegation is also relevant: "In paragraph 1(a) of Article XXXVII, it is stated that the developed contracting parties shall accord high priority to the reduction and elimination of barriers to products currently or potentially of particular export interest to less-developed contracting parties. Sweden has, together with the other Nordic countries, put forward a proposal to seek a more rapid reduction and elimination of customs duties for tropical products within the framework of the Kennedy Round. As regards other products, the following quotation from the Swedish statement, accompanying this proposal, may be given: 'The type of action proposed here for tropical products does not exclude that, at a later stage, other products having a similar production structure, i.e. the production of which is heavily concentrated to the less-developed countries, could be taken up for discussion'".