

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/1274

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PROPOSED NEW BASE DATE FOR PERMISSIBLE MARGINS OF PREFERENCE FOR THE UNION OF SOUTH AFRICA

Notification by the Union of South Africa

1. In paragraph 15 of the Report of the Working Party on Rhodesia and Nyasaland/South Africa Trade Relations (Document L/1225 of 3 June 1960), adopted by the CONTRACTING PARTIES at the sixteenth session on 4 June 1960, it was recommended that the Government of the Union of South Africa be requested to submit to the CONTRACTING PARTIES at least sixty days before the opening of the seventeenth session proposals regarding a new base date for permissible margins of preference in terms of Article I of the General Agreement accorded by South Africa to the Federation of Rhodesia and Nyasaland.
2. Under the Decision of the CONTRACTING PARTIES of 3 December 1955, the Union of South Africa was permitted during the initial life of the agreement between the Union of South Africa and the Federation of Rhodesia and Nyasaland to complete, subject to certain conditions, the process of the adjustment in preferences affecting its trade with the Federation.
3. In paragraph 5 of the above-mentioned Working Party's Report it was stated that the delegation of the Union of South Africa had notified to the CONTRACTING PARTIES a number of proposed increases in preference margins, either not, or only partially, covered by the 1955 Agreement, as constituting permissible adjustments in preference margins authorized by the Decision of 3 December 1955, and had expressed "readiness to consult with any contracting party claiming that its interests would be substantially affected by these adjustments". The CONTRACTING PARTIES recommended to the contracting parties concerned "that they agree to conduct, within the shorter period ending 30 June 1960, any consultations in respect of the proposed adjustments already notified" by the Government in terms of the 1955 Decision.
4. According to Annex G of the General Agreement the base date for the Union of South Africa is 1 July 1938. The South African Government considers it preferable that a single base date be established for all the tariff preferences extended by it to other countries, including those accorded to the Federation under the Decision of 3 December 1955, and those referred to in paragraph 5 of the above-mentioned Working Party's Report. The most suitable date to meet South Africa's requirements in this regard would be 30 June 1960. The Union Government trusts that these proposals will be acceptable to the CONTRACTING PARTIES.