# GENERAL AGREEMENT ON TARIFFS AND TRADE

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# PART IV CONSULTATIONS: BACKGROUND INFORMATION

# Austria

# Note by the Secretariat

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Being issued as an addendum to this document.

# Introduction

- 1. At their Thirty-Eighth Session in November 1982, the CONTRACTING PARTIES, with a view to improving the review and surveillance procedures in regard to the implementation of Part IV, decided that:
  - (a) "the Committee on Trade and Development, bearing in mind particularly the special responsibility of the developed contracting parties in this regard, shall adopt a programme of consultations with contracting parties individually or collectively, as appropriate, to examine how individual contracting parties have responded to the requirements of Part IV;
  - (b) each such consultation shall be based on information supplied by the contracting party or parties in question and additional factual material prepared by the secretariat;
  - (c) the Committee on Trade and Development shall also examine other aspects of existing procedures for reviewing the implementation of Part IV and for dealing with problems relating to the application of its provisions, and prepare guidelines for their improvement."
- 2. At its forty-ninth session, in March 1983, the Committee on Trade and Development carried out an examination of its future work programme in the light of the decisions taken by Ministers at the Thirty-Eighth Session of the CONTRACTING PARTIES. In relation to the decision on consultations in regard to the implementation of Part IV, the Committee agreed that the consultations should be carried out in the Committee itself. It also agreed that discussions, in the course of the consultations, could be organized under the following general points:
  - (a) overall review of developments in a country's trade flows and factors affecting such trade;
  - (b) examination of how a country's economic and trade policies have responded to the objectives and principles contained in Article XXXVI;
  - (c) examination of how trade policy measures have responded to the commitments of the countries concerned under Article XXXVII;
  - (d) consideration of any matters relating to joint action under Article XXXVIII.
- 3. In regard to the question of documentation to provide the necessary basis for the consultations, the Committee agreed that the consulting country would be invited to submit a paper containing information relevant to the points mentioned above, and that the secretariat would prepare a factual background paper covering developments in trade and trade policy in regard to the country or group of countries being consulted.

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- 4. The Committee noted that following consultations with delegations, it was proposed to hold consultations with the Nordic countries, Austria and Hungary in the course of 1983. The present document contains factual background material covering developments in trade and trade policy in regard to Austria. The material has for the most part been drawn from available official and GATT documentation. It is not intended to be exhaustive.
- 5. While every effort has been made, including consultations with the delegations concerned, to present a clear and factually accurate picture of the situation, the information is subject to verification and correction in the light of any comments or suggestions that might be made by delegations.

# SECTION I: Economic background

- 6. Austria's average real rate of GDP growth exceeded 5 per cent per annum from 1970 to 1973, then fell to 4 per cent in 1974 and was slightly negative in 1975. Growth picked up again to 4.5 per cent in 1976 and 1977, falling back to less than 1 per cent in 1978. In 1979 GDP growth was again relatively high, at 5 per cent, but fell to 3 per cent in 1980 and to zero in 1981. There was a modest increase in GDP in 1982 (1 per cent), attributable to rises in both private and public consumption. In addition, some rebuilding of stocks occurred in the second half of the year.
- 7. Industrial production grew steadily during the 1970's, with the exception of 1975, when there was a decline in output of approximately 6 per cent. In both years since 1980, there have been negative industrial growth rates of 1 per cent. In 1982 the decline was due mainly to a sharp fall in the production of intermediate goods. Employment in all sectors has risen gradually throughout the 1970's, at an annual average rate of slightly less than 2 per cent from 1970 to 1977, and at a slower average rate of about 0.5 per cent from 1977 to 1981. Employment in manufacturing declined in both 1981 and 1982. The unemployment rate, traditionally low in Austria, rose to an average of 3.5 per cent for 1982 as a whole, having been 2.5 per cent in 1981 and 2 per cent in 1980. Austria's inflation rate has also been 1 w, never rising as high as 10 per cent during the 1970's and usually remaining significantly below that figure. The inflation rates for 1980, 1981 and 1982 were 6.5 per cent, 7 per cent and 5.5 per cent respectively.
- 8. The effective exchange rate of the schilling appreciated by 2.5 per cent in 1982 (despite a 7 per cent depreciation against the dollar) compared to an 18.5 per cent depreciation in 1981. There was a further depreciation during the first months of 1983. Austria's trade balance has been in deficit throughout the 1970's but continued surpluses on the invisibles account have either reduced current account deficits or resulted in surpluses. The balance-of-payments figures for 1980 to 1982, which are presented in Table 1, show that the trade deficit was reduced significantly in 1982. This is a reflection of a larger reduction in imports than exports; whereas imports fell by more than 8 per cent in value terms, the comparable figure for exports was a reduction of 1.5 per cent. With respect to volume, imports declined by 1 per cent in 1982 and exports rose by 1 per cent (as compared to 5 per cent increases in exports in each of the two preceding years). In 1982 there was a 4 per cent recovery in the

terms of trade. On the exports side, the decline in shipments of several primary commodities and semi-manufactures in 1982 - wood, textiles, iron and steel, fuels - was more than offset by increased shipments of foodstuffs, clothing, and machinery and transport equipment, the latter rising by 5 per cent. The overal contraction of imports resulted essentially from a 12 per cent decrease in the volume of imported fuels. The main increases were recorded for imports of chemicals (by 5 per cent), iron and steel, and electric machinery.

9. The direction of trade figures reproduced in Table 2 indicate that developed countries account for by far the largest share of Austria's trade at 70 per cent or more. Approximately 15 per cent of imports and 23 per cent of exports were accounted for by developing countries in 1982. The corresponding shares for the Eastern trading area were 9 per cent of imports and 8 per cent of exports. Table 2 also shows Austria's trade balances with different groupings of countries. Over the last seven or eight years there have only been fairly minor fluctuations in the share of developing countries in Austria's total trade.

TABLE 1

Balance-of-Payments 1980, 1981, 1982

(US\$ million)

	1.980	1981	1982
Exports f.o.b.	17,212	15,765	15,527
Imports f.o.b.	-23,683	-20,532	-18,818
Net services and unrequited transfers	4,746	3,240	3,678
Current account balance	-1,725	-1,527	387
Direct investment	139	83	97
Portfolio investment n.e.s.	1,575	1,812	1,460
Other long-term capital n.e.s.	-1,164	-973	-2,143
Other short-term capital n.e.s.	2,341	605	-314
Net errors and omissions	174	429	724
Other transactions	-121	-410	-194
Net change in reserves	-1,219	-19	-17
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(Source: International Financial Statistics, IMF)

TABLE 2

Balance and Direction of Trade, 1980, 1981, 1982

(US\$ million)

		1980			1981		1982		
	Imports	Exports	Trade balance	Imports	Exports	Trade balance	Imports	Exports	Trade balance
Total trade	24,452	17,506	-6,946	21,034	15,841	-5,193	19,495	15,642	-3,853
Developed countries	18,779	12,429	-6350	15,565	10,899	-4,666	14,816	10,824	-3,992
Developing countries	3,741	3,519	-222	3,386	3,659	273	2,846	3,519	673
Eastern trading area	1,932	1,558	-374	2,083	1,283	-800	1,833	1,299	<b>-</b> 534

(Source: Direction of Trade Statistics, IMF)

# SECTION II: Tariffs

# The level and binding of m.f.n. duties

- 10. Table 3 shows pre- and post-Tokyo Round m.f.n. tariff averages (simple and weighted) of eight industrialized markets with respect to products falling within CCCN Chapters 25-99, excluding petroleum, and also for industrial raw materials, semi-manufactures and manufactures. As the table indicates, Austria made significant tariff concessions on industrial products in the Tokyo Round. However, post-Tokyo Round tariff averages of Austria are relatively high among the eight industrialized markets covered by the table. In particular, the weighted average of duties on finished products (16 per cent) is far higher than those of any other industrialized markets. Most post-Tokyo Round Austrian industrial duties are below 35 per cent, but some higher duties still remain.
- 11. While most industrial products have been covered by the Austrian GSP scheme, the level of post-Tokyo Round m.f.n. duties (which will be fully in force by 1987) is relevant for developing countries because GSP rates are either one half or 65 per cent of m.f.n. rates (see "current GSP scheme" for details). Table 4 shows post-Tokyo Round m.f.n. tariff averages (simple and weighted) of Austria with respect to a number of industrial categories and according to the stages of processing.
- 12. Table 5 shows the simple and weighted average shares of m.f.n. duties bound in GATT for products falling within Chapters 1-24 and 25-99, respectively. Austria has bound 65-78 per cent of agricultural tariffs and 93-97 per cent of industrial tariffs in simple and weighted terms.

# Current GSP scheme

- 13. Most developing countries and territories have been included in the list of <u>beneficiaries</u> of the Austrian GSP scheme. <u>Group I</u> beneficiary countries, which now include Portugal and Turkey, enjoy general GSP treatment and <u>Group II</u> beneficiary countries, which now comprise 36 least-developed countries, enjoy special tariff treatment for these countries within the framework of the GSP.
- 14. Since 1975 when the second phase of the Austrian GSP scheme was introduced, GSP rates on products falling within CCCN chapters 25-99 except textiles are one half of m.f.n. rates. With respect to textiles (Chapters 50-62 and 65), GSP rates are 65 per cent of m.f.n. rates. There is no quantitative limitation on imports under the GSP. GSP rates on products falling within Chapters 1-24 are often zero and vary from one product to another.
- 15. With respect to products falling within CCCN Chapters 1-24, products listed in a positive list are covered by the Austrian GSP scheme. The positive list of Austria includes 154 tariff lines under 67 CCCN four-digit headings (cf.L/4108/Add.13). Many of the GSP covered products are tropical products.

Information on the GSP scheme of Austria is available in GATT documents L/4108 and addenda.

TABLE 3

Pre- and post-MIN PFN tariff averages (simple and weighted)

Industrial products excluding petroleum and according to stages of processing

		FINLANO	YAWRON	SWEDEN	U.S.	JAPAN	E.C.	AUSTRIA	SWITZERL.
ALL INDUS	STRIAL PRODUCTS	(EXCL. PET	TROLEUM)						
Pre-MTM	-SIMPLE -WEIGHTED	13.2	6.9 4.2	6. Q 5. 6	11.2		7.1 6.5	11.7 8.9	3-7 2-9
Post-MTM	-SIMPLE -WEIGHTED	11-4	6.7 3.1	4.8 4.0	6.3 4.3	6. 0 2. 7	6. 4 4. 6	8. L 7. 7	2.9 2.2
OF WHICH:	RAW MATERIALS	(EXCL. PE	TROLĖUMI						
Pre-MIN	-SIMPLE -WEIGHTED	0.8 0.7	1.3	0.5 0.0	3.3 0.7	2.5 1.4	1.9	2.6 0.9	1.8
Post-MTM	-SIMPLE -WEIGHTED	· 0.5	0.9	0.4 0.0	1.8	1.4	1.6	1.9 0.8	1.5 0.2
	SEHI-FINISHED	MANUFACTU	RES				•,		
Pre-MIN	-SIMPLE -WEIGHTED	13.0 6.7	6.7	6.0 5.2	10-1	9. 7 6. 5	8.9 3.5	10. 3 5. 7	3.6 1.6
Post-ATM	-SIMPLE -WEIGHTED	11.7	5.4 1.4	5.1 3.2	6. 1 3. 0	& 3 4. 5	6- 2 4- 1	7.3 4.7	2.8 1.2
	FINISHED MAN	JFACTURES (	IEXCL. PE	TROLEUM					
Pre-ATM .	-SIMPLE		16.6 5.6	6.5	13.0	11.5 12.4	10.0 9.7		4-0 3-9
Post-ATN	-SIMPLE -WEIGHTED	12.0 6.0	7.8	5. i 4. 8	7. 0 5. 6	& 4 5. 9	7-0 6-\$	9-1 16-0	3.0 3.0

Based on imports in 1977 or 1976.

(Source: COM.TD/W/315)

Table 4

Post-Tokyo Round m.f.n. duty averages

S = simple average; W = weighted average based on 1976 imports

Product category	All products	Raw materials	Semi-finished manufactures	Finished manufactures
			manutactures	manutactures
All industrial products (Ch.29-99) excluding petroleum	S 8.1 W 7.7	1.9 0.8	7.3 4.7	9.1 16.0
Rubber	S 8.0 W 8.5	1.2 0.0	4.7 6.5	5.7 <u>1/</u> 6.8 <u>-</u> /
Leather	S 7.3 W 14.3	0.0 0.0	3.4 4.7	9.8 11.8 <sup>2</sup> /
Wood and cork	S 7.7 W 4.5	2.0 0.6	3.7 1.6	6.4 3/
Pulp, paper and printed matter and other articles	S 8.0 W 5.1	2.2 2.5	9.3 10.2	11.1 13.2 4/
Textiles	s 16.3 W 20.2	2.7 0.1	6.6 7.2	21.6 (Fabrics)
Made-up articles	S W			19.0 22.3
Clothing and clothing accessories	S ₩			30.4 37.1
Mineral products and fertilizers	S 6.1 W 2.9	1.6 0.9		7.0 8.0 <u>5/</u>
Ores and metals	S 7.8 W 2.3	0.0 0.0	See below	9.6 13.4
Iron and steel	S W	3.2; 1.5 3.3; 0.0 <u>6/</u>	7.8 9.3	
Non-ferrous metals	S W	1.7 7/	5.8 4.1	
Essential oils, perfume materials, toilet preparations, etc.	S 9.1 W 8.4		6.8 1.5	10.6 13.9
Electric machines and apparatus	S W			7.9 23.5

Trubber manufactures other than the following: rubber tyres and tubes S 15.9, W 19.9; rubber footwear S 29.0, W 28.9.

Source: COM.TD/W/315

<sup>2/</sup> Leather manufactures other than the following: travel goods and hand bags S 18.7, W 17.2; leather footwear S 12.6, W 25.1.

Wood and cork amnufactures other than the following:
wood based panels S 13.4, W 17.7; furnitures of wood and othr materials S 14.5, W 24.8.

<sup>4/</sup>Manufactured articles other than printed matter.

<sup>5/</sup>Mineral manufactures other than the following: manufactured fertilizers S 8.5, W 1.7; glass and glassware S 9.0, W 19.0.

<sup>6/</sup>Ferro-alloys

<sup>7/</sup> Unwrought non-ferrous metals

TABLE 5 Importance of m.f.n. tariff bindings in GATT

(%) Share of bindings in Tariff lines m.f.n. Imports Agriculture Industry Agriculture Industry excl. petroleum excl. petroleum (CCCN ch.01-24) (CCCN ch.25-99 (CCCN ch.01-24) (CCCN ch. 25-99 excl. 2709-10) excl. 2709-10) 100 United States 90 100 96 Canada 90 97 98 99 79 Japan 64 98 66 European Communities 63 99 79 100 65 Austria 97 78 93 Finland 59 98 99 88 70 Norway 90 94 .97 Sweden 48 98 79 97 Switzerland 55 99 100 66 Australia<sup>1</sup> Hew Zealand 56 44 76 63 Ten tariffs combined 66 92 81 96

Note: The estimates refer to the post-MTN tariffs and to imports in 1977 or 1976 and cover full and partial bindings. The national tariff nomenclatures have been used. MFN imports include imports entitled to GSP. The figures are preliminary and will be revised when all consolidated schedules in loose-leaf form are available.

(Source: TAR/W/22)

It has not yet been possible to compile post-MTN data for Australia. basis of 1975/76 imports and pre-MTN tariff, the bindings were as follows: agriculture, 23 per cent of tariff lines and 39 per cent of m.f.n. imports; industry, 14 per cent and 29 per cent, respectively.

- 16. With respect to products falling within CCCN Chapters 25-99, all products except those listed in a negative list are covered by the Austrian GSP scheme. The negative list of Austria includes 12 CCCN headings, i.e. certain agro-chemical products in Chapters 29-39 (10 items) and two clothing items (6102 D cotton outergarments for women and infants and 6103 C cotton undergarments for men and boys) (cf.L/4108/Add.2). The additional negative list for Hong Kong includes all products falling within CCCN Chapters 50-62 (textiles and clothing) and 64 (footwear).
- 17. Since 1 January 1982 Austria has granted special tariff treatment to imports from <a href="least-developed countries">least-developed countries</a> (31 countries in 1982 and 36 countries since 1 January 1983). For industrial products falling within CCCN Chapters 25-99, duty free treatment is granted across the board, with the exception of textiles falling within CCCN Chapters 50 to 62 and 65 for which one-half of m.f.n. rates are applied. With respect to the tariff items falling within CCCN Chapters 1 to 24 included in the positive list of GSP items, duty-free tariff treatment is accorded in most instances, and in many other cases a substantial reduction of the preferential rate of duty is provided. In a limited number of cases least-developed countries are subject to ordinary GSP rates.

## Changes in GSP treatment since 1976

- 18. Austria introduced its GSP scheme in April 1972. Major changes made in the scheme since 1976 are indicated below. The list of beneficiaries of the Austrian GSP scheme has been gradually expanded, in particular to include China and Zimbabwe in 1980. Spain was deleted from the list of GSP beneficiaries when special trade arrangements between Austria and Spain were put into force in 1980. Greece was also deleted from the list when Greece acceded to the European Communities in 1981. Under the Austrian scheme, Group II GSP beneficiary countries, which had previously included Greece, Portugal, Spain and Turkey, had often been subject to higher GSP rates than those applicable to other GSP beneficiaries and had also been subject to an additional negative list of industrial products. In 1982 the remaining two countries in Group II, i.e. Portugal and Turkey, were transferred to Group I. These countries now enjoy the same GSP treatment as other GSP beneficiary countries. Group II now includes 36 least-developed countries.
- 19. The products covered by the Austrian GSP scheme have been increased by the addition of items to the positive list of agricultural products or by the deletion of items from the negative list of industrial products. As a result of the Tokyo Round negotiations on tropical products, etc., the Austrian GSP scheme was extended to cover 13 additional agricultural items in 1977 and three other agricultural items in 1980. Austria also reduced GSP rates on some 45 agricultural items in 1977 and on two further items in 1980. After the Tokyo Round one agricultural item was added to the scheme in 1981 and five agricultural items in 1982. GSP rates on five agricultural items were reduced in 1982.

Imports of these items from GSP beneficiaries were negligible or insignificant in 1980. Thus, these items are not included in Annex 1, which lists dutiable items of interest to developing countries.

- 20. In 1978 Austria extended its scheme to cover unwrought lead by deleting it from the negative list of industrial items. Further, according to the formula for Austrian GSP rates on industrial products (65 per cent of the m.f.n. rate for textiles and clothing and one-half of the m.f.n. rate for other industrial products), the reductions of m.f.n. rates for the implementation of Tokyc Round concessions in 1981, 1982 and 1983 also resulted in the simultaneous reductions of GSP rates.
- 21. On 1 January 1982 a new Customs Preference Act 1982 came into force. This Act covers the second ten year period of the Austrian GSP scheme ending 31 December 1991. The Act provides for special tariff treatment for least-developed countries. In 1983, five countries were added to the list of least-developed countries, increasing the number of least-developed countries on the list to 36.
- 22. The Austrian GSP scheme has been relatively stable. The only negative changes made since 1976 were the withdrawal from the Austrian GSP scheme of two items (edible offals of sheep and goat and prepared meat and meat offals of sheep and goats) in 1978. In that year, two items were added to the negative list of industrial products, but it appears that this was a result of amendments to the CCC Nomenclature.
- 23. Austria has made efforts to harmonize and simplify its <u>rules of origin</u> in many respects. For example, the latest improvements in 1982 included the application of rules on the cumulative acquisition of origin to the ASEAN member countries and a complete harmonization with the EEC rules with regard to procedures for the recognition of transit certificates issued in EFTA and/or EEC member countries.

### Imports under the GSP in 1981

24. In 1981 imports under the GSP amounted to US\$ 251.4 million, of which imports of products falling within CCCN Chapters 1-24 amounted to US\$ 25.3 million and those falling within CCCN Chapters 25-99, US\$ 226.1 million. Yugoslavia accounted for 17.6 per cent of GSP imports in 1981, followed by the Republic of Korea - 16.4 per cent, Hong Kong - 13.5 per cent, China (the Province of Taiwan) - 12.1 per cent, Romania - 10.2 per cent, Brazil - 4.0 per cent, Bulgaria - 2.9 per cent, China - 2.7 per cent, India - 2.4 per cent and the Philippines 2.2 per cent. The ten largest suppliers accounted for 84 per cent of total imports under the GSP in 1981, as compared with 93-95 per cent in 1972-1973. (cf.L/4108/Add.15).

### Special tariff treatment for handmade products

25. Since 1974 Austria has granted preferential tariff treatment to the handicraft products specified in a list of 90 CCCN headings (26 headings covering textile products and 74 headings covering other industrial products). Duty-free treatment is accorded for non-textile handmade products. For textile products, however, a 50 per cent reduction is applied to the m.f.n. tariff rate. (All of the products included in the handmade products scheme are also eligible for the GSP, but the tariff reductions under the GSP are smaller than those under this scheme). Developing countries may benefit from this scheme once they have entered

into a bilateral agreement with Austria concerning the technical details of implementation. Thirty-four countries have been recognized as beneficiaries of the scheme (1982). Handicraft products benefiting from the scheme were valued at \$8.2 million in 1982, of which 64 per cent was accounted for by textile products. Developing countries in Asia and Europe, in particular, India, Pakistan, Turkey, Yugoslavia, Romania and the Philippines have made the most use of the scheme. (cf.COM.TD/96 and Add.1-6).

# Dutiable tariff items of export interest to developing countries

- 26. Table 6 provides a summary of dutiable tariff lines (m.f.n. and GSP) of export interest to developing countries. Among dutiable tariff lines, the table covers those in respect of which imports from GSP beneficiary countries exceeded \$500,000 or accounted for more than 30 per cent of imports from (non-preferential) m.f.n. sources in 1980. In addition, Annex 1 provides detailed tariff and trade flow data with respect to these tariff lines.
- 27. The table covers some 40 per cent of dutiable tariff lines in terms of imports in 1980. Among the agricultural products covered by the table, shelled hazel nuts (imports from GSP beneficiaries \$25.8 million), cut flowers (\$10.0 million) and stripped tobacco (\$8.9 million) were most important for GSP beneficiary countries. Among the industrial product groups covered by the table, the following were the most important:
  - (i) clothing,
  - (ii) textiles,
  - (iii) leather, leather goods and footwear,
  - (iv) machinery and electric and transport equipment, and
  - (v) precision instruments, watches, musical instruments, etc.
- 28. Table 6 also shows that imports subject to m.f.n. treatment accounted for 76 per cent of 1980 imports of the agricultural products covered by the table. Imports covered by GSP accounted for 14 per cent, and imports covered by free-trade arrangements in Europe for 9 per cent. With regard to industrial products excluding petroleum, preferential sources in Europe enjoying duty-free or other special tariff treatment accounted for 84 per cent of total imports. The GSP beneficiary countries supplied 6 per cent, mostly under the GSP, and m.f.n. sources supplied 10 per cent. The table shows that the share of the GSP beneficiary countries in imports was 62 per cent for petroleum and 37 per cent for agricultural products, but was between 2 per cent and 22 per cent for different industrial product categories excluding petroleum.

<sup>123</sup> per cent from GSP beneficiary countries and 53 per cent from other sources.

### TABLE 6

# 1980 Imports under dutiable tariff lines of interest to developing countries according to product categories and tariff treatment

Notes: Among dutiable tariff lines (n.f.n. and GSP), this table covers those in respect of which imports from GSP beneficiary countries exceeded \$500,000 or accounted for more than 30 per cent of imports from (non-preferential) m.f.n. sources in 1980.

A = Imports from other than GSP beneficiaries, subject to m.f.n. treatment. Including imports from Hong Kong for textiles, clothing and footwear.

B = Imports from GSP beneficiaries, subject to m.f.n. treatment.

		Number	Imports		Imports	according	to tari	ff treat	ment	
CCCN chapters	Product groups	of tariff	from	P	1FN	GSP	LDC	EFTA	Zone	Other
		lines	sources	A	В	GSF	LUC	EFIA	Zone	Other <sub>b</sub> pref.
01-98	Total of all product groups	361	9,050.7 1002	1,334.4	92.6 12	2,146.4	3.2	470.9 5%		65.8
01-24	Agricultural products	84	339.9 1002	179.9 53%	78.2 23%	48.6 142	0.05	9.9	20.7	2.6
2709, 2710	Petroleum	6	2,769.0 100%	575.3 21%		1,711.9 62%	-	11.0	470.4 17%	0.4
ex 27, 28-98	Sub-total of other industrial products:	271	5,941.8 100%	579.2 10%	14.5	385.9 6%	3.1	450.0 8%	4,446.4 75%	62.8
ex 27, 28-40	Chemicals; plastic and rubber products	24	572.7 100%	28.2 5%	-	15.8 3%	-	56.5 10%	469.9 82%	2.4
41-43 64-65	Leather, furskin and their articles; footwear	29	511.6 100%	11.7 2%	-	63.3 12%	0.07	20.1 4%	404.5 792	12.0
44-48, 94	Wood products, plaiting materials, pulp and paper; furniture	33	431.0 1002	37.1 9%	_	29.0 7%	0.08	60.5 14%	299.2 69%	5.1
50, 51 55-59	Textiles	23	345.5 1002	15.6 5%	-	65.6 192	2.4	61.6 18%	195.5 57%	4.8
60-62	Clothing	35	734.9 100%	61.5 82	14.5 <sup>c</sup> 2%	61.4 82	0.5	41.4 6%	533.6 73%	22.1 3%
73-83	Sase metals and articles	44	409.9 100%	19.9 5%	-	26.8 72	0.02	. 47.9 12%	313.5 76%	1.8
84- <b>9</b> 7, 89	Machinery, electric and transport equipment	33	2,470.5	335.4 14%		55.3 2%	0.01	128.2 5%	1,942.1 79%	9.4
90,91, 92	Precision instruments, watches, musical instruments, etc.	. 22	166.5 100%	45.8 28%	-	36.4 222		19.7 12%	61.1 37%	3.4
<del>66-</del> 71 95-98	Miscellaneous industrial products	28	299.2 100%	24.2 8%	479	32.2	0.03	14.0 5%	227.0 76%	1.8

Imports from the EEC under the arrangements between Austria and the EEC.

Imports from Spain under the special arrangement between Austria and Spain, as well as imports from Portugal under both b.

the Free-Trade Area arrangements and the GSP treatment.

c. Imports of two clothing items not covered by GSP from GSP beneficiaries including Hong Kong.

# SECTION III: Imports according to economic groupings, product groups and tariff treatment

- 29. Table 7 shows 1980 imports of Austria according to economic groupings and tariff treatment. In 1980 total imports of Austria amounted to \$22.3 billion, of which imports of products falling within CCCN Chapters 1-24 amounted to \$1.6 billion or 7 per cent, imports of petroleum, \$2.8 billion or 13 per cent, and imports of other products falling within Chapters 25-99, \$17.9 billion or 80 per cent. Of imports of products falling within Chapters 1-24, 31 per cent was supplied by GSP beneficiary developing countries and 14 per cent by m.f.n. sources. The remaining 55 per cent was supplied by preferential sources in Europe. Of imports of products falling within Chapters 25-99 excluding petroleum, 5 per cent was supplied by GSP beneficiary developing countries, 14 per cent by m.f.n. sources and the remaining 81 per cent by preferential sources in Europe.
- 30. Import data according to tariff treatment irrespective of the sources of imports show that with respect to products falling within Chapters 1-24, bound m.f.n. duty-free items accounted for 20 per cent of the total. The remaining 80 per cent comprised dutiable items (bound and unbound) and unbound duty-free items. This is broken down into imports subject to m.f.n. treatment, from whatever origin 42 per cent, imports covered by European free-trade arrangements 16 per cent, and imports covered by GSP 21 per cent (of which coffee 11 per cent). With respect to products falling within Chapters 25-99, bound m.f.n. duty-free items accounted for 17 per cent of the total. The remaining 83 per cent comprising dutiable items and unbound duty-free items, are broken down into imports subject to m.f.n. treatment from whatever origin 11 per cent, imports covered by European free-trade arrangements 70 per cent, and imports covered by GSP 2 per cent.
- 31. With regard to agricultural imports from GSP beneficiary developing countries bound m.f.n. duty-free items accounted for 11 per cent of the total. The remaining 89 per cent consists of imports covered by GSP 67 per cent, imports covered by least-developed country treatment 1 per cent, and imports subject to m.f.n. treatment, not covered by GSP 21 per cent. With regard to industrial imports from GSP beneficiary developing countries, bound m.f.n. duty-free items accounted for 37 per cent. The remaining 63 per cent consists of imports covered by GSP 50 per cent, imports covered by free-trade arrangements (from Portugal) 6 per cent, and imports subject to m.f.n. treatment, not covered by GSP or subject to an unbound zero rate 7 per cent.
- 32. On the basis of 1976 import data Table 8 shows Austrian imports of products falling within CCCN Chapters 25-99 from GSP beneficiary countries according to product groups and tariff treatment. The table indicates that 44 per cent of such imports were given m.f.n. duty-free treatment. Of the remaining 56 per cent which were m.f.n. dutiable, 53 per cent were covered by the Austrian GSP scheme. A relatively limited exclusion from the GSP affects the textiles sector. The table also shows that textiles and clothing were the most important industrial imports of Austria from GSP beneficiary developing countries, accounting for 31.3 per cent of total industrial imports in 1976, followed by ores and metals 24.3 per cent, machinery, instruments and transport equipment 10.3 per cent, hides, leather and fur 8.5 per cent, and wood and cork 8.3 per cent.

Including imports from Spain under special tariff arrangements.

TABLE 7

# Imports of Austria in 1980 according to economic groupings and tariff treatment

(\$ million)

						נחסיוווו
Sources of imports	Total	MFN	GSP	pref	Other erential so	ources
Tariff treatment	Total	sources	benefi- ciaries	EFTA	EEC(10)	Spain
Total imports	22,335.1	3,366.0	3,058.2	1,719.9	13,982.7	92.9
CCCN Chapters 1-24	1,631.8	230.6	511.5 100%	64.9	788.0	36.7
MFN 0% bound	326.7 20%	68.6	55.1 11%	9.5	192.9	0.5
MFN dutiable (bound or unbound <sup>a</sup> :	1,305.1 80%	162.0	456.4 89%	55.4	595.1	36.2
Covered by free-trade arrangements	259.8 16%	-	-	48.0	193.2	18.6
Covered by GSP <sup>b</sup>	342.5 21%		342.5 67%	-	_	_
Covered by LDC treatment <sup>b</sup>	3.7	-	3.7 1%	•	-	-
Other (MFN treatment) <sup>C</sup>	691.6 42%	162.0	110.2 21%	7.4	401.9	17.6
CCCN Chapters 25-99 excl. petroleum	17,915.1 100%	2,559.1	844.1 100%	1,643.4	12,707.0	56.2
MFN 0% bound	3,086.4 17%	951.3	310.3 37%	184.5	1,532.2	9.8
MFN dutiable and 0% unbound	14,828.7 <sup>e</sup> 83%	1,607.8	533.8 63%	1,458.9	11,174.8	46.4
Covered by free-trade arrangements	12,474.0 70%	-	51.4 6%	1,446.3	10,934.3	42.0
Covered by GSP <sup>b</sup>	420.1 2%	-	420.1 50%	<b></b>	-	-
Covered by LDC treatment <sup>b</sup>	3.2	-	3 <b>.</b> 2	_	-	-
Other (MFN treatment) <sup>C</sup>	1,924.4	1,607.8	59.1 7%	12.6	240.5	4.4
Petroleum (CCCN 2709, 2710)	2,785.2	576.3	1,712.6	11.6	487.7	-

a: Including imports of all items subject to import levies.

(Source: 1980 Tariff Study files)

b: Including imports eligible for GSP or LDC treatment but accorded m.f.n. treatment because of the non-utilization of GSP or LDC preferences.

c: Including imports of duty-free items unbound or current duty-free items bound at positive rates (ceiling binding).

d: Including Portugal. Portugal enjoys both GSP treatment (mainly agricultural products and Free Trade Area treatment (mainly industrial products).

e: Including imports from unspecified sources amounting to \$7 million.

Austrian imports of industrial products from GSP beneficiary developing countries according to product groups and tariff treatment

MFN dutiable = Total minus MFN duty-free imports
No GSP = MFN dutiable minus imports covered by GSP

(Unit: \$ million)

				(Unit:	\$ million
		•	M.f.n.	M.f.n. d	lutiable
	Total	%	free	GSP covered	No GSP
Chapters 25-99 excluding petroleum:	457	100	203	243	11
Rubber and products	15.3	3.3	9.6	5.6	0
Hides, leather and products; fur	38.9	8.5	1.6	37.3	0
Wood and cork	38	8.3	22	15	0
Textiles (fibre, yarn, fabrics, clothing and other articles)	143	31.3	37	94	11
Mineral products and fertilizers	27.0	5.9	21.6	5.4	0
Precious stones and precious metals	4.2	0.9	2.6	1.7	0
Ores and metals	111	24.3	92	18	0
Chemicals	12.0	2.6	6.0	6.1	0
Machinery, instruments and transport equipment	47	10.3	2	45	0
Miscellaneous manufactures	8.3	1.8	0	8.3	0
Other products in Chapters 25-99	13.9	3.0	7.9	6.0	0
	<b>*</b>				

(Source: COM.TD/W/315)

# SECTION IV: Quantitative restrictions and other non-tariff measures

### Import restrictions

- 33. Austria's import regime is based upon a classification of goods into liberalized goods and goods subject to quantitative restrictions. Goods which have been liberalized can be imported freely, except from specified sources to which the liberalization has not been extended. For the importation of products subject to quantitative restrictions, and those covered by state monopolies, import licences are required. The overall amounts of quotas for products subject to quantitative restrictions are not published. The list of products subject to restrictions is available for consultation in the GATT secretariat. The main products covered by quantitative restrictions and subject to import licensing include textiles and clothing products, under the provision of the Multi Fibre Arrangement, and coffee and sugar, in pursuance of the provisions of the respective international commodity agreements of which Austria is a member. Imports of wine, potatoes and certain medicaments are subject to global quotas. A number of other agricultural commodities are also subject to quotas, discretionary licensing and/or seasonal restrictions.
- 34. Imports of the following products to Austria are exclusively handled by state trading organizations:
  - (a) Tobacco (raw and manufactured), tobacco substitutes and certain products thereof
  - (b) Ethyl alcohol
  - (c) Salt
  - (d) Foodgrains (wheat, meslin, rye, barley, oats, millet) and certain processed products thereof.
- 35. Annex II contains tariff and trade flow data, including main suppliers and import shares of developing countries, with respect to selected products subject to import restrictions in Austria and of export interest to developing countries.

# Textiles trade; trade flows and restrictive measures

36. Exports of textiles and clothing from Austria maintained a vigorous growth from 1973 (the first year of MFA) to 1981. As indicated in Table 9, exports of textiles rose from \$439.78 million in 1973 to \$1,051.66 million in 1980, declining to \$508.63 million in 1981. Imports of textiles to Austria during this period rose from \$470.01 million in 1973 to \$1,124.59 million in 1980, declining to \$951.66 million in 1981. Imports of clothing rose from \$177.52 million in 1973 to \$852.67 million in 1980, declining to \$695.52 million in 1981. The developed countries accounted for the bulk of the imports of textiles and clothing to Austria throughout this period, their share in textiles ranging between 90.29 per cent and 86.16 per cent, and in clothing between 84.91 per cent and 79.93 per cent.

TABLE 9

# AUSTRIA Textiles and Clothing Imports Million US\$

					-			
		1973	1976	1977	1978	1979	1980	1981
Total	Textiles	439.78	557.00	. 646.28	770.28	912.25	1,034.49	1,051.66
Exports	Clothing	151.23	235.90	283.75	373.89	476.96	557.11	508.63
*								
1	Textiles	470.01	614.37	697.69	799.06	997.96	1,124.59	951.66
Total Imports	Clothing	177.52	370.84	483.78	570 <b>.</b> 42	732.14	852.67	695.52
	Textiles	424.38	538.70	611.09	707.59	882.48	969.17	
Imports from Developed	% share in total imports	90.29	87.68	87.59	88.55	88.43	86.16	88.18
countries	Clothing	147.16	296.41	386.92	479.83	621.65	712.02	564.82
	% share in total imports	82.90	79.93	79.98	84.12	84.91	83.50	81.21
	Textiles	31.02	54.67	63.42	67.41	68.97	112.13	79.92
Imports from	% share in total imports	6.60	8.90	9.09	8.44	8.71	9.97	8.40
eveloping countries	Clothing	28.19	69.22	88.25	82.36	102.08	129.79	121.57
	% share in total imports	15.88	18.66	18.24	14.44	13.94	15.22	17.48

- 37. Austria is a member of the MFA and maintains quantitative restrictions on the importation of some textiles and clothing items under the MFA. The products covered by these restraints, during 1981, included textile items falling in CCCN 55.05, 55.09 and 62.02, and clothing items falling in CCCN 60.04, 60.05, 61.01, 61.02 and 61.03. The sources restrained for all or some of the items in these CCCN groups included Brazil, Hong Kong, India, Korea, Macao and the Philippines.
- 38. Tariff and trade flow date at the tariff line level in respect of textile and clothing items of major interest to developing countries imported into Austria may be seen in Annex I.

# Safeguard, anti-dumping and countervailing duty actions

39. There are no outstanding Article XIX actions taken by Austria. Furthermore, Austria has not taken any anti-dumping or countervailing duty actions.

# Other non-tariff measures

40. The following non-tariff measures notified in regard to Austria, affecting products of interest to developing countries, have been extracted from the inventories maintained by the NTM and Agriculture Divisions. Relevant documents, which have been indicated, may be referred to for further information in this regard.

# A. Product-related notifications

CCCN	Description	Measures	Notifying country	Document reference
2601	Iron ore	Tax for foreign trade promotion	Brazil	NTM/INV/V/B/1
2856	Calcium carbide	Minimum prices	Romania	NTM/INV/IV/H/3
3707	Films	Subsidies to film producers	United States	NTM/INV/I/A/4
4403	Wood in bark	Customs formalities	Czechoslo- vakia	NTM/INV/II/G/2
4405	Wood	Requirement of certificate of origin	Romania	NTM/INV/II/D/2

# B. Other notifications

Measures	Notifying country	Document reference
Government procurement	United States	NTM/INV/I/C/1
Requirement of certificate of origin	Brazil	NTM/INV/II/D/2
Rules of origin	Canada	NTM/INV/II/F/1
Customs formalities	Czechoslovakia	NTM/INV/II/G/1
Stricter quality requirements	Hungary	NTM/INV/III/A/1

## SECTION V: Other trade policy aspects

# Structural adjustment policies

- 41. Information in regard to structural adjustment policies and developments in Austria, submitted by Austria to the Working Party on Structural Adjustment and Trade Policy, is contained in document Spec(82)6/Add 13.
- 42. Information in regard to structural adjustment measures and developments in the textiles sector, submitted by Austria to the Working Group on Adjustment Measures appointed by the Textiles Committee, is contained in documents COM.TEX/16 and COM.TEX/21.

# Agricultural Policy

43. The following general statement of agricultural policy was submitted by Austria in connexion with the updating of the Inventory of Non-Tariff Measures in the field of agriculture (AG/DOC/2/AUT/1).

"The main aims of the Austrian agriculture policy are, according to the Austrian law on agriculture:

- (1) to maintain an economically sound agrarian population;
- (2) to assure the participation of agriculture in the country's overall economic development;
- (3) to increase the productivity and competitiveness of agriculture, especially through structural measures;
- (4) to promote agriculture, taking into consideration the national economy and interests of consumers, in order to overcome disadvantages compared with other economic sectors;
- (5) to adapt the agriculture to changes of the economic situation;
- (6) to improve the economic situation of population employed in agriculture;
- (7) to assure the supply of food for the Austrian population; and
- (8) to safeguard the landscape and environment.

"Austrian agriculture is faced with some considerable difficulties, caused on the one hand by the well-known general problems of agriculture and, on the other hand, by certain specific factors prevailing in Austria. Nearly 42 per cent of the agricultural area is mountainous, 33.8 per cent of all farms are smaller than five hectares. In addition, the climate causes serious difficulties in a number of regions. The portion of population employed in agriculture and forestry is steadily declining. In 1960, out of the total active population, 22.5 per cent worked in agriculture and forestry; declining gradually, the figure was down to 14.5 per cent in 1970 and to 9.0 per cent in 1980.

"Austrian agriculture is undergoing a constant process of adjustment. Apart from Austria's traditional exports in the fields of dairy products, cattle and bovine meat, additional regular exports of grains, sugar and wine take place.

"Restrictions are maintained on some groups of products, namely:

- (1) products falling under the Austrian Marketing Law, i.e. cereals, milling products, milk and dairy products and meat:
- (2) vegetables and fruits of the temperate zone; and
- (3) wine and similar products.

"This first group of products is covered by the provisions of the Protocol of Accession of Austria to GATT. Details on these products and the functioning of the Marketing Law have been explained several times in different bodies in GATT.

"As far as the second group is concerned, vegetables and fruits of the temperate zones, restrictions on most of the items are applied on a seasonal basis. Moreover, even in the restricted period licences are granted, taking into account the Austrian crop and demand. Some products of this group are to be regarded as hard-core cases, where imports are restricted during the entire year.

"As regards wine and similar products, Austria has been faced with a structural surplus production for several years. To a large extent Austrian wine growers represent very small production units. The Government has endeavoured to meet these economic difficulties by special legal measures and regional limitation of wine production areas. Despite existing difficulties Austria applies a global quota on wine. Austria imports every year large quantities of wine. During recent years Austria imported more than 220 thousand hectolitres every year.

"In the agricultural sector Austria is a net importer. In value terms, its annual trade deficit in this sector amounts to roughly US\$800 million. Based on caloric value, taking into account agricultural exports and imports of certain feeding-stuffs, the self-sufficiency-ratio varied in recent years between 86 and 99 per cent. As a neutral country, Austria is interested in agricultural production enabling it to cover the needs of its population even in crisis times.

"Most of the items subject to restrictions are not only restricted as to imports, but also with respect to exports, both measures aiming at stabilizing market conditions.

"All these restrictions have been introduced many years ago. No new restrictions have been introduced. The existing restrictions are necessary for the Austrian agriculture. Any other measures would either cause more damage to the trade interests of other contracting parties, or it would not be possible to ensure the maintenance of Austrian agriculture."

### Participation in international commodity agreements

44. Austria is a member of the international commodity agreements on coffee and wheat, as an importing country, and on sugar as an exporting country. Austria is also a member of the international agreements on dairy products and meat.

# Regional Trade Agreements

- 45. Austria is a member of the European Free Trade Association (EFTA), established by the Stockholm Convention signed on 4 January 1960. Under the provisions of the Stockholm Convention, member countries of EFTA have abolished customs duties and other charges with an equivalent effect and, with a few exceptions, quantitative restrictions on all industrial products in their mutual trade.
- 46. Mutual trade of EFTA members in agricultural raw materials and goods processed from agricultural raw materials is subject to special rules. the case of goods processed from agricultural raw materials included in Part I of Annex D of the Stockholm Convention, any protective duties on the industrial element (value added in the processing) have been abolished, while protection for the agricultural element (cost of the raw materials used) is permitted, to allow for the fact that manufacturers of similar products in different member countries may have to pay different prices for their raw materials as a result of differing domestic regimes in regard to the production and sale of the agricultural materials. The protection may take the form of a variable or fixed import levies or internal price compensation measures. A similar situation has obtained in respect of agricultural products listed in Part II of Annex D since 1973. Products included in Part III of Annex D are basically excluded from the purview of the free trade provisions of the Stockholm Convention. However, mutual trade of the members in some products in Part III has also been liberalized in consequence of certain bilateral agreements between some of the member countries.
- 47. Fish and other marine products, listed in Annex E to the Convention, are also excluded from the free trade regime. Fish and marine products in processed or semi-processed form are, however, subject to the liberalization measures in regard to industrial products.
- 48. The Convention also contains provisions in regard to other related matters, such as internal taxes and other charges, export duties, rules of origin, rules of competition, government procurement and safeguards.

### EFTA's relations with the EEC

49. Under a series of Free Trade Agreements (FTA's) concluded by the EEC with the member countries of EFTA, which came into force in 1973, customs duties and other charges having an equivalent effect and, with a few

The current members of EFTA are: Austria, Iceland, Norway, Portugal, Sweden and Switzerland.

exceptions, quantitative restrictions, have been eliminated on the mutual trade of the EEC and the member countries of EFTA on all industrial products. In the case of certain processed agricultural products (mostly processed foodstuffs) listed in Protocol No. 2 to the FTA's, customs duties have been abolished in regard to the industrial element (value added in processing), while protection is still permitted in respect of the agricultural element (cost of the raw materials used). The protection may take the form of variable or fixed import levies, or internal price compensation measures.

50. EFTA countries as a group and the EEC are each other's most important trading partners. If intra-EEC trade is excluded, EFTA was the market for almost a quarter (23.1 per cent) of all EEC exports in 1981. Similarly, if intra-EFTA trade is excluded, three-fifths (59.4 per cent) of the combined exports of the EFTA countries went to the EEC.

# EFTA's relations with Spain

51. A multilateral Free Trade Agreement between the members of EFTA and Spain, in effect since May 1980, and providing for progressive elimination of tariffs and non-tariff barriers to mutual trade, governs trade between these countries in industrial products, a number of processed agricultural products and certain fish and fishery products. As a result of the implementation of this Agreement, up to 31 December 1982, the EFTA countries, except for Portugal for which country there are special provisions, had reduced their duties on almost all industrial products imported from Spain by 60 per cent. Spain had reduced its duties by 60 per cent on the imports of the products in List A of Annex II to the Agreement, and by 25 per cent in products in Lists B and C. Furthermore, there had been sizeable tariff reductions on certain processed agricultural goods and on some food products.

# SECTION VI: Trade with the least-developed countries

- 52. Table 10 shows Austria's trade with the least developed countries (LDC's) in 1982 compared with that in 1978. The table shows that while imports of Austria from least-developed countries in 1978 amounted to 19.7 million US\$, exports amounted to 90 million US\$; these represented 0.12 per cent and 0.74 per cent of total imports and of exports respectively. In 1982 imports of Austria from the LDCs amounted to 16.6 million US\$, a fall of 15.7 per cent compared with the imports of 1978; at the same time exports amounted 231.5 million US\$, compared with 90.0 million US\$ in 1978. The table also shows the major export markets of Austria among the least-developed countries, as well as the main sources of imports.
- 53. Table 11 shows the product composition of Austria's main imports from the LDCs in 1982. About 80.0 per cent of Austria's total imports from the least-developed countries was accounted for by four products or products groups, namely, raw cotton, coffee, mineral ores and concentrates, and carpets, carpettings, and rugs. The remaining imports in the agricultural sector were mainly vegetables, cocoa beans, spices, unmanufactured tobacco, fish and meat products. Austria's imports from the LDCs of semi-manufactures and manufactures, apart from raw cotton and mineral ores,

TABLE 10

Trade of Austria with Least-Developed Countries - (1978/82)

(US\$ millions)

		Imports		Exports			
	Total Imports	Imports from LDCs	% Share of LDCs in Total Imports	Total Exports	Exports to LDCs	% Share of LDCs in Total Exports	
1978	15,968.1	19.7	0.12	12,127.2	90.0	0.74	
1982	19,494.1	16.6	0.08	15,643.4	231.5	1.48	

Source: National Trade Statistics

### Main Export Markets Among Least-Developed Countries 1982.

# (amount of exports in 000's US\$)

Benin (167,697); Yemen Arab Republic (14,592); Sudan (10,252); Tanzania (9,573); Ethiopia (6,042); Niger (6,297); Sierra Leona (3,605); Togo (2,683); Yemen D.R.R. (1,642); Malomi (1,301); Bangladesh (1,046); Somalia (849); Afghanistan (853); Haiti (868); Djibouti (759); Mali (662); Uganda (521); Burundi (513); Nepal (289); Laos (249); Guinea (324); Gambia (212); Upper Valta (181); Guinea Bissau (171); Rwanda (116); Cape Verde Islands (79); Bhutam (30); Central African Republic (26); Lesotho (20).

# Main Sources of Imports Among Least-Developed Countries (1982)

# (amount of imports in 000's US\$)

Ethiopia (4,468); Afghanistan (2,750); Guinea (2,314); Uganda (1,371); Chad (1,065); Tanzania (1,093); Central African Republic (550); Burundi (528); Sao Tome & Principe (374); Sudan (339); Bangladesh (388); Malomi (275); Upper Volta (235); Comores (168); Haiti (152); Nepal (126); Rwanda (123); Lesotho (94); Yemen D.P.R. (67); Togo (67); West Samoa (39); Benin (15); Samalia (12).

Austria's Major Imports from the Least-Developed Countries - 1982

(US\$ '000) Total imports CCCM Tariff from Product description Main suppliers situation heading least-developed countries 01.06 Live animals GIN, SLE, TZA, TGO 23.68 02.04 Meat and edible meat offals, BGD 74.33 ex X Crustaceans and molluscs 03.03 BGD 48.19 05.04 Guts, bladders, stomachs of AFG 190.16 07.01 Vegetables, fresh, frozen, etc. ETH. HVO. CAF 50.46 -(s)07.05 Vegetables - other i.e. beans, ETH 504.89 ex X 08.01 Fruits and nuts MLI, TZA, HTI 29.77 09.01 Coffee ETH, BDI, MWI, RWA 4,083.14 TZA, TGO, UGA, CAF 09.02 64.12 Tea MWI, TZA, BGD 09.04 Pepper 19.99 ex X 09.07 COM. TZA 238.29 Cloves ex X 09.08 Nutmegs, mace and cardamoms SOM, TZA 8.50 ex X 10.07 Millet, sorghum, etc. SDN 10.43 X 13.02 Gums and lacs ETH. SDN 79.54 18.01 STP. WSM 410.16 Cocos beans 23.04 Oilcake SDN 47.60 24.01 MWI Unmanufactured tobacco 251.19 x 26.01) Mineral ores and concentrates GIN 2,312.32 28.20) 42.02 Travelling goods, - of AFG, BGD 44.08 textile fabrics 43.01 Raw furskins AFG 116.30 46.03 Basketwork, wickerwork, and BGD, HTI, HVO 46.84 other articles of plaiting materials 55.01 Raw cotton, not combed, not HVO, SDN, TCD, 4.687.84 carded YMD, ETH 57.03 Jute fibres BGD 11.61 er X Other textile bast fibres -57.04 TZA 239.76 i.e. sisal 57.06 Jute yarn BGD 50.12 X 58.01 LSO, AFG, NPL Carpets, carpeting, rugs, etc. 113.72 X Other carpets, carpeting, rugs, etc., Kelen, Schumacks, Karamsnie rugs etc. 48.02 AFG 78.90 x Chenille yarn, gimped yarn, 58.07 BGD 9.38 X 58.10 Embroidery, in the piece, in strips or in motifs BEN 15.30 X 60.05 Outergarments and other AFG, NPL 8.45 x articles, knitted or crocheted, not elastic, nor rubberized 61.02 Women's, girls' and infants' HTI, AFG, NPL 97.19 X outergarments 61.03 Men's and boys' undergarments MPL, BGD 45.31 X 62.02 Bed linen, table linen, BGD 15.65 X toilet linen, kitchen linen, 62.03 Sacks and bags of a kind used 14.07 BGD X for packing of goods Parts, fittings, trimmings and accessories of umbrellas, 66.03 LSO 89.80 sunshades, walking sticks, canes, whips etc. 99.06 Antiques AFG 30.95

<sup>- =</sup> duty-free

X = dutiable item

S = seasonal

were mainly textile products ranging from jute fibres and yarns to woven textile fabrics.

# Tariff treatment

54. Austria is among the countries which provide special tariff treatment in favour of the least-developed countries within the framework of their respective GSP schemes. Thus for items falling within CCCN chapters 1-24, included in the Austrian GSP scheme, duty free treatment is applied to many products originating in least-developed countries, and in other cases a substantial reduction of the preferential rate of duty is provided. In a limited number of cases least-developed countries are subject to ordinary GSP rates. They are about twenty tariff lines involved falling under 14 CCCN headings and include products like flower tubes and bulbs, grapefruit, dried figs, curry powder, banana flour. With regard to industrial products falling within CCCN chapters 25-99 duty free treatment is granted across the board, with the exception of textiles falling within CCCN chapters 50-62 and 65 for which a 50 per cent tariff cut is applied. Table 11 shows in a summary way the major imports of Austria from the least-developed countries which are still subject to duties.