

GENERAL AGREEMENT ON TARIFFS AND TRADE

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TRADE RESTRICTIONS ON ARTIFICIAL LIMBS AND ORTHOPAEDIC APPLIANCES

Request for the submission of information on customs duties and trade restrictions

The following statements have been received from the Governments of Australia, Belgium, Finland, Japan, the Union of South Africa and Sweden.

AUSTRALIA

1. Import Duties:

<u>Tariff Item</u>	<u>Description</u>	<u>B.P.T.</u>	<u>M.F.N.</u>	<u>General Tariff</u>
ex 419(A)	Splints and artificial limbs, teeth and eyes. Surgical pessaries, except of glass. Galvano-cautery batteries and appliances. Hot air apparatus for legs and arms.			
	Import Duties	Free	17½%	17½%
	Primage	Free	10 %	10 %
110(G)	Corsets (including surgical)			
	Import Duties	17½%	37½%	47½%
	Primage	Free	5 %	10 %
420	Surgical appliances n.e.i. including belts, trusses, pads, braces, breast supports, vaccination shields, but not including corsets			
	Import Duties	12½%	32½%	32½%
	Primage	5 %	10 %	10 %
332(A)	Rubber syringes, enemas, injection bottles, urinals, air and water beds, air cushions and pillows and cut-sheet surgical tubing			
	Import Duties	17½%	37½%	37½%
	Primage	5 %	10 %	10 %

<u>Tariff Item</u>	<u>Description</u>	<u>B.P.T.</u>	<u>M.F.N.</u>	<u>General Tariff</u>
332(B)	Rubber manufactures and articles wholly or partly of rubber, viz.:- ex (1) bandages, elastic stockings, leggings, thighpieces, anklets, kneecaps, wristlets and athletic straps.			
	Import Duties	22½%	47½%	47½%
	Primage	Free	5 %	10 %

2. Suspension of Duties:

Duties on orthopaedic equipment can be suspended under tariff items 419(C)(1), 449(A)(1) and 449(A)(2), if it is a kind not commercially manufactured in Australia or the United Kingdom. No suspension or reduction of duties are now in force though ad hoc applications under 449(A)(1) and 449(A)(2) may be made.

3. Import Restrictions:

Because of Australia's balance-of-payments difficulties import licensing restrictions are at present maintained on practically all imported goods and importation is dependent on the holding of valid import licences.

Artificial limbs are accorded open general licence treatment (N.Q.R.) when imported from non-dollar sources. While it is necessary to obtain an import licence, its issue is automatic on application.

If certain types of orthopaedic equipment were required from dollar sources, licences would be granted where there was evidence of need.

Other orthopaedic appliances are licensed at the rate of 110 per cent of quotas held in the April/June quarter of 1956, when imported from non-dollar sources, a rate theoretically equal to 82 per cent of imports in 1950/51, and licences are automatically made available on application by quota holders.

As in the case of artificial limbs, licences to import from the dollar area would be granted whenever necessary.

Within the terms of the import licensing regulations there are no prohibitions on the import of orthopaedic equipment into Australia.

When an import licence is issued an appropriate amount of foreign exchange is normally made available by the exchange authority.

4. Formalities:

It will be appreciated that there are certain minimum formalities which must be observed in the course of importation of any goods.

- (a) Import Licence must be obtained;
- (b) Entering the goods - Customs entry to be lodged;
- (c) Lodging of the related prescribed Customs invoice and associated documents, such as insurance certificate, covering statement on bank draft, packing statement etc.
- (d) Payment of duty, where applicable;
- (e) Remittance of exchange;
- (f) Clearance of goods from Customs Control.

However, the regulations are administered in such a manner that persons requiring orthopaedic equipment are not subject to any more than the minimum possible inconvenience and delay.

5. Statistical Information:

(a) <u>Imports. Year ended 30 June 1956</u>	<u>\$ US</u>	
Galvano-cautery batteries and appliances and hot air apparatus for legs and arms		
United Kingdom	477	
German Federal Republic	107	
United States	<u>7</u>	591
Artificial eyes		
German Federal Republic		74
Artificial limbs and splints		
United Kingdom	41,373	
German Federal Republic	5,141	
United States	<u>2,840</u>	49,354
Artificial teeth		
United Kingdom	242,921	
Cyprus	5,934	
German Federal Republic	20,046	
Switzerland	2,150	
United States	<u>889</u>	271,940
Surgical belts, braces, breast supports, pads, trusses, Vaccination shields		
United Kingdom	14,121	
German Federal Republic	78	
United States	<u>1,651</u>	15,850

Other surgical appliances

United Kingdom	5,141	
United States	<u>11,968</u>	17,109

(b) Exports. Year ended 30 June 1956.

	<u>\$ US</u>	
United Kingdom	46,962	
Australian territories	61,618	
New Zealand	82,598	
Union of South Africa	40,156	
Other British countries	14,354	
Uruguay	30,798	
Other foreign countries	<u>23,101</u>	299,587

of which:

Australian produce	247,245	
Re-exports	<u>52,340</u>	299,585

Australian Production

Statistics not yet available.

Comment on Proposals by Council of Europe and World Health Organization

As stated in the report, arrangements have been made to admit artificial limbs free of quantitative restriction. It would not be possible to admit all orthopaedic equipment, a term which covers a wide variety of appliances, free of quantitative restriction into Australia irrespective of the constraints imposed by the balance-of-payments situation.

Owing to the necessity of protecting Australian production and because of existing trade commitments it would not be practicable to admit all orthopaedic equipment into Australia free of duty. However, as mentioned in the report, some equipment may in certain circumstances be admitted into Australia free of duty.

BELGIUM1. Import Duties:

Tariff item 924 b

Description of product: orthopaedic appliances and parts thereof,
other than hearing aids.

Rates of duty: 10 per cent ad valorem.

2. Suspension of Duties:

The customs administration may suspend or reduce customs duties subject to the approval of the Inter-Ministerial Economic Commission and on the proposal of the Customs Administrative Council (Benelux organ), decided by the competent Ministers representing the Belgo-Luxemburg Economic Union on the one hand and the Netherlands on the other. These measures are then submitted by the competent Ministers for the approval of the legislative powers.

3. Import Restrictions:

The importation of orthopaedic appliances, other than hearing aids, is subject to presentation of:

- (a) a licence (issued by the Central Quota and Licence Office), where the appliances originate in or are imported from Argentina, East Germany, Turkey or Uruguay;
- (b) a combined declaration/licence on form F or G (to be submitted by the importer to an approved bank) for goods of other origin or from other sources.

4. Formalities:

No trade or customs formalities are imposed on imports of orthopaedic appliances.

5. Statistical Information:

Separate statistics are not available for domestic production, imports and exports of each item.

The only precise data available are the statistics on 1955 imports and exports of orthopaedic appliances in general, and parts thereof.

1955

<u>IMPORTS</u>			<u>EXPORTS</u>		
Country	100 kg.	\$ US	Country	100 kg.	\$ US
France	29	33,100	France	-	340
Netherlands	2	9,670	Netherlands	1	660
United Kingdom	40	31,320	United Kingdom	-	940
East Germany	117	68,300	East Germany	-	1,680
Austria	2	4,000			

1955 (cont'd)

<u>IMPORTS</u>			<u>EXPORTS</u>		
Country	100 kg.	\$ US	Country	100 kg.	\$ US
Denmark	3	5,240			
Italy	3	3,920			
Switzerland	2	6,880	Switzerland	-	120
Belgian-Congo	-	400	Belgian-Congo	4	2,980
United States	93	13,300	United States	-	60
			French Morocco	-	60
Total	291	176,130	Total	5	6,840

Observations

The Benelux Administrative Council has considered the proposal of the Council of Europe and the World Health Organization that imports of orthopaedic appliances be freed from customs duties, and has decided against taking such action.

FINLAND1. Import Duties:

Artificial limbs and other orthopaedic appliances are classified under tariff item 77-019 - Artificial teeth and eyes; orthopaedic appliances and parts thereof. Imports under this tariff item are duty-free.

2. Suspension of Duties:

Not applicable.

3. Import Restrictions:

The existing Finnish Import Regulations are applied to these articles in such a way that orthopaedic appliances can be imported into Finland according to the demand.

4. Formalities:

There are no special trade or customs formalities in connexion with the importation of these appliances.

5. Statistical Information:

By country of origin imports under tariff item 77-019 described above for 1955 were as follows:

<u>Country</u>	<u>U.S. \$</u>
Western Germany	107,894
United Kingdom	71,428
British Central America	22,415
United States	18,547
Sweden	15,536
Israel	13,044
Eastern Germany	7,620
Switzerland	6,868
The Netherlands	2,219
France	1,626
Denmark	473
Total	<u>267,670</u>

The greatest part of the above imports consisted of artificial teeth. In 1955 Finnish production of artificial limbs and other orthopaedic appliances required by war veterans and other disabled persons was valued at approximately U.S.\$ 450,000. There was no exportation of these articles in 1955.

JAPAN

1. Import Duties:

Artificial limbs and orthopaedic appliances are classified in the Import Tariff of Japan under the following heading:

<u>Tariff Item No.</u>	<u>Description</u>	<u>General Rate of Duty</u>	<u>Conventional Rate of Duty</u>
1625	Medical or orthopaedic apparatus or instruments, and parts thereof, n.o.p.f.	20 %	
	Convention: -		
	Medical (except dental) and surgical (including anaesthetic) instruments and appliances and parts thereof, except electric and radiological apparatus for medical purposes (not including tools and instruments merely activated by electric motors), surgical needles, forceps, knives and saws, scissors, and other handheld instruments and parts thereof		15 %

(Remarks: The above conventional tariff rate applies to artificial limbs and orthopaedic appliances.)

2. Suspension of Duties:

The above-mentioned articles may be exempted from import duty when imported as samples of merchandise, personal effects, specimens, articles for reference, articles for scientific research and supplies contributed for the purpose of charity or relief.

3. Import Restrictions:

Artificial limbs and orthopaedic appliances are classified under "miscellaneous items" and "machineries", respectively, under the "foreign exchange allocation system".

4. Formalities:

Customs formalities have already been simplified for all kinds of imported goods, which would largely meet the requirements of the Council of Europe.

5. Statistical Information:(a) Imports in 1956

No import figures for 1955 are available, because the statistical classification of the above-mentioned articles was introduced in January 1956. The following figures indicate imports in 1956.

<u>Country of shipment</u>	<u>Value</u> <u>(U.S.\$)</u>
United Kingdom	<u>208</u>
Total	<u>208</u>

(b) Exports in 1956

For the same reason as mentioned above, no export figures for 1955 are available; the following indicates export figures for 1956.

<u>Country of destination</u>	<u>Value</u> <u>(U.S.\$)</u>
Ryukyu Islands	805
Hong Kong	14
Union of South Africa	<u>125</u>
Total	<u>944</u>

(c) Domestic Production (estimate) in 1955

	<u>(U.S.\$)</u>
Artificial limbs	481,006
Accoutrements	118,877
Wheel chairs	40,249
Crutches	6,025
Spare sticks	1,591
Stump sacks	2,050
Artificial eyes	574
Wigs	14
	<u>650,386</u>

UNION OF SOUTH AFRICA

1. Import Duties:

<u>South African Customs Tariff Item</u>	<u>Description</u>	<u>Rate of Duty</u>
251(a)(1)	Surgical footwear	Free
329(1)	Appliances peculiarly adapted to correct a deformity of the body, but excluding corsets	Free
329(3)(a)	Artificial limbs and appliances for attachment thereto; artificial eyes; optical contact lenses; aids-to-hearing for the partially deaf but excluding batteries therefor imported separately	Free

2. Suspension of Duties:

Falls away.

3. Import Restrictions:

All items above are subject on importation into South Africa to production of a Consumer Goods Permit in terms of South Africa's Import Control Regulations.

Since the imposition of Import Control some eight years ago, however, import licences have been freely granted for the country's full requirements of all essential medical supplies, including artificial limbs and other orthopaedic appliances. Up to the end of 1955 this was done administratively, but in order

to enable intending importers to import these articles even more freely, artificial limbs and other orthopaedic appliances are now included in a list of articles for which registered importers can apply to an unlimited extent for import licences which are granted automatically.

4. Formalities:

Liable only to ordinary requirements relating to applications for import licences and to entry (i.e. declaration) for Customs purposes, which could not be dispensed with.

5. Statistical Information:

Schedules of available statistics of imports and exports for the year 1955 are shown below.

Statistics of national production are unfortunately not available.

IMPORTS DURING THE YEAR 1955

A. Footwear, Surgical (Tariff Item 251(a)(1))

<u>Country of Origin</u>	<u>No. of Pairs</u>	<u>Value</u>	
		B	<u>U.S. Dollars</u> <u>(2,80 - £ 1)</u>
United Kingdom	22	118	331
Italy	3	30	84
Switzerland	5	29	81
United States of America	9	37	104
Other countries	8	23	64
TOTALS ...	47	237	664

B. Artificial limbs and appliances for attachment thereto, artificial eyes, optical contact lenses and aids-to-hearing for the partially deaf, excluding batteries therefor imported separately (Tariff Item 329(3)(a)).

United Kingdom	43,916	122,965
Austria	3,991	11,175
Denmark	373	1,044
Germany	1,882	5,269
Netherlands	381	1,067
United States of America	39,133	109,572
Other countries	487	1,364
TOTALS ...	90,163	252,456

NOTE: Separate statistics for (a) appliances peculiarly adapted to correct a deformity of the body (Tariff Item 329(1) and (b) the several articles at B above are not available, but hearing aids would constitute an appreciable proportion of the statistics at B.

EXPORTS DURING THE YEAR 1955

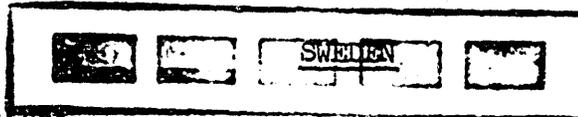
A. Footwear, Surgical

<u>Country of Destination</u>	<u>No. of Pairs</u>	<u>South African Produce</u>		<u>Imported Goods Re-exported</u>		
		<u>£</u>	<u>Value U.S. Dollars (2.80 = £ 1)</u>	<u>No. of Pairs</u>	<u>£</u>	<u>Value U.S. Dollars (2.80 = £ 1)</u>
Rhodesia & Nyasaland	48	440	1,232	3	21	59

B. Artificial limbs and eyes, aids-to-hearing and optical contact lenses

United Kingdom	178	498	18	50
Rhodesia and Nyasaland	1,007	2,820	856	2,397
Belgian Congo	72	202	21	59
Portuguese East Africa	35	98	-	-
United States of America	28	78	163	456
TOTALS	1,320	3,696	1,058	2,962

NOTE: Separate statistics for (a) appliances peculiarly adapted to correct a deformity of the body and (b) the several articles at B above are not available, but hearing aids would constitute an appreciable proportion of the statistics at B.



1. Import Duties:

The articles mentioned are classified according to their nature and therefore fall under several different items containing various other articles. The import duties for these articles are on the whole low. For example if the articles are made of:

plastic,	the duty is in general	15% of the value
leather,	" " " " "	8% " " "
wood,	" " " " "	30:- -60:- cr/100 kg
steel,	" " " " "	12:- -55:- cr/100 kg
aluminium,	" " " " "	50:- cr/100 kg.,
"	lacquered or else surface treated	the duty is in
general	85 cr/100 kg.	

Of the costs for procuring these appliances 3/4 of the total selling costs in Sweden are, after doctor's orders, paid out of public means, without examination of the users' economical need. According to a proposal for a new customs tariff these articles would be classified under item 90/19 for which item exemption from duties is suggested.

2. Suspension of Duties:

The Swedish customs administration is not authorized to change customs duties.

3. Import Restrictions:

The articles mentioned may at present be imported without restriction from the dollar area and from those countries which are included in the EPU system as well as from Finland, Yugoslavia and Indonesia. If however, the question would arise of importing these articles from other countries, not included in the Swedish free list, the applications would be examined with sympathy and there are at present no obstacles as far as such importation is concerned.

4. Formalities:

No obstacles of this kind seem to exist in Sweden.

5. Statistical Information:

No Swedish statistics are at present available as to the imports, exports and production of these articles.

