

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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ACTION BY GOVERNMENTS RELEVANT TO THE PROVISIONS OF PART IV

1. For the convenience of the Committee, the main points concerning tariffs, import restrictions and certain other commercial policy measures contained in notifications by government (COM.TD/W/128 and Addenda) are summarized below.

Tariffs

2. The generalized scheme of preferences for developing countries has been referred to in most notifications and Australia has also made mention of a further extension of its scheme of tariff preferences for developing countries. Some countries referred to the implementation of the third reduction in customs duties on 1 January 1970 in accordance with their Kennedy Round commitments and Switzerland notified that it had fully implemented its remaining Kennedy Round concessions on 1 March 1970.

3. A number of countries have notified the elimination of duties or duty reductions on specific products including Japan from 1 May 1970 on hard clam (fresh and salted), black tea (excluding for sale by retail and waste) and natural graphite and the United Kingdom during 1970 on comminuted lemons and lemon juice, esparto wax, certain essential oils, concretes and absolutes and resinoids, unfinished briar pipe bowls and tea (duty suspension extended). Finland has reduced the duty on coffee as a temporary measure from 80 to 50 pennia per kg. during the period 1 August to 14 September 1970 and to zero for the remainder of the year. Certain silk and cotton fabrics made on handlooms are being permitted duty free entry into Switzerland for a period of two years from 1 July 1970. The United States has temporarily suspended duties on copper ore, certain forms of semi-processed copper, manganese ore, bauxite, processedistle, silk yarns, aluminium oxide and some chemical and metal products.

Import restrictions

4. Some countries pointed out that their imports from developing countries were either free or virtually free from import restrictions. The following notifications have been made of action taken. During 1970, Belgium eliminated import restrictions on onions, peaches, cherries, plums and strawberries and Denmark completely liberalized kale (fresh, chilled or provisionally preserved), raw coffee, sweet corn on the cob, spinach prepared or preserved otherwise than by vinegar or acetic acid, certain fruit juices and wines. For the Federal Republic of Germany import restrictions were eliminated on cauliflowers and cucumbers, apples and pears,

wine and vinegar made of wine, tomatoes (1 January to 14 May), cabbage lettuce and endives (16 June to 14 November) and beans (1 October to 31 May). For those cotton and non-cotton textiles and woven jute fabrics still subject to restraint in the Federal Republic, quotas were increased and restrictions on grey fabrics, terry towels and woollen sweaters imported from Hong Kong were removed. Ireland terminated the quota on leather footwear on a global basis on 30 June 1970. Since June 1970, imports into Italy of dates and locust beans for stock-feed and dried figs and raisins for direct use as well as wine and partially fermented grape must have been liberalized.

5. Japan has dismantled import restrictions during 1970 on wool fabrics, wine, coffee, tapioca and substitutes obtained from potato or other starches and has decided to promote liberalization during 1971 of fresh apples, grapes, apples and limes (provisionally preserved by gas), unroasted iron pyrites, other natural graphite (amorphous), tungsten ore, patent leather and imitation patent leather, articles of apparel of leather and parts of footwear of leather. In 1970, Norway increased the global quotas for live animals (not for food production), flower bulbs, live plants, tubers and tuberous roots, etc., cut flowers and other parts of plants, grasses, mosses, lichens, etc., glucose and fruit juices of other than citrus fruit. Agreement was reached with Korea on an increase in the cotton textiles quota and the 1970 quota for other textiles was increased by 13 per cent over 1969 levels. The United Kingdom increased quota levels for cotton textiles and butter. The United States increased the quota on No. 2 fuel oil on a temporary basis until the end of 1971 and crude petroleum on a permanent basis. Voluntary import restraints on meat were also increased, thus maintaining an import growth rate of about 5 per cent annually.

Fiscal measures

6. Of the five countries reporting on this subject, Australia, Czechoslovakia and New Zealand indicated no change. The Swedish value added tax is to rise from 10 to 15 per cent on 1 January 1971. Italy indicated that tax reductions were made for cocoa beans and certain cocoa products in October 1969. However, under a Decree dated 27 August 1970, which was being considered in the Italian Parliament, an increase in the consumption tax on bananas to Lit 120 per kg. (Lit 80 for Somali bananas) was proposed.¹

Import deposits

7. Import deposits in Japan were reduced to 1 per cent in October 1969 and to nil in May 1970. In the United Kingdom, import deposits were reduced in stages during the year and are being terminated on 4 December 1970.

¹The Italian Government decided on 26 October to apply a single tax to bananas irrespective of origin. The relevant provision is still under discussion in the Parliament.