GENERAL AGREEMENT ON TARIFFS AND TRADE

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ACTION BY GOVERNMENTS RELEVANT TO THE PROVISIONS OF PART IV

Addendum

The following communication dated 30 October 1979 has been received from the Commission of the European Communities in connexion with the implementation of Part IV.

In connexion with the review by the CTD of implementation of Part IV, the principal developments relating directly or indirectly to implementation of Part IV by the EEC since April 1979 are summarized below.

1. Tariffs

The suspensions mentioned in document COM.TD/W/291, paragraph 4, have been extended with some minor adjustments.

2. Generalized System of Preferences (GSP)

The Commission of the European Communities has presented to the Council of Ministers of the Communities its proposals for implementing the GSP scheme in 1980 in respect of processed agricultural products, semi-finished industrial products and manufactures originating in developing countries. The aggregate value of the Community offer will reach some 9,500 million EUA as against 7,900 million EUA for the year 1979.

The 1980 scheme represents an appreciable improvement, in particular regarding the offer on industrial products. This progress reflects the Community's concern to enlarge in a continuing and pragmatic way the preferential advantages granted to developing countries.

For <u>agricultural products</u>, the Community had already made efforts in favour of developing countries by implementing as from 1977 its offer on tropical products in the context of the MTN, and it further enlarged its offer in 1979. Accordingly, for 1980 the Commission is merely proposing certain adjustments that

seem necessary: improvement of the tariff reduction on dried banaras, technical adjustment of the tariff régime for Virginia-type tobacco, adjustment for pineapples other than sliced to ensure better use of the quota, and lastly adjustment of the tariff régime for palm oil in order to take account of the new tariff classification that is under discussion in the Council.

For <u>industrial products other than textiles</u>, the Commission has selected 1977 as the reference year for calculating quotas and ceilings, resulting in a fairly substantial increase in the volume of preferential imports.

With respect to jute and coconut products, the Commission intends to propose that the tariff franchise be maintained in 1980 subject to renewal of the restraint agreements concluded with the principal third-country suppliers (India and Bangladesh) which are due to expire at the end of 1979.

Lastly, the Commission will pursue its programme of seminars and likewise publication of its practical guide for economic operators with a view to improving utilization of the GSP by beneficiary countries.

3. Import restrictions

Because of the critical situation that developed in the apple sector in the first four months of 1979, from the aspect of both production and intervention purchases, and taking into account third-country export forecasts, the EEC took action to limit apple imports. The relevant measures, which were temporary and designed to solve difficulties during the current season, gave rise to consultations with all southern hemisphere suppliers and in particular with Chile (see EEC notification in L/4807 and communication by Chile in L/4816).

The measures introduced by the EEC in March 1978 under Article XIX in respect of United Kingdom imports of black and white television sets were lifted in June 1979, following bilateral consultations held in accordance with the wishes expressed at the Council meeting in March 1978.