

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

Group on Residual Restrictions

INFORMATION ON SIX PRODUCTS SELECTED FOR IMMEDIATE EXAMINATION BY THE GROUP ON RESIDUAL RESTRICTIONS

Note by the Secretariat

1. At its last meeting, in April 1969, the Group on Residual Restrictions agreed that it should concentrate its attention at its forthcoming meeting on restrictions applied on a few products, to be selected from a list of twenty-one items proposed in the Group's report (COM.TD/66, paragraph 11). In subsequent informal consultations between the Chairman of the Group and interested delegations, it was generally agreed that work along the lines suggested in paragraph 12 of the report should be initiated immediately with respect to the following products: natural honey, fish meal, cigars and cigarillos, leather and leather goods, leather footwear, and coir mats and matting (COM.TD/66/Add.1).
2. The Group further asked the secretariat to compile statistics of imports, consumption and production of developed countries in respect of the products selected. The governments of developed countries applying restrictions on these products were requested to supply all relevant information useful in a discussion of their existing trade policies relating to these products, in particular information on the economic or social difficulties that in their view would be created by the removal of the restrictions. The information so far supplied by the governments of developed countries maintaining import controls on the six selected products is reproduced in Annex I of the present document. Notifications are expected also from other governments.
3. Annex II contains, for each of the six products, statistics prepared by the secretariat on trade, production and consumption. Some of the data, in particular on production and consumption, are provisional or estimated from various sources. The secretariat would appreciate it if the information contained in this annex could be verified by the governments concerned.

ANNEXES

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Annex I

INFORMATION SUPPLIED BY GOVERNMENTS

1. Information supplied by Norway (natural honey)

	1965	1966	1967	1968 (preliminary)	1969 (forecast)
Domestic production	555 t.	453 t.	615 t.	1,600 t.	1,400 t.
Imports following winter	131 t.	245 t.	120 t.	20 t.	20 t.
Total consumption July/June	686 t.	698 t.	735 t.	1,620 t.	1,400 t.
Prices received by producers	NKr 5	NKr 9	NKr 8.30	NKr 6	NKr 6

Imports of natural honey are regulated by discretionary licensing. Import licences are issued when domestic production is insufficiently covering demand. Most frequently, in the past ten years, imports represented about 20 per cent of total demand. The last two years, 1968 and 1969, have been exceptionally advantageous for bee-keeping. The domestic production has been disposed of on the home market. Restrictions on imports of natural honey are maintained as a part of the overall agricultural policy.

2. Information supplied by the United Kingdom (cigars)

Of the commodities scheduled for discussion by the Group on Residual Restrictions at its next meeting, it is confirmed that the United Kingdom applies restrictions on imports of cigars only.

Apart from Eastern bloc countries the only countries affected by the restrictions are those within the dollar area. There are the following import quotas:

- (a) Cuba: A quota of £643,571 c.i.f. (sterling equivalent of \$1.7 million) for hand-made cigars only, which is to be adjusted in 1970 to £700,000 c.i.f. and from 1971 onwards to £750,000 c.i.f.
- (b) Dollar countries other than Cuba: A quota of £50,000 per annum (c.i.f.) of which not more than £30,000 applies to hand-made cigars. This quota has been raised twice since 1963.

The purpose of these restrictions is to provide a measure of security for the Jamaican cigar industry and to prevent far-reaching and adverse effects that would be suffered by that industry should there be any change in the pattern of supply of Havana-type cigars. A reduction in earnings resulting from a fall in the United Kingdom demand for Jamaican cigars would be keenly felt and since the industry is labour-intensive (providing more than 5,000 jobs) the social effects would be proportionately severe.

Apart from the effect of the removal of the import restrictions on the cigar manufacturing industry, there would almost certainly be severe repercussions on the tobacco-growing industry in Jamaica. The latest statistics available (1965) show this industry employed approximately 17,000 persons and grew some 1,700 acres of tobacco.

Jamaica already has an unemployment problem. The rate of unemployment is at least 15 per cent but seasonal factors can increase this to as much as 25 per cent at certain times and unemployment in the cigar and tobacco industries would exacerbate this situation.

Finally, it is unlikely that the Jamaicans would be able to compensate in full for any loss in the United Kingdom demand for their cigars by finding alternative markets.

Annex II

STATISTICAL INFORMATION¹

I. NATURAL HONEY BTN 04.06 SITC 061.6

1. (a) Country maintaining import control, (b) type of import control and
(c) legal justification

(a)	(b)	(c)
Denmark	Global quota	
France	Restriction (method unspecified)	
Norway	Discretionary licensing	

2. Major supplying countries and their exports in 1967 (million lb.)

- (a) Developing countries:

Argentina 58.6, Mexico 52.2, Cuba 7.4, Guatemala 4.1, El Salvador 2.0

- (b) Developed countries:

Australia 16.6, United States 11.7

3. Trade, production and consumption of countries maintaining import controls

- (a) Imports in \$'000

		Total	From LDC's (% share)	From major LDC suppliers				
				Argentina	Mexico	Chile	Madagascar	Greece
Denmark	1966	432	266 (62)	-	144	111	-	-
	1967	409	308 (75)	184	-	-	-	-
	1968	428	243 (57)	-	-	121	-	-
France	1966	1,494	120 (8)	-	66	-	..	12
	1967	1,701	150 (8)	3	37	-	38	17
	1968	1,766	221 (13)	14	64	-	..	78
Norway	1966	65	..	..	..	..	..	..
	1967	116	..	..	..	..	..	..
	1968	54	..	..	..	..	..	..

¹ Apparent consumption equals production plus imports minus exports. No account is taken of variations in stocks.

.. Not available.

- Nil or negligible.

(b) Trade, production and consumption (volume)

		(metric tons)			
		Production	Imports	Exports	Apparent consumption
Denmark	1966	2,100 ^{1/}	1,648	100	3,648
	1967	2,100 ^{1/}	2,268	222	4,146
	1968	..	1,523	186	..
France	1966	8,130	4,798	606	12,322
	1967	8,030	5,276	907	12,399
	1968	..	5,462	834	..
Norway	1966	453	245 ^{2/}	-	698 ^{3/}
	1967	615	120 ^{2/}	-	735 ^{3/}
	1968	1,600 ^{4/}	20 ^{2/}	-	1,620 ^{3/ 4/}

4. Trade, production and consumption of developed countries in 1967

Country	Production metric tons	Imports		Exports		Apparent consumption metric tons
		Quantity metric tons	Value \$'000	Quantity metric tons	Value \$'000	
Austria	4,200	3,697	1,241	39	25	7,858
Belgium/Luxembourg	1,000	2,107	745	40	31	3,067
Canada	20,721	1,207	398	1,962	979	19,966
Denmark	2,100	1,604	409	222	121	3,482
France	8,030	5,276	1,701	907	680	12,399
Germany, F.R.	9,500	45,064	12,077	465	260	54,099
Italy	7,000	1,541	399	150	86	8,391
Japan	8,000	14,356	4,168	49	19	22,307
Netherlands	490	2,906 ^{1/}	784	516	278	2,880
Norway	615	120 ^{1/}	..	-	-	735 ^{3/}
Sweden	300	517	288	5	5	812
Switzerland	900	3,359	1,241	2	2	4,257
United Kingdom	3,050	13,173	4,237	421	240	15,602
United States	101,317	7,597	1,630	5,295	2,005	103,619

^{1/} Average of two years.

^{2/} Imports following winter notified by the Government of Norway.

^{3/} July/June.

^{4/} Preliminary.

Sources: United Nations Commodity Trade Statistics.
OECD Commodity Trade: Imports, Series C, Trade by Commodities.
FAO: Production Yearbook 1968.

II. FISH MEAL (unfit for human consumption) BTN ex 23.01 SITC ex 081.4¹

1. (a) Country maintaining import control, (b) type of import control, and
(c) legal justification.

(c)

Protocol of Accession

2. Major supplying countries of fish meal and their exports in 1967 (\$ million)

- (a) Developing countries

Peru 173, Chile 13, Morocco 6

- (b) Developed countries

Norway 74, South Africa 27, Iceland 19, Denmark 13, Canada 6

- ### 3. Trade, production and consumption of countries maintaining import controls

- (a) Imports in \$'000

		Total	From LDC's (% share)	From major LDC suppliers	
				Peru	Chile
Japan	1966	18,493	12,032 (65)	11,848	-
	1967	13,519	5,152 (38)	5,141	-
	1968	20,218	12,786 (63)	12,782	-
Switzerland	1966	7,491	3,209 (42)	2,457	578
	1967	8,026	3,255 (41)	2,060	1,012
	1968	8,236	3,841 (47)	2,091	1,746

¹ France maintains restriction (method unspecified) on imports of edible fish meal of cod and halibut falling within BTN ex 03.02, SITC ex 031.5 (see L/3212/Add.12). Trade data are not available.

(b) Trade, production and consumption (fish meal including solubles and similar products)

		('000 short tons)			
		Production	Imports	Exports	Apparent consumption
Japan	1966	392.6 ^{1/}	105.4	17.1	480.9
	1967	447.9 ^{1/}	95.7 ^{1/}	12.5 ^{1/}	531.1
	1968	467.9 ^{1/}	165.6 ^{1/}	7.5 ^{1/}	626.0
Switzerland	1966	-	45.0 ^{2/}	-	45.0 ^{2/}
	1967	-	55.3 ^{2/}	-	55.3 ^{2/}
	1968	-	62.6 ^{2/}	-	62.6 ^{2/}

4. Trade, production and consumption of developed countries in 1967
(fish meal including solubles and similar products)

		('000 short tons)			
		Production ^{1/}	Imports	Exports	Apparent consumption
Canada		98.2	1.1	52.8	46.5
United States		247.4	653.5	-	900.9
Belgium/Luxembourg		-	88.1	0.6	87.5
France		14.6	109.3	4.6	119.3
Germany, F.R.		97.0	506.5	1.8	601.7
Italy		-	113.1	-	113.1
Netherlands		5.5	160.8	1.0	165.3
Austria		-	50.4	-	50.4
Denmark		177.2	14.2	112.1	79.3
Norway		542.0	-	545.6	..
Switzerland		-	55.3 ^{2/}	-	55.3
Sweden		7.7	62.5	0.9	69.3
United Kingdom		89.5	440.5	-	530.0
Japan		447.9	95.7	12.5	531.1

^{1/} Preliminary.

^{2/} Includes small amounts of meat meal.

Sources: National trade returns.

FAO Yearbook of Fishery Statistics, 1967.

World Agricultural Production and Trade - Statistical Report,
United States Department of Agriculture, July 1969.

III. CIGARS AND CIGARILLOS BTW ex 24.02 SITC 122.1

1. (a) Country maintaining import control, (b) type of import control, and
(c) legal justification

(a) (b) (c)

France State trading Article XVII
United Kingdom Global quota applicable to imports
from the dollar area

Note: Cuba, the Philippines and the United States are the major cigar exporting countries which are categorized for the purpose of the United Kingdom restriction.

2. Major supplying countries and their exports in 1967 (\$ million)

(a) Developing countries (exports to OECD countries)

Cuba 3.2, Jamaica 0.9, Philippines 0.4, Brazil 0.2

(b) Developed countries (exports to all sources)

Netherlands 20.4, Belgium/Luxembourg 13.8, Switzerland 2.6,
United States 2.2

3. Trade, production and consumption of countries maintaining import controls

(a) Imports in \$'000

		Total	From LDC's (% share)	From major LDC suppliers	
				Cuba	Jamaica
France	1966	3,737	907 (24)	333	-
	1967	3,484	767 (22)	726	-
	1968	3,933	1,040 (26)	989	-
United Kingdom	1966	5,341	1,998 (37)	1,635	339
	1967	5,343	1,723 (32)	1,294	410
	1968	6,713	1,944 (29)	1,592	329

(b) Trade, production and consumption

		Production	Consumption	Imports		Exports	
		million pieces	million pieces	metric tons	\$'000	metric tons	\$'000
France	1965	706	799 ^{1/}	296	3,604	39	349
	1966	721	356 ^{1/}	320	3,737	39	356
	1967	795	..	314	3,484	28	327
United Kingdom	1965	531	700	290	5,341	40	683
	1966	610	900	301	5,343	15	258
	1967	755	1,135	324	5,340	16	265

4. Production, consumption and trade of developed countries

(a) Production and consumption in 1966

(million pieces)

	Production	Consumption ^{1/}
Belgium/Luxembourg	1,541	1,046
Denmark	1,036	1,096
France	720	856
Germany, F.R.	3,778	3,778
Italy	314	305
Japan	4	6
Netherlands	1,831	1,501
Norway	20	50
Sweden	313	318
Switzerland	694	624
United Kingdom	610	900
United States	8,240	8,296

^{1/} Estimates by International Trade Centre UNCTAD/GATT.

(b) Imports and exports in 1968

	Imports		Exports	
	'000 metric tons	\$'000	'000 metric tons	\$'000
Austria	2	24	9	77
Belgium/Luxembourg	988	9,654	3,026	18,949
Canada	53	579	n.a.	n.a.
Denmark	130	1,156	79	1,092
France	361	3,933	18	191
Germany, F.R.	408	3,613	131	909
Italy	63	398	12	131
Ireland	37	516	n.a.	n.a.
Japan	46	418	-	-
Netherlands	2,985	22,481	2,478	26,509
Norway	111	1,044	1	16
Sweden	105	1,415	82	765
Switzerland	64	1,081	449	2,865
United Kingdom	404	6,713	25	356
United States	209	4,027	n.a.	2,293

Sources: International Trade Centre: The Major Markets for Unmanufactured Tobacco.
OECD, Statistics of Foreign Trade, Series C, Trade by Commodities, Market Summaries: Imports and Exports 1968.
United Nations: Statistical Yearbook, 1968.
Commonwealth Secretariat: Tobacco Intelligence.

IV. LEATHER AND LEATHER GOODS BTN Chapter 41 and 42

1. (a) Country maintaining import control, (b) type of import control, and
(c) legal justification

(a)

(b)

(c)

Japan

Global quota

Note: For the items subject to global quotas see table in paragraph 3(a) below.

2. Major supplying countries of leather and their exports in 1966 (\$ million)

- (a) Developing countries

India 65, Pakistan 21, Spain 10, Brazil 4, Nigeria 4, Yugoslavia 4,
Mexico 2, Morocco 2.

- (b) Developed countries

France 80, United Kingdom 65, Germany, F.R. 53, United States 31,
Italy 26.

3. Trade, production and consumption of the countries maintaining import controls

- (a) Imports of items subject to global quotas into Japan in value

Products subject to global quotas			Imports in \$'000	
BTN	SITC	Description	Total	From LDC's
41.02	611.310,-320, -330,-410,-420, -430,-490 (-440 and-450 in 1966)	Bovine animals leather and equine animals leather	1966 889 1967 1,015 1968 1,170	1 2 26 (Argentina 24)
41.03-1	611.911	Sheepskin leather, dyed, coloured, stamped or embossed	1966 16 1967 33 1968 22	5 8 8
41.04-1	611.921	Goatskin leather, dyed, coloured, stamped or embossed	1966 85 1967 140 1968 220	1 3 5 (India 5)
ex 41.08	ex 611.950	Patent leather	1966 30 ^{1/2} 1967 11 ^{1/2} 1968 21 ^{1/2}	- - -
ex 42.03 -2	841.320	Articles of apparel of leather or of composition leather, other; apparel or clothing	1966 61 1967 107 1968 194	14 (Israel 11) 15 (Israel 15) 39 (Israel 28)

^{1/2} Covers the whole of SITC 611.950.

(b) Trade, production and consumption of leather in Japan in quantity

('000 metric tons)

	Production	Imports	Exports	Apparent consumption
(i) Sole leather, industrial leather etc.				
1965	11.6	-	-	11.6
1966	9.1	-	0.1	9.0
1967	8.1	-	-	8.1
(ii) Leather for uppers and other purposes, of bovine, calf and horse hides				
1965	209.0	0.7	2.4	207.3
1966	228.8	0.1	0.6	228.3
1967	207.3	0.3	0.4	207.2
(iii) Sheep and goat leather, in million square feet				
1965	28.2	0.1	-	28.3
1966	30.0	-	-	30.0
1967	33.2	-	12.1	21.1

4. Trade, production and consumption of leather in developed countries in 1967

(i) Sole leather, industrial leather etc.

('000 metric tons)

	Production	Imports	Exports	Apparent consumption
Belgium/Luxembourg	1.9	0.5	1.3	1.1
France	6.9 ^{1/}	0.5	1.0	6.4
Italy	25.7 ^{1/}	8.3	1.6	32.4
Germany, F.R.	8.9 ^{2/}	2.5	1.7	9.7
Netherlands	3.4 ^{2/}	0.3	1.2	2.5
United Kingdom	13.6	4.5	3.6	14.5
Sweden	0.5	4.0	0.1	4.4
Switzerland	1.0	0.3	0.1	1.2
United States	82.5	0.3	1.3	81.5
Canada	3.1	0.2	0.3	3.0
Japan	8.1	-	-	8.1

^{1/} Estimate.

^{2/} Provisional figure.

(million square feet)

	Production	Imports	Exports	Apparent consumption
(ii) Leather for uppers and other purposes of bovine, calf and horse hides				
Belgium/Luxembourg	43.6	17.7	25.6	35.7
France	206.6 ^{1/}	31.4	55.4	182.6
Italy	244.0 ^{1/}	9.9	41.1	212.8
Germany, F.R.	283.0	61.5	57.6	291.9
Netherlands	58.1 ^{2/}	16.6	31.7	43.0
United Kingdom	232.0	57.9	54.6	235.3
Sweden	31.4 ^{3/}	14.7	9.7	36.4
Switzerland	12.3	28.3	6.2	34.4
United States	798.2	98.2	24.0	872.4
Canada	102.4	17.0	19.8	99.6
Japan	207.3	0.3	0.4	207.2
(iii) Sheep and goat leather				
Belgium/Luxembourg	11.1	19.3	12.4	18.0
France	269.0	75.0	98.2	245.8
Italy	161.0 ^{1/}	19.1	3.3	176.7
Germany, F.R.	124.3 ^{2/}	66.5	31.1	159.7
Netherlands	25.2 ^{2/}	19.8	10.4	34.6
United Kingdom	154.5	5.0	68.8	90.7
Sweden	18.0	7.5	5.0	20.5
Switzerland	0.6	11.3	0.3	11.6
United States	176.6	24.0	46.5	154.1
Canada	5.6	28.1	n.a.	n.a.
Japan	33.2	0.1	12.1	21.2

^{1/} Estimate.

^{2/} Provisional figure.

^{3/} Excluding production of patent leather.

Sources: National trade returns.
OECD, The hides, skins and footwear industry in OECD countries.

V. LEATHER FOOTWEAR BTN Chapter 64

1. (a) Country maintaining import control, (b) type of import control, and
(c) legal justification
- (a) (b) (c)

France	Restriction (method unspecified)
Japan	Global quota

Note: Items subject to import restrictions

France	ex 64.02	Certain types of footwear
Japan	ex 64.02 ex 851.021	Footwear excluding those for sports and
	022	slippers:
	023	With uppers wholly of leather or of furskin
	024	and leather
	025	With soles of leather and with uppers partly
		of leather
	ex 64.05-1 612.310	Parts of footwear of leather

2. Major supplying countries and their exports in 1966 (\$'million)

(a) Developing countries (SITC 851.0)

Yugoslavia 37.7, Hong Kong 32.2, India 13.4, Republic of Korea 5.5,
Republic of China 4.0, Pakistan 2.7, Malaysia 1.8, Nicaragua 1.7

(b) Developed countries (footwear with leather uppers)

Italy 256.4, France 54.2, United Kingdom 38.1, Germany, F.R. 28.7

3. Trade, production and consumption of the countries maintaining import controls

(a) Imports in \$'000

Country	BTN	Total	From LDC's (% share of LDC)	Hong Kong	Malaysia	Morocco	Yugo- slavia	Greece	Uruguay	India
France ¹	ex 64.02	29,491	1,255(4)	625	319	79	54	103	60	2
	1966	36,391	2,037(6)	668	568	46	189	464	29	2
	1967	49,535	2,034(4)	572	563	113	136	386	6	4
Japan	ex 64.02	1,260	50(4)	46	-	-	-	-	-	-
	1966	1,942	36(2)	30	-	-	-	-	-	-
	1967	2,663	38(1)	27	-	-	6	-	-	-
	ex 64.05-1	10	-	-	-	-	-	-	-	-
	1966	117	2(2)	2	-	-	-	-	-	-
	1967	352	-	-	-	-	-	-	-	-
	1968									

¹The figures cover the whole of item 64.02 as the exact description of footwear subject to restrictions is unknown.

(b) Trade, production and consumption in million pairs (footwear with leather uppers)

	Production	Imports	Exports	Apparent consumption
France	1965	4.8	17.9	114.4
	1966	7.1	18.2	115.9
	1967	7.1	18.1	112.9
Japan	1965	0.1	1.2	52.9
	1966	0.1	0.8	52.9
	1967	0.2	1.0	52.4

4. Trade, production and consumption of developed countries in 1967

(million pairs)

	Production	Imports	Exports	Apparent consumption
Belgium/Luxembourg	12.3	8.9	2.6	18.6
France	123.9	7.1	18.1	112.9
Germany, F.R.	104.0	32.1	7.2	128.9
Italy	190.0	0.3 ^{2/}	107.2 ^{2/}	83.1
Netherlands	23.0 ^{1/}	8.5	4.7	26.8 ^{1/}
Austria	12.3	2.2	3.3	11.2
Norway	3.7	2.7	0.2	6.2
Sweden	7.7	9.7	0.6	16.8
Switzerland	11.0	4.8	2.0	13.8
United Kingdom	107.5	14.1	7.8	113.8
United States	497.3	59.7	1.7	555.3
Canada	38.6	7.2	0.7	45.1
Japan	53.2	0.2	1.0	52.4

^{1/} Provisional figure.

^{2/} Including slippers and other house shoes.

Sources: OECD - The hides, skins and footwear industry in OECD countries.
National trade returns.
United Nations Commodity Trade Statistics.

VI. COIR MATS AND MATTINGS BTN ex 58.02 SITC ex 657.6

1. (a) Country maintaining import control, (b) type of import control, and
(c) legal justification

(a) (b) (c)

France Restriction (method unspecified)

- 1
2. Major supplying countries and their exports in 1967 (\$'000)

(a) Developing countries

India - mats and mattings 6,199, floor rugs 521

(b) Developed countries

Netherlands 1,596, Belgium 757, Germany, F.R. 347

3. Trade, production and consumption of countries maintaining import controls

(a) Imports and exports

		Imports	Exports
France	1965	377	53
	1966	385	75
	1967	359	182

(metric tons)

		Imports		Exports
		Total	From India ^{1/}	
France	1965	532	273	37
	1966	563	313	63
	1967	506	318	196

^{1/} Exports from India to France.

(b) Production and consumption - not available

¹ The Federal Republic of Germany has informed that no restrictions are applied to imports of these products from developing countries.

4. Trade, production and consumption of developed countries

(a) Imports and exports of coir mats, matting and rugs in 1967

	Metric tons			\$'000		
	Imports			Exports	Imports	Exports
	Total	From India ¹				
		Mats	Rugs			
Belgium	438	153	-	1,100	348	757
France	506	318	-	196	359	182
Germany, F.R.	2,695	996	29	328	1,715	347
Italy	1,262	1,098	2	62	592	60
Netherlands	1,194	62	16	2,012	820	1,596
Austria	33	..	-	-	25	-
Denmark	798	662	7	-	498	-
Norway	126	78	-	-	78	-
Sweden	225	218	4	-	145	-
Switzerland	202	..	-	-	174	-
United Kingdom	4,156	4,108	147	-	2,391	-
United States	1,966	2,745	19	-	883	-
Canada	1,392	1,388	2	-	255	-
Japan	..	360	-	-	..	-
Australia	1,375	1,343	1	-	445	-

¹Exports from India.

Source: FAO - Coir: economic characteristics, trends and problems.

(b) Production and consumption - not available.