

GENERAL AGREEMENT ON TARIFFS AND TRADE

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ACTION BY GOVERNMENTS RELEVANT TO THE PROVISIONS OF PART IV

Addendum

The following communication has been received from the delegation of New Zealand in connexion with the implementation of Part IV.

GATT/AIR/1204 of 6 August 1975 invited governments to report on developments relevant to the implementation of Part IV of the General Agreement. The following report indicates moves initiated by New Zealand which could be regarded as benefiting the trade of developing countries.

I. Liberalization of trade on products of export interest to developing countries

(i) Generalized Scheme of Preferences

New Zealand has decided, in principle, to extend its generalized scheme of preferences on a "negative list" basis which should lead to a significant expansion in product coverage.

It has also been decided to liberalize the rules of origin relating to products coming within New Zealand's GSP and, as a consequence, it will shortly be possible for exporting countries to utilize, as qualifying content under the GSP, any production value added to the product by other eligible countries. Re-export from one beneficiary country of another beneficiary's products will also be eligible to receive the preferences accorded under New Zealand's GSP.

It should also be noted that New Zealand does not employ specific quota restrictions in the operation of its scheme beyond those generally applicable to the items concerned.

(ii) Multilateral Trade Negotiations - Tropical products

In accordance with the terms of the Tokyo Declaration, New Zealand is giving priority attention to the requests submitted by developing countries for concessions on tropical products.

II. Emergency protective action affecting developing country exports

(a) Textile fabrics

In April 1975 New Zealand officially notified the Contracting Parties of its decision to impose emergency protection through licensing control on a small number of woven polyester fabrics and warp knitted curtain fabrics. While the major suppliers of these items are developed countries a proportion of New Zealand's imports came from developing countries.

This action was taken in the light of a report by the Emergency Protection Authority which found that the increase in imports of these products had reached such levels that the New Zealand industry was seriously affected, as evidenced by a considerable downturn in production and reduced employment in the industry.

It is the intention that the temporary import restriction be examined and reported on within twelve months as specified in New Zealand's legislative requirements.

III. Measures falling within the provisions of Article XXXVII:3(b)

(i) Steps to promote structural changes

The New Zealand Government has adopted an economic strategy with two broad policy proposals, being a programme of broadly based industry studies and a tariff review to be conducted by the Government itself.

- (a) Industry studies: the programme is based on the widespread recognition of the need to accelerate the transition from the import phase of industrial development to a situation where manufacturing industry is export-oriented to a significant degree. As part of this programme trade liberalization is a long-term objective as a necessary element in the development of an economic structure founded on a wider and stronger basis. Such liberalization is also essential to enable New Zealand to play its part in providing greater trading opportunities for developing countries.

- (b) Tariff Review: this exercise will be directed at updating the Customs Tariff taking into account the need to make the tariff compatible with modern trading conditions and administrative requirements. The review, which it is hoped to complete in two years, will be closely interrelated with the industry studies programme.

(ii) Steps to introduce measures of trade promotion

A Developing Country Liaison Unit has been established in the Department of Trade and Industry. The function of this Unit is to work, within New Zealand, virtually as a trade commissioner's office for developing countries; carrying out trade inquiries, market surveys and assisting visitors and trade missions.