

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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CONTRACTING PARTIES  
Seventeenth Session

## FOURTH PROGRESS REPORT OF COMMITTEE III ON EXPANSION OF TRADE

1. Since the meeting of Committee III in March 1960, reported in the Third Progress Report, document L/1162, dated 27 April 1960, the Committee has met again on two occasions, namely on 1 June 1960 during the sixteenth session of the CONTRACTING PARTIES and again from 26 September to 7 October 1960.
2. At the meeting on 1 June 1960 the Committee discussed procedures and the programme of work for the meeting scheduled from 26 September to 7 October 1960. The Committee agreed that there were five sections of work that should be dealt with: (i) a review of progress made by individual contracting parties in carrying out the recommendations of the Committee as contained in the Second and Third Reports of the Committee (see documents L/1063 and L/1162 respectively); (ii) an examination of the obstacles to trade for a second group of commodities; (iii) the establishing of a third list of products; (iv) the consideration of a future work programme, particularly with a view to a study of the possibilities of channeling of expansion of existing industries or starting of new industries by less-developed countries into directions where such countries will be economically efficient producers (see Section II(2) of the Committee's work programme set out in document COM.III/1) as well as a study of measures which might be taken by less-developed countries to improve production and marketing techniques; and (v) a report to the seventeenth session of the CONTRACTING PARTIES.

### Review of Progress on First List of Products

3. In accordance with the first item of the agreed work programme, the Committee, during the meeting from 26 September to 7 October, undertook a review of the progress made by individual contracting parties in reducing obstacles to the expansion of trade with respect to the products included in the first list of commodities. In conducting its review the Committee had in mind that all of the commodities examined by the Committee entered importantly into international trade and that a number of them accounted for a large or major share of the export earnings of many less-developed countries. The Committee undertook a commodity by commodity examination of the progress made by individual contracting parties in reducing the barriers to the expansion of trade as set forth in the Third Progress Report.

Coffee

4. In its examination of the progress made in reducing obstacles to the expansion of exports of coffee, the Committee noted that New Zealand in March 1960, had extended the "token" import scheme to include roasted coffee and coffee essences, products for which previously no import allocation had been made. Sweden, on 1 April 1960, had extended the liberalization of coffee to the dollar area and to Latin American countries. Norway, on 1 July 1960, had liberalized imports of coffee essences, coffee extracts and coffee preparations. Poland had reduced the retail price of coffee in June 1960 by approximately 24 per cent. Austria, in May 1960, had extended the liberalization of green or roasted coffee to the dollar area; on 15 July this liberalization was further extended to all less-developed countries which granted Austria most-favoured-nation treatment under the General Agreement.

5. As a part of its review of this item the Committee examined a paper submitted by the secretariat (see Annex F), giving a recalculation of the previous secretariat estimates on the possible effects of the total or partial abolition of internal charges on the import demand for coffee in the Federal Republic of Germany, France and Italy. The previous calculation was incorporated in the Committee's Third Report. The Governments of the three countries for which the calculations had been made indicated their intention to comment on these revised estimates and to make these comments available to the Committee as soon as possible.

6. On the basis of a preliminary discussion of the revised estimates, it was considered by most members of the Committee that it could be concluded with a high degree of probability that:

- (a) rising per capita incomes in the three countries examined would lead to a gradual increase in coffee consumption;
- (b) in the short-term, the loss in public revenue resulting from the reduction or elimination of high fiscal charges in these countries would exceed the increase in import outlays by these countries.
- (c) with the reduction in the rate of internal tax, it appeared possible in the long-term that this relationship between revenue losses and import outlays would be changed; and
- (d) finally, a point might be reached where per capita consumption of coffee would no longer increase in response to a reduction in price.

On the further discussion of the progress made so far in the reduction of fiscal charges on coffee, it was noted that whatever the estimated ratio of increases in import outlays to decreases in public revenue might be, the only way to determine the validity of the projections made would be by the countries applying high duties and fiscal charges reducing or eliminating these measures.

7. The Committee considered that the removal or considerable reduction of high revenue duties and fiscal charges in industrialized countries, notably the Federal Republic of Germany, France and Italy, would make a most useful contribution to the foreign exchange earning capacity of coffee producing countries. Similarly, a further reduction in the very great difference in the import and sales prices for coffee in State-trading countries, combined with decisions to import larger amounts of coffee, could make a significant contribution to an expansion of coffee exports from less-developed countries. The Committee expressed the hope therefore that contracting parties, and particularly the three countries mentioned and State-trading countries which were contracting parties or were associated with the work of the CONTRACTING PARTIES, would urgently review their fiscal and pricing policies.

#### Cocoa

8. In their discussion of progress made in reducing obstacles to the expansion of exports of cocoa from less-developed countries, the Committee noted that earlier this year Denmark had reduced taxes on cocoa beans, cocoa and chocolate products by about 25 per cent. Italy, effective 1 June 1960, had extended liberalization of cocoa paste, cocoa butter and unsweetened cocoa powder to the dollar area and to contracting parties in Latin America. Norway, effective 1 July 1960, had removed import restrictions on cocoa shells and waste and cocoa paste and had extended the area of liberalization to include all less-developed contracting parties. At the same time, the level of internal taxes on chocolate was reduced in Norway. It was expected that this action would lead to a reduction of about one-third in the retail price of chocolate.

9. The less-developed countries which had benefited from these measures, welcomed the progress made by the above-mentioned countries, but noted with deep concern that in some of the most important markets in Europe imports of cocoa beans continued to be subject to high revenue duties and that cocoa preparations continued to be confronted with differential tariffs in favour of raw cocoa. This discouraged considerably the development of processing industries in cocoa producing countries whose exports of cocoa products were subject to these duties. In this regard it was pointed out that the common external tariff of the European Economic Community provided for rates of duty of 22 per cent for cocoa butter, 25 per cent for cocoa paste and 27 per cent for cocoa powder, as compared to 9 per cent for cocoa beans.

10. The Committee expressed concern that the progress made with respect to the elimination of obstacles to an early expansion of trade in cocoa, particularly in cocoa products, was not as great as had been hoped for by the Committee. Although the progress which had been made was greatly welcomed, the Committee noted that no progress had been made in the most important markets. The Committee noted that a number of countries, including some industrial countries, continued to apply import restrictions to this product and that some of these restrictions

were discriminatory. The Committee expressed the hope that all contracting parties would urgently review their tariff structures, and where applicable, fiscal or revenue charges, quantitative import controls and other measures which affected imports and consumption of these products so as to enable less-developed countries, some of which relied very heavily upon the export of these products, to increase their foreign exchange earnings by finding increased export markets for cocoa beans and particularly for processed cocoa products.

11. It was also noted that the facts and findings, as well as the conclusions which had been reached by the Committee with respect to coffee in paragraph 6 above, and the conclusions regarding State-trading countries in paragraph 7, applied mutatis-mutandis to a very large extent also to cocoa.

#### Copper

12. The Committee noted that on 1 June 1960, Italy had extended to the dollar area and to contracting parties in Latin America the liberalization of a wide range of copper articles for industrial and domestic use. Effective 25 September 1960, France had also liberalized a wide range of copper articles. The Committee, however, noted that with the exception of these two measures, since its examination of the possibilities of increasing copper exports from less-developed countries no changes such as would facilitate an early expansion of the export earnings of copper producing countries had been made in the measures applied by importing countries. The Committee therefore renewed its request that contracting parties review commercial policy measures which hampered exports of copper and copper products from less-developed countries, in particular differential tariffs which could frustrate or impede efforts by less-developed countries to establish copper processing industries.

#### Cotton Textiles

13. The Committee noted that since its examination of cotton textiles, very few contracting parties had introduced measures such as would facilitate an early expansion of export earnings of less-developed countries. Sweden, on 1 April 1960, had extended the liberalization of a range of previously restricted textiles to the dollar area and to Latin American countries. The Federation of Rhodesia and Nyasaland, during September 1960, had reduced its tariff by 5 per cent on a wide range of cotton textiles. Italy, had removed, effective 1 June 1960, restrictions on imports from the dollar area and from contracting parties in Latin America, of a number of cotton textile items. On 15 July 1960, Austria had removed import restrictions from imports of a number of cotton fabrics from all less-developed countries which granted Austria most-favoured-nation treatment under the General Agreement. The Federal Republic of Germany reaffirmed its intention to liberalize at specified dates a number of cotton textiles.

14. The less-developed countries took note of these measures and particularly welcomed the tariff reduction announced by Rhodesia and Nyasaland, but expressed disappointment that relatively little progress had been made towards the reduction of barriers to trade in these items. The examination of cotton textiles undertaken by the Committee in March 1960 had shown the existence of severe import restrictions, high levels of tariffs and somewhat high levels of internal taxes in many important markets for cotton textiles. In view of the relatively little progress made in the removal of these measures, the exports of less-developed countries continued to be confronted by considerable obstacles.

15. The Committee was aware that, with the removal of obstacles by importing countries, the growth in exports of cotton textiles from less-developed countries might necessitate certain changes in the pattern and level of production in importing countries. This had been the case in certain industrialized countries where quantitative restrictions on exports of cotton manufactures from less-developed countries were not to be found. The Committee stressed that if all industrialized countries shared these imports the expanding export markets of less-developed countries for cotton textiles would be diversified; furthermore, the pressure on the countries permitting non-restricted entry of these cotton manufactures would be correspondingly reduced so that, where necessary, a more gradual process of readjustment could take place.

16. The Committee renewed its appeal to the industrialized countries to examine speedily and sympathetically the problem of reducing these obstacles to the trade of less-developed countries in cotton textiles.

#### Jute Manufactures

17. The Committee noted that since its examination of the obstacles confronting exports of jute manufactures from less-developed countries, few contracting parties had introduced or initiated measures such as would facilitate an early expansion of export earnings of less-developed countries. The Federation of Rhodesia and Nyasaland had removed quantitative restrictions on all jute manufactures with the exception of jute bags and bagging. It was expected that restriction on jute bags and bagging would be removed by March 1961. Italy, on 1 June 1960, had extended liberalization of jute, yarn and fabrics to the dollar area and to contracting parties in Latin America.

18. The less-developed countries welcomed these measures, but expressed disappointment that very little progress had been reported by industrialized countries maintaining barriers to jute imports. It was stressed that the expansion of exports of jute manufactures was of vital interest particularly for India and Pakistan which together accounted for approximately two-thirds of total world output. In the case of India, output at present was voluntarily restricted; approximately one-eighth of looms in one area were sealed. From the human, social and economic points of view, problems confronting the jute manufacturing industries deserved immediate and effective action on the part of industrialized countries.

19. The previous examination by the Committee of the problems confronting exports of these products had shown that duties of 30 per cent and more were not uncommon and were often operated in conjunction with quantitative restrictions on imports. Quantitative restrictions were not only widespread, and in many cases severe, but were in some cases discriminatory. These measures, combined in many cases with internal taxes, tended to discourage the use of jute manufactures, especially because of the growth of substitutes and bulk handling. The Committee therefore urged contracting parties to review immediately tariffs, and where applicable, quantitative restrictions and tax measures, with the view to removing the obstacles to the export of jute manufactures from less-developed countries.

#### Lead

20. The Government of France, effective 25 September 1960, further extended the list of lead items which were liberalized from countries outside the OEEC and dollar area. With the exception of the liberalization by France, however, the Committee noted no changes such as would facilitate an early expansion of the export earnings of lead producing less-developed countries. The Committee noted a request by the delegation of Peru to have lead examined in detail at the next full meeting of the Committee. The Committee decided to undertake the study if this was considered necessary and useful at that time.

#### Oilseeds and Vegetable Oils

21. The Committee noted that since the examination by the Committee of oilseeds and vegetable oils, some contracting parties had introduced important liberalization measures on these products. The Government of Italy, effective 1 June 1960, extended the liberalization of most remaining oilseeds and oleaginous fruit, and flour of oilseeds and oleaginous fruits to the dollar area and to contracting parties in Latin America. Austria extended on 15 July 1960 the liberalization of many important vegetable oils to all less-developed countries which granted Austria most-favoured-nation treatment under the General Agreement. France, on 25 September 1960, removed remaining restrictions on imports of karite oil.

22. The less-developed countries which had benefited from these measures welcomed the progress made by the countries concerned in dismantling their restrictions against the import of oilseeds and vegetable oils. In the field of tariffs, however, no progress was evident and the widespread differentiation in import treatment according to the stage of processing in favour of imports of the raw material still existed. The less-developed countries referred particularly to the tariff differentiation envisaged by the European Economic Community. It was also noted with regret that the Common External Tariff of the EEC provided for differentiation between tariffs for vegetable oils for edible purposes and those for industrial uses. The less-developed countries expressed disappointment that despite the assurances given by the Community that it was sympathetic to the needs of less-developed countries, the EEC had apparently not taken into

consideration the hopes expressed during the Committee's examination of these commodities that the proposed rates of the Common External Tariff of the EEC would not be high.

23. The Committee requested that all contracting parties should again review their tariff structures and where applicable, quantitative restrictions and other measures with a view to facilitating imports of these products and thus assist the less-developed countries to increase their export earnings.

#### Tea

24. The Committee expressed disappointment that since its examination of the possibilities of increasing exports of tea, no changes such as would facilitate an early expansion of the export earnings of less-developed countries had been made in the measures applied by importing countries.

25. The Committee was reminded that tea was the most important source of export earnings of one of the less-developed countries and the second largest export commodity for another and was very significant in the export trade of still other less-developed countries. In view of this widespread dependence of less-developed countries on the export of tea, the lack of any progress in the removal of the high levels of import duties and revenue duties and internal fiscal charges applied in a number of countries had very serious economic consequences for the less-developed tea producing countries.

26. The Committee considered that the reduction or removal of high tariffs, revenue duties and fiscal charges in industrialized countries, notably in certain of the countries of Western Europe, would make an important contribution to the foreign exchange earning capacity of tea producing countries. Similarly, a considerable reduction in the great difference in the import and sales price of tea in most State-trading countries, combined with decisions to import larger quantities of tea, could make a significant contribution to the expansion of tea exports from less-developed countries. It was noted that the facts and findings as well as the conclusions which had been reached by the Committee with respect to coffee (in paragraph 6 above) applied mutatis-mutandis to a very large extent also to tea. The Committee expressed the hope therefore, that contracting parties, particularly certain Western European countries, and State-trading countries which were contracting parties or were associated with the work of the CONTRACTING PARTIES, would urgently review their fiscal and pricing policies with a view to eliminating or greatly reducing these obstacles to the trade of less-developed tea producing countries.

#### Raw Cotton

27. The Committee noted that since its examination of the possibilities of increasing exports of raw cotton from less-developed countries, little change such as would facilitate an early expansion of the export earnings of the less-developed countries had been made in the measures applied in importing countries.

The United States, however, upon whose price support programme the previous examination of the Committee had concentrated, had reduced, as of 1 August 1960, its support price and had made a corresponding reduction in the rate of its export payment in accordance with its policy of moving towards a one-price system for cotton.

#### Timber

28. In discussing the progress made in reducing obstacles to the expansion of exports of timber from less-developed countries, the Committee noted that in accordance with the recommendations of the Committee during the examination of this commodity, the Government of Austria, on 15 July 1960, had removed discriminatory import treatment on practically all imports of timber from non-OEEC and non-dollar sources.

29. The less-developed countries voiced their concern about increases in tariffs which would result from the progressive implementation of the proposed common external tariff of the European Economic Community. It was pointed out that to date most exports of timber from less-developed countries to the countries of the European Economic Community had entered free of duty. For certain important species grown only in West Africa, the common external tariff provided for duties of 5 to 10 per cent which would operate against the export interests of Ghana and Nigeria. The Committee was reminded that in at least one less-developed country the dependence on timber for export income was second only to the dependence on cocoa.

30. The Committee noted the concern of the less-developed timber exporting countries and requested contracting parties to review, where applicable, tariff structures and quantitative import restrictions with a view to facilitating imports of timber from less-developed countries.

#### Tobacco

31. In its examination of the progress made in reducing obstacles to the expansion of exports of tobacco from less-developed countries, the Committee noted that New Zealand had recently removed all restrictions on tobacco and tobacco products and had at the same time, slightly reduced the internal tax on cigarettes and tobacco.

32. The less-developed tobacco producing countries welcomed the measures announced by New Zealand, but expressed disappointment that similar measures had not been taken by other countries. On the contrary, a number of countries had imposed more severe measures in the form of higher duties and more restrictive mixing regulations. The proposed tariff of the European Economic Community was expected to place tobacco imports from a number of less-developed countries at a great disadvantage in the internal markets of the Community and this was of particular concern to these less-developed countries.

33. The Committee noted the concern of less-developed countries producing tobacco who would welcome efforts by contracting parties to move away from heavy tariff and internal fiscal charges on this product.

#### Other Progress

34. In addition to the progress made by contracting parties with regard to particular commodities, a number of contracting parties had also introduced measures of a more general nature. The Government of Sweden, effective 1 April 1960, had removed all remaining quantitative restrictions against imports of the products which have been reviewed by the Committee. At the same time liberalization measures were extended to include all less-developed contracting parties. Effective 1 June 1960, Italy had extended liberalization on a wide range of products to the dollar area and to contracting parties in Latin America. On 1 July 1960, the Government of Norway also extended the area of liberalization to cover all less-developed contracting parties. In addition the Government of Peru recently abolished the requirement of an exchange certificate on all products under review by the Committee. Effective 25 September 1960, France had extended the liberalization of a wide range of products to countries outside the OEEC and dollar area.

#### Second List of Products

35. In discussing the second item on the work programme (to examine the obstacles to trade for a second group of products) the Committee recalled the recommendations contained in paragraph 13 of the Second Report of the Committee that "contracting parties, particularly industrialized countries, should urgently consider lowering barriers to the development of the export trade of manufactured goods and should in the economic policies take into account the urgent need of less-developed countries to increase their export earnings and should as far as possible avoid hindrances to the import of such goods from such countries". The Committee, noting the urgency with which the less-developed countries considered that the problems of diversifying their economies and expanding their export earnings should be examined, recommended that contracting parties, particularly industrialized countries, should give immediate attention to the recommendation adopted by the CONTRACTING PARTIES, as quoted above, and in doing so should take into account the specific points recorded in Annexes A - E in relation to industrial products. The Committee recommended that individual contracting parties should report at the seventeenth session of the CONTRACTING PARTIES the progress achieved towards modification or elimination of obstacles to the exports of less-developed countries.

#### Examination of Obstacles to Trade

36. From the discussion with respect to the different commodities, the Committee recognized that the progress so far made was largely confined to the removal of quantitative restrictions; only Denmark, Norway, New Zealand and the Federation of Rhodesia and Nyasaland had taken action with regard to the reduction of tariffs and internal fiscal charges.

### Quantitative Restrictions

37. The Committee recognized that the progress made in removing import restrictions had been mainly the result of the emergence from balance of payments difficulties of a number of contracting parties in fulfillment of their obligations under the General Agreement. The Committee expressed the hope that with the generally favourable economic conditions prevailing at present, further progress in the dismantling of quantitative restrictions could be expected. The Committee urged contracting parties which were at present in the process of moving out of balance-of-payments difficulties to give priority in liberalizing the products of interest to less-developed countries.

38. Where it was necessary for any country to maintain quantitative restrictions under the appropriate provisions of the General Agreement, the Committee felt that such restrictions should be applied in a manner which would cause the minimum hindrance to international trade, particularly to the trade of less-developed countries.

### Tariffs

39. The Committee noted the very limited progress in the downward revisions of tariffs on the products of interest to less-developed countries. The Committee noted the concern expressed by the less-developed countries that the forthcoming round of tariff negotiations would offer few opportunities for the less-developed countries to negotiate for the reduction of tariffs on products of interest to less-developed countries. In many cases, less-developed countries imported mainly capital development goods and the tariffs on such goods were already generally low. In some cases, imports were financed by "tied" loans or grants: in such cases tariffs on such items had no practical significance. Moreover, the capacity of these countries to give reciprocal concessions was limited by the need to use tariffs for fiscal and development reasons. It was, however, recognized that the less-developed countries stood to gain some advantages from tariff reductions negotiated between industrialized countries.

40. The Committee noted the view of the less-developed countries that if industrialized countries were to make a positive contribution to the trade of less-developed countries, they should be prepared to give tariff concessions unilaterally on products in which less-developed countries had a special interest.

41. The Committee also noted the fact that the principal benefit derived from the removal of tariff and non-tariff measures on a number of manufactured items examined by the Committee might, in the first instance, accrue to industrialized countries rather than to the less-developed countries. It was emphasized, however, that this should not prevent contracting parties from removing obstacles to the trade of less-developed countries.

### Internal Revenue and Fiscal Charges

42. The Committee noted that high revenue and internal fiscal charges greatly increased the total tax incidence of a considerable number of products of interest to less-developed countries. Whereas in the case of a number of commodities (manufactured consumer goods, oilseeds and vegetable oils, etc.) they applied equally to the imported and domestic product, in a number of other cases (coffee, tea and cocoa) the taxes applied generally to imports from less-developed countries since there was no domestic production in the countries imposing the taxes. The incidence of revenue duties on these commodities was particularly heavy in some countries of Western Europe.

43. The Committee recognized that even in cases where the revenue and fiscal charges were applied equally on the domestic and imported products, the effect on consumption could be such as to be a serious obstacle to the exports of less-developed countries. The Committee appreciated that the changing of a fiscal system was a complex matter with wide financial, economic and other consequences which had to be taken into account. The Committee, however, bearing in mind the urgent development needs of less-developed countries and the current financial and economic situation in the industrialized countries mainly concerned, urged all contracting parties, and especially the industrialized countries referred to above, to re-examine their internal revenue and fiscal charges on the products of interest to less-developed countries.

### Future Work Programme

#### Third List of Products

44. In discussing its future work, the Committee agreed that the detailed examination of obstacles to the expansion of exports from less-developed countries which had been carried out by the Committee had been very useful. The Committee had identified particular obstacles to the expansion of trade with respect to a selected list of products and in its Second Report (L/1063, paragraph 14) had recommended that contracting parties, particularly industrialized countries, should examine tariff and non-tariff measures and fiscal charges with a view to facilitating an early expansion of the export earnings of less-developed countries. In the Third Report of the Committee, as well as in the present report, the Committee had presented specific findings for the elimination of these obstacles.

45. The Committee recognized that the list of important commodities to be studied in this manner had not been exhausted and more work on this matter remained to be done. Nevertheless, the Committee agreed that the examination of a third list of products, desirable as it might be in bringing out significant details, was unlikely to reveal basically different obstacles than those which had already been identified with respect to the commodities included in Lists I and II. Furthermore, there was the question of balancing the short-term objectives in the work

of the Committee with the long-term objectives set out for the Committee in the basic work programme contained in Section II/(2) of document COM.III/1. For these reasons, the Committee decided not to establish at this stage a comprehensive third list of products for subsequent examination by the Committee. It was, however, decided that the Committee at its meeting during the seventeenth session would consider specific suggestions for a few products to be examined at the next full meeting of the Committee.

#### Review of Progress

46. Having in mind the urgent need of less-developed countries to expand their export earnings, the Committee agreed that it would be desirable once again - its next meeting to review the progress made by contracting parties in eliminating the obstacles to the trade of less-developed countries which had already been identified by the Committee. The Committee requested the secretariat to prepare, for the use of the Committee, a report on progress made by individual contracting parties in the reduction or elimination of these obstacles.

#### Channeling of Expansion of Existing Industries or Starting of New Industries by Less-Developed Countries

47. The Committee recalled that the basic work programme of the Committee called for a study of the "possibility of channeling of expansion of existing industries or starting of new industries by less-developed countries into directions where such countries will be economically efficient producers" (point II/2 of the basic work programme). The Committee in its previous reports had recognized the necessity, stressed in the experts' report "Trends in International Trade", for less-developed countries to increase not only their export earnings through trade in traditional products but also to increase their trade in other than traditional products and the importance of diversification of the economies of less-developed countries.

48. The Committee also recalled that in its Second Report it had recommended that "contracting parties, in particular industrialized countries, .... should, in their economic policies, take into account the urgent need of less-developed countries to increase their export earnings and should, so far as possible, avoid hindrances to the import of such goods from such countries". Therefore the Committee, at the fifteenth session of the CONTRACTING PARTIES, had decided that it would have to address itself to the scope for industrialized countries to open their markets to exports of industrial goods from less-developed countries, and to the possibilities which might exist for the reduction or removal of trade barriers in the industrialized countries, as well as to the possibilities of an expansion of trade between the less-developed countries themselves (see document COM.III/17). A start had been made at the present meeting of the Committee by examining a number of industrial items included in the Second List of products. The Committee reaffirmed its view that a thorough and comprehensive study of this section of the work programme would make it necessary for

the Committee to be furnished with supporting information about plans which might exist in individual less-developed countries for the development of their industries and export targets for various products. The Committee agreed that it would also help if contracting parties could give an indication of overall foreign currency requirements and of estimated exchange receipts from exports. The secretariat was requested to prepare the necessary background information in consultation with the less-developed countries.

Other Aspects of the Basic Work Programme (COM.III/1, II:(3))

49. The Committee did not consider any specific studies of point 3(a) and (b) of the basic work programme at this stage of its work. In regard to point 3 the Committee did, however, note that it might be desirable if contracting parties, particularly industrialized countries, could inform the Committee of particular market characteristics or special requirements peculiar to a given market which, if they were readily available to suppliers in less-developed countries, would assist these countries in expanding their exports to these markets.

50. The Committee decided to reconvene for a short meeting during the seventeenth session to consider further the implementation of the future work programme of the Committee.

ANNEX A

LIGHT ENGINEERING GOODS

The Committee undertook a detailed examination of the selected light engineering goods of interest to less-developed countries by reviewing on a product by product basis tariffs and non-tariff measures in force in relation to imports of these products.

(a) Bicycles

The Committee noted that in one or two less-developed countries the manufacture of bicycles was approaching current domestic demand and that at least one such country had recently started exporting to neighbouring less-developed countries. The Committee recognized that in addition to entering the markets of other less-developed countries, manufacturers in the less-developed countries should be afforded adequate opportunities to secure markets in the more industrialized countries. The Committee noted in this regard that while in certain industrialized countries per capita demand for bicycles was decreasing, in other industrialized countries demand was increasing. In both instances, however, domestic production and exports by the industrialized countries concerned were decreasing and the proportion of their domestic markets being supplied by imports was rising. With competitive prices, effective marketing methods and high quality products, less-developed countries could expect to share in these important markets.

The Committee noted, however, that in many countries, including a few industrialized countries, imports of bicycles were subject to quantitative restriction. The Committee also noted that more than one-half of contracting parties applied tariffs of 20 per cent or more on bicycles, and over one-third of contracting parties applied tariffs of 30 per cent or more. It was stressed that a number of the less-developed countries applying high customs duties did so for revenue purposes or to protect newly established domestic industries. The Committee, however, recognized that high tariffs were a barrier to trade whether they were imposed for protective or revenue purposes. It was also pointed out that in certain industrialized countries high customs duties appeared to be protecting efficient bicycle industries which no longer required protection at a high level. The Committee also noted that there were internal fiscal charges in most important industrialized countries. The effect on price was particularly marked when high internal charges were levied in conjunction with high tariffs. The Committee stressed the desirability that contracting parties, particularly industrialized countries, should keep their tariffs and non-tariffs measures under review with a view to

providing larger and increasing possibilities for less-developed countries to share in their respective markets for bicycles.

(b) Sewing Machines

The Committee had in mind that the sewing machine was a common use item in fairly universal demand. Although traditional exporters as a whole continued to account for a sizeable share of total production and exports, their relative share in the total had declined considerably as a result of new suppliers having entered the market. The Committee noted that this increase in total world production was due not only to a very significant expansion of output in new supplying countries which already had a broad industrial base, but that a significant expansion of production had also been achieved in at least one less-developed country. This country had increased its production seven-fold between 1950 and 1958. The Committee noted that although the major proportion of exports of sewing machines from this country were directed towards other less-developed countries more than one-third of exports were directed toward highly industrialized markets. The Committee recognized that while there existed a large potential market for sewing machines internally in the less-developed countries producing them, present lack of purchasing power in these countries made it necessary for producers in these countries to turn towards export markets, not only for the purposes of providing the countries concerned with immediate opportunities to diversify their economies and to increase their export earnings, but also to permit the industries concerned to avail themselves of large-scale production techniques.

The Committee noted that certain highly industrialized countries had experienced a rapid increase in demand for household sewing machines. This demand was largely met by imports, domestic producers having either ceased production of sewing machines or having specialized in more sophisticated multi-purpose or industrial sewing machines. The Committee therefore suggested that less-developed countries should examine price, quality and marketing requirements with a view to obtaining a larger share of increased imports in these and other industrialized markets.

The Committee noted that over one-half of contracting parties levied tariffs in excess of 10 per cent against household sewing machines and several countries maintained rates in excess of 20 per cent. Quantitative restrictions were also applied by a number of countries and in certain cases industrialized countries had liberalized trade in this product on an area basis while at the same time retaining restrictions against imports from many less-developed countries. Sewing machines were also subjected to high revenue and internal fiscal charges in a number of important markets. The Committee recognized that, as was the case for certain other durable consumer goods, fairly high tariffs, together with high internal fiscal charges on household machines had adverse effects on demand.

(c) Electric Fans

The Committee noted the widespread need and the large latent demand for this appliance, not only in tropical climates where electric fans could be classed as necessities, but also in industrialized countries where there was an increasing market for electric fans themselves and for other domestic appliances such as heaters, air conditioning equipment, etc., incorporating electric fans. Furthermore, it was recognized that although there existed a large potential domestic market for electric fans in many of the less-developed countries now manufacturing electric fans, relative lack of purchasing power and the urgent need to earn foreign exchange made it essential for these countries to seek additional export markets for part of their production. At least one country in the process of rapid economic development had some considerable experience in the manufacture of electric fans and by supplying a quality product had been able to enter export markets. This country had sufficient installed capacity to further increase exports.

Having these considerations in mind the Committee noted that more than half of contracting parties had tariff rates of 15 per cent or more; tariff rates of 25 to 30 per cent were not unusual and in one case the tariff rate was higher than 100 per cent. In addition to these customs duties many countries applied high internal revenue and fiscal charges; more than one-third of all contracting parties levied internal taxes of 10 per cent or more on electric fans. The high incidence of the combined duties and charges was a significant factor in inhibiting the sale of electric fans.

The Committee further noted that more than one-half of all contracting parties including one or two industrialized countries, continued to restrict imports of this item. The Committee expressed the hope that contracting parties concerned would, as soon as possible, dismantle such restrictions, particularly when they were applied on a discriminatory basis to the detriment of less-developed countries.

(d) Diesel Engines (up to and including 50 horse-power)

The Committee noted that diesel engines were an economical source of power and had many special uses, for example, where there was no electric power available or where the use of electric motors was impractical such as in most transport equipment, tractors, marine engines, etc. This wide range of actual and potential users provided a large and increasing market for diesel engines. The Committee recognized that although industrial countries were at present the main users of diesel engines and were likely to use considerable numbers of diesel engines of all sizes, the relatively greatest need for engines up to 50 h.p. was in the developing countries. The Committee also recognized that diesel engines, although well within the capacity of a number of less-developed countries, were sufficiently difficult to manufacture and export without the added

obstacles of high tariffs and non-tariff measures confronting less-developed countries in export markets.

Having these considerations in mind the Committee noted that almost one-half of all contracting parties had rates of duty on diesel engines of 15 per cent or more. The Committee also noted that in many instances the duties were higher on the smaller and simpler engines than on the larger and more complex types. Members of the Committee pointed out that this tariff differentiation, especially when it was applied by industrial countries which were themselves efficient producers and exporters of all types of diesel engines, appeared to reflect a historical rather than a current need for the protection of domestic manufacturers. This tariff differentiation was an impediment to the expansion of exports from less-developed countries since these countries were generally producing only the smaller and simpler types of engines. The Committee expressed the hope that all contracting parties would consider their tariff structure on diesel engines with a view to facilitating the expansion of the export earnings of the less-developed countries.

The Committee also noted that more than one-half of all contracting parties continued to impose import restrictions on diesel engines. The Committee recommended that those contracting parties who retained such restrictions would keep such restrictions under review with a view to increasing the possibilities for less-developed countries to expand their exports of this product.

(e) Electric Motors (up to and including 50 horse-power)

The Committee noted what appeared to be a trend towards a reduction in the share of production of electric motors which entered into international trade. Approximately 5.5 per cent of production in 1954 entered international trade compared to 3.5 per cent in 1959. The Committee noted that at present at least one less-developed country had considerable experience in the production of electric motors. This country had more than doubled its production during the last five years and was now in a position to expand significantly exports of certain types of electric motors.

Having these considerations in mind the Committee noted that tariff rates of less than 10 per cent were in force in less than one-quarter of contracting parties. More than one-half of contracting parties had tariffs of 15 per cent or more and one-quarter applied tariffs of 25 per cent or more. The Committee recognized that high duties on capital equipment goods such as electric motors, were detrimental not only to trade, but also to economic development.

The Committee also noted that more than one-half of all contracting parties, including two or three industrialized countries, continued to

restrict imports of electric motors. Furthermore, a few countries applied charges on imports of electric motors which were sufficiently high to be a real impediment to the expansion of trade in these markets. The Committee noted that the market for this item was highly competitive which made the entry of new supplies into established markets very difficult. The Committee therefore considered that particular attention was required in the case of this item to the reduction of tariffs and fiscal charges and to the elimination of restrictions in order to assist the less-developed countries to gain entry into and expand their exports to established markets.

ANNEX B

FINISHED LEATHER, LEATHER FOOTWEAR  
AND LEATHER GOODS

The Committee noted that some less-developed countries were major exporters of raw hides and skins. Approximately three-quarters of all imports of hides and skins into Western European countries, North America and Japan originated in less-developed countries. The Committee recognized the desirability for the less-developed countries which possessed the necessary materials and skills to increase their export earnings and to diversify their economies through the increased export of finished leather and leather products rather than of raw hides and skins.

The Committee noted that there was an upward trend in world demand for leather and leather products, especially shoe leathers and footwear, which was reflected in an expansion of imports in many markets. In one large industrialized country, for example, the ratio of imports of calf and kip leather to consumption had increased from 2.7 per cent in 1954 to 11 per cent in 1958; the imports of leather footwear had doubled between 1956 and 1958. The Committee noted with satisfaction that at least 1/6 of the leather goods imports (other than footwear) of this country were supplied by the less-developed countries. The upward trend of imports into this and other markets appeared to be continuing. The Committee also noted that, in recent years, many less-developed countries had increased their imports, particularly of footwear. It was felt that by directing the necessary attention to the requirements of the markets, less-developed countries could be expected to share in the growing world market for finished leather and leather products.

The Committee noted, however, that import duties on finished leather and leather products in most markets were generally high compared to the relatively low tariffs on the unprocessed product. This was recognized on the whole to be unfavourable to the development of leather processing industries in less-developed countries. The Committee noted that with few exceptions, imports of finished leather were not subject to import restriction. Leather footwear and other leather products, although much more restricted than finished leather, were also relatively free from import restrictions in most markets of industrialized countries. The Committee noted, however, that well over one-half of contracting parties, including all principal industrialized countries, imposed internal fiscal charges on certain categories of leather products. In view of the findings of the Committee as referred to above and to the widespread use of substitutes for leather, the Committee recognized the importance to leather producing less-developed countries of a reduction both of tariffs and internal charges in all markets.

ANNEX C

IRON ORE

The Committee noted that there existed large deposits of high grade iron ore in a number of less-developed countries. Since it had become more economic for a number of industrialized countries to rely increasingly on imports of iron ore rather than on the extraction of lower grade domestic ores, there appeared to be expanding possibilities for exports of iron ore from less-developed countries which were in a position to supply high-grade iron ores on a competitive basis. The Committee noted that the export of iron ore from less-developed countries was as a rule not hampered by tariffs or non-tariff measures, but was retarded rather by the lack of the financial and technical means necessary for expanding production. The Committee recognized that the large-scale development of ore mines was in most cases beyond the present means of the less-developed countries themselves. Therefore, it was considered desirable that contracting parties should give sympathetic consideration to the development of these resources through technical and financial co-operation between industrialized and less-developed countries. The less-developed countries were urged on their part to take measures where appropriate to create the most favourable conditions possible for the attraction of the desired investment and technical assistance.

ANNEX D

ALUMINIUM, ALUMINA AND BAUXITE

The Committee discussed the possibilities of less-developed countries increasing their exports of bauxite, alumina and aluminium. Bauxite was recognized as a typical product of the less-developed countries; a large part of world production already took place in those countries and because of their large reserves, future production was likely to be even more concentrated in the less-developed countries.

The pattern of trade was that bauxite was exported, largely to North America and Europe, for conversion into alumina and then into aluminium. While less-developed countries in recent years had contributed about one-half of world production of bauxite, as a whole they had produced only a very small share of world production of alumina and aluminium. However, alumina could be produced economically in the territories where bauxite was extracted. Alumina was far less bulky than bauxite and savings in freight could more than offset the differences in production costs. The Committee noted that in one less-developed country, the establishment of bauxite processing plants and the export of alumina had considerably increased export earnings and employment opportunities. It was stated that industrialized countries could make a very substantial contribution to the development of the less-developed countries mining bauxite if their tariff policies allowed those less-developed countries to carry their bauxite production to further stages of processing and to export the finished product.

The production of aluminium was recognized to be a complex operation which required considerable financial resources, large quantities of cheap power and technical skill. Not all less-developed countries had resources of cheap power, but some did and were planning to carry their bauxite production through to the third stage of producing aluminium. The Committee felt that there was increased likelihood that the investment necessary for the successful development of resources in less-developed countries would be facilitated if the market in important consuming countries was free or relatively unimpeded.

Other less-developed countries did not have the power to produce aluminium and therefore had to export bauxite or alumina to other countries for further processing. To the extent that these processing countries would expand their sales, they would increase their purchases of bauxite and alumina from less-developed countries.

The Committee noted that although most of the important users of aluminium had either low or zero tariffs on bauxite a number of highly industrialized countries in Western Europe, as well as in some developed countries in other areas of the world, had tariffs on alumina and aluminium of 10 per cent or more. The Committee agreed that this widespread differentiation in import treatment in favour of imports of bauxite was likely to impede the processing of bauxite in the less-developed bauxite producing countries. They agreed also that the high internal taxes imposed by a number of countries on aluminium were likely to increase the price of aluminium and thereby discourage its use.

With these considerations in mind, the Committee expressed the hope that contracting parties, and particularly industrial countries, would keep under review their systems of tariffs and other measures which affected consumption and imports of bauxite, alumina and aluminium with a view to providing larger and increasing possibilities for less-developed countries to export not only bauxite, but alumina and aluminium as well.

ANNEX ESPORTS GOODS

The Committee noted that many of the less-developed countries possessed the resources and skill for the manufacture of sports goods. A number of less-developed countries had had considerable experience in the manufacture of products such as tennis and badminton racquets, cricket bats, shuttlecocks, etc., and these products were among the most important exports for one or two of the less-developed countries. It was considered likely that the current trend of rising demand and trade in sports goods, which had been observed during recent years, would continue. However, the Committee noted that at present, industrial countries accounted for the major share of production and trade in sports goods.

Having these considerations in mind, the Committee agreed that it was desirable that less-developed countries should be afforded adequate opportunities to share in the growing market for sports goods. The Committee noted, however, that on a large number of sports goods more than one-half of contracting parties had tariffs of 15 per cent or more and almost one-quarter of contracting parties had duties of 30 per cent or more. In addition, over one-half of contracting parties, including a few of the industrialized countries, still continued to restrict imports of sports goods and about one-third had internal revenue and fiscal charges of 10 per cent or more. These duties and charges as well as the widespread use of import control measures had the effect of limiting the possibilities for less-developed countries to expand their exports of these items. The Committee agreed that it would be desirable if contracting parties would keep their tariffs and non-tariff measures under review with a view to providing larger and increasing possibilities for less-developed countries to share in their markets for these products.

ANNEX F (L/1321)

INTERNAL FISCAL CHARGES

Further comments by the secretariat

1. As announced at the last meeting of Committee III, unofficial comments have been received from the FAO concerning the calculations on the possible effects of the total or partial abolition of internal charges on the import demand for coffee in the Federal Republic of Germany, France, and Italy, which were submitted by the secretariat on 24 March 1960 and have since been embodied in the Committee's third progress report (L/1162, 27 April 1960).
2. These comments bear on two points:
  - (a) the allowance made for loss in roasting in calculating the incidence of the abolition or reduction of internal charges upon the retail price;
  - (b) the shortcomings of applying "point" elasticity coefficients to appraise the effects of large price changes upon consumption.
3. The first point arises from the fact that internal charges are levied on green coffee, while consumers purchase their coffee roasted. Since roasting gives rise to a loss in weight which is about 20 per cent, one kilogramme purchased by the consumer represents 1.25 kilogrammes of green coffee, and the retail price per kilogramme of roasted coffee includes 1.25 times the internal charge per kilogramme of green coffee. It follows that, assuming the absolute trading margin per kilogramme to remain unchanged, the decline in retail price following upon abolition or reduction of internal charges should be larger by one quarter than had been allowed for in the calculations submitted by the secretariat. A simple device to make correct allowance for the loss of weight in roasting has therefore been resorted to. It consists of expressing all the data, including the retail price as well as per caput consumption, in terms of green coffee.

4. The second point raised by the FAO concerns a rather technical matter - the distinction between "point" and "arc" elasticities. Depending on which kind of elasticity coefficient is used, the effect on consumption of a given price reduction works out differently, the difference, being in general greater, the larger the price change envisaged.<sup>1</sup>
5. However, while studying this very problem, it became apparent that the use of elasticity coefficients represents a roundabout method of obtaining the required results, since the demand curves from which the coefficients are computed can be used directly to read off the response of consumption to changes in price.
6. In order to proceed with this plan, the statistical data from which the demand curves shown in Graphs I - III (L/1162, pp. 19-20) were computed have been brought up to date, both by including revisions (e.g. in Gross National Product estimates) which have become available in the meantime, and by extending the figures to 1959.
7. The statistics and demand curves, thus revised, are shown in Table 1, and in Graphs I - III below, where both consumption per caput and price are computed in terms of "green equivalent". In the case of France, the curve is essentially the same as in the unrevised version. For Germany, the use of revised Gross National Product data has led to a clearer, though otherwise not very different, relationship between the price/income ratio and consumption. Only in respect of Italy has there been a substantial change in the estimated demand curve. The addition of the extra year (1959) suggests that the interpolation which had, in the earlier version, covered the years 1950-1958, could be greatly improved by disregarding the years 1950 and 1951, thus covering the period 1952-1959.
8. As a result of generally falling prices and rising incomes in Germany (F.R.), of incomes rising faster than prices in France and Italy, and of a rising trend in consumption, the points relating to successive years have in all three graphs a tendency to follow each other in chronological order along the interpolated relationship from left to right. In each case, the point relating to the year 1959 lies at the extreme end toward the right. Since any reduction or abolition of internal charges would lower the price/income ratios - quite apart from further increases in incomes - beyond the range of past experience, a choice must be made between (a) estimates based on an earlier year when the price/income ratio was higher and consumption lower than in 1959, but

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<sup>1</sup>A comparative analysis of the difference between "point" and "arc" elasticities could hardly be undertaken without the use of mathematical, or at least relatively laborious graphical treatment.

data for actual past experience were available, and (b) a frank extrapolation of the estimated relationship beyond the range of the plotted data. If results based on method (a) are to be put to practical use, this would involve assumptions which in themselves imply an extrapolation beyond the range of experience, hardly different from the explicit extrapolation in (b). In either case, the result would be arbitrary and uncertain.<sup>1</sup>

9. In these circumstances, it has been thought preferable to emphasize this source of uncertainty by indicating in each graph two possible extrapolations. Table 2, which gives the final results - estimates of the increase in import outlay and the decline in tax revenue and especially the wide range between the two figures in the last column - brings out how strongly these results depend on the extrapolation chosen.

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<sup>1</sup> Use of elasticity coefficients would involve the same degree of arbitrariness.

Table 1/Tableau 1

Coffee consumption (green equivalent) per caput, retail price per kg. (green equivalent) and GNP per caput, 1948-1959/  
La consommation de café par habitant (café vert), le prix de détail du café (par kg d'équivalent de café vert) et le P.N.B par habitant, de 1948 à 1959

Year/Année	Germany, F.R./Allemagne (R.féd.)				France				Italy/Italie			
	Coffee consumption p.cap(kg. p.a. green equivalent)/ Consommation annuelle par habitant en kg (café vert)	Retail price p.kg. (green equivalent)/ Prix de détail par kg (équivalent de café vert)	GNP p. cap./ P.N.B par habitant	Ratio (per cent) (ii)/(iii) / Rapport entre (ii) et (iii) (pourcentage)	Coffee consumption p.cap(kg. p.a. green equivalent)/ Consommation annuelle par habitant en kg (café vert)	Retail price p.kg. (green equivalent)/ Prix de détail par kg (équivalent de café vert)	GNP p. cap./ P.N.B par habitant	Ratio (per cent) (ii)/(iii) / Rapport entre (ii) et (iii) (pourcentage)	Coffee consumption p.cap(kg. p.a. green equivalent)/ Consommation annuelle par habitant en kg (café vert)	Retail price p.kg. (green equivalent)/ Prix de détail par kg (équivalent de café vert)	GNP p. cap./ P.N.B par habitant	Ratio (per cent) (ii)/(iii) / Rapport entre (ii) et (iii) (pourcentage)
	(i)	(ii)	(iii)	(iv)	(i)	(ii)	(iii)	(iv)	(i)	(ii)	(iii)	(iv)
1948									0.88	950	150.6	0.59
1949					2.12	3.32	2,068	0.161	1.04	925	168.4	0.55
1950	0.75	23.04	2,072	1.11	3.58	5.35	2,353	0.227	0.99	1,232	186.1	0.68
1951	0.89	25.04	2,501	1.00	3.57	7.11	2,865	0.243	0.98	1,431	214.1	0.67
1952	1.14	26.08	2,841	0.92	3.77	7.46	3,368	0.221	1.29	1,454	225.6	0.64
1953	1.71	22.88	3,020	0.76	3.82	7.46	3,483	0.214	1.40	1,461	246.1	0.59
1954	1.99	18.08	3,211	0.56	3.90	8.10	3,667	0.221	1.45	1,731	260.9	0.66
1955	2.28	17.12	3,624	0.47	4.24	7.90	3,896	0.203	1.51	1,646	283.6	0.58
1956	2.54	16.56	3,944	0.42	4.13	7.53	4,270	0.176	1.57	1,750	303.0	0.58
1957	2.91	16.48	4,233	0.39	4.11	7.82	4,724	0.166	1.61	1,749	323.5	0.54
1958	2.99	15.52	4,446	0.35	4.25	8.23	5,289	0.157	1.67	1,746	343.1	0.51
1959	3.40	14.43	4,722	0.31	4.37	8.13	5,670	0.143	1.71	1,698	361.2	0.47

Sources: Germany, F.R.: Statistisches Jahrbuch für die Bundesrepublik Deutschland.

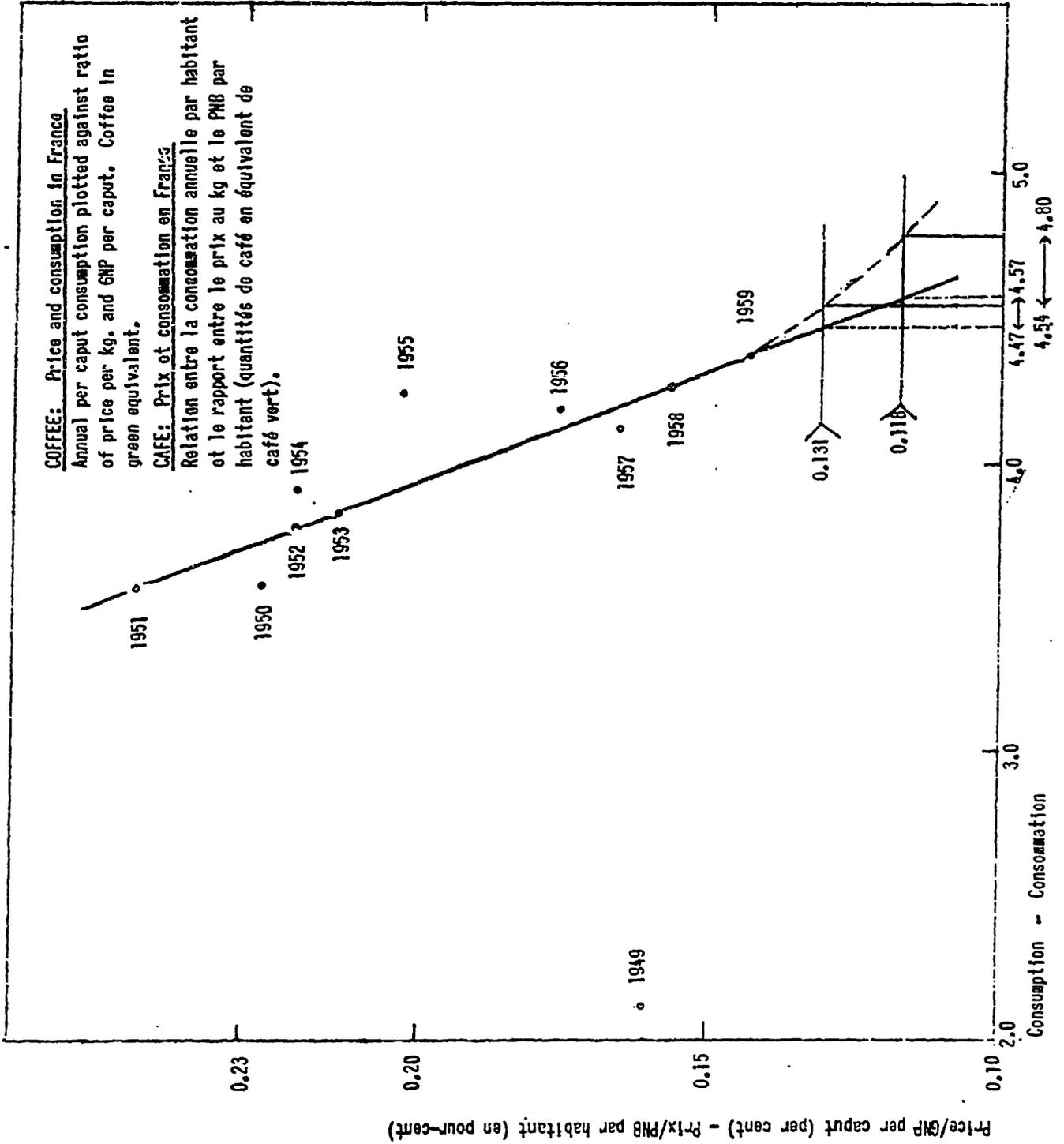
France: Consumption per caput is net imports (from OEEC Statistical Bulletin Foreign Trade, Series IV) divided by population (United Nations Monthly Bulletin of Statistics). Retail price from Bulletin mensuel de statistique, Institut National de la Statistique et des Etudes Economiques. GNP from OEEC Statistics of National Product and Expenditure and OEEC General Statistics, July 1960.

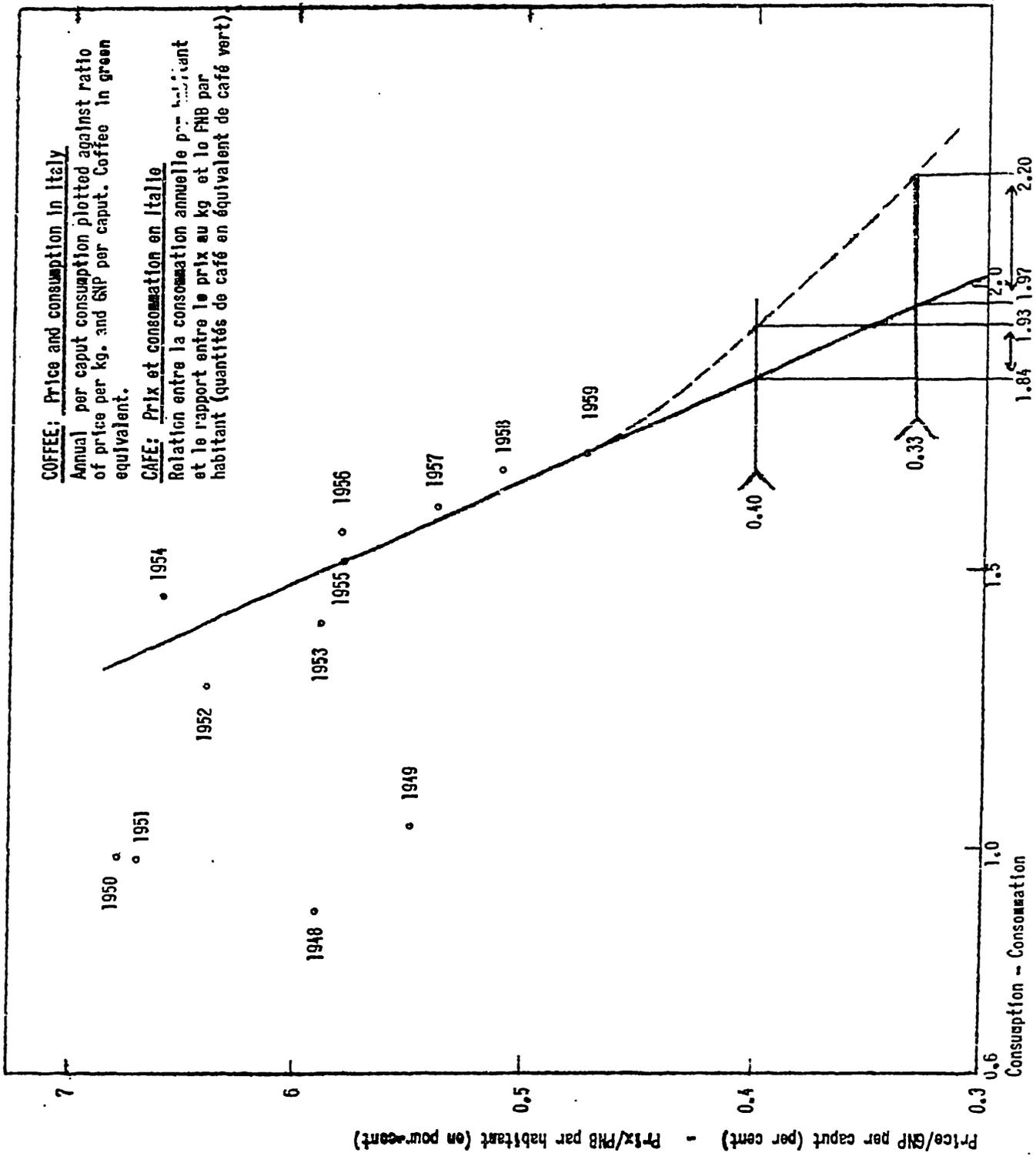
Italy: Consumption per caput and GNP as for France. Retail prices from Statistisches Jahrbuch für die Bundesrepublik Deutschland.

Allemagne (Rép. féd.): Statistisches Jahrbuch für die Bundesrepublik Deutschland.

France: La consommation par habitant est calculée en divisant les importations nettes (chiffre tiré du "Bulletin statistique de l'OEEC. Commerce extérieur, série IV") par la population (selon "United Nations Monthly Bulletin of Statistics"). Le prix au détail vient du "Bulletin mensuel de statistique" publié par l'Institut National de la Statistique et des Etudes Economiques. La valeur du P.N.B est extraite des "Statistics of National Product and Expenditure" et des "Statistiques générales" de juillet 1960 publiées par l'OEEC.

Italie: Mêmes sources que pour la France en ce qui concerne la consommation par habitant et le P.N.B. Les prix de détail proviennent de "Statistisches Jahrbuch für die Bundesrepublik Deutschland".





Graph 1 - Graphique 1

**COFFEE: Price and consumption in Germany, F.R.**  
 Annual per caput consumption plotted against ratio of price per kg. and GNP per caput. Coffee in green equivalent.

**CAFE: Prix et consommation en Allemagne, R.F.**  
 Relation entre la consommation annuelle par habitant et le rapport entre le prix au kg et le PNB par habitant (quantités de café en équivalent de café vert).

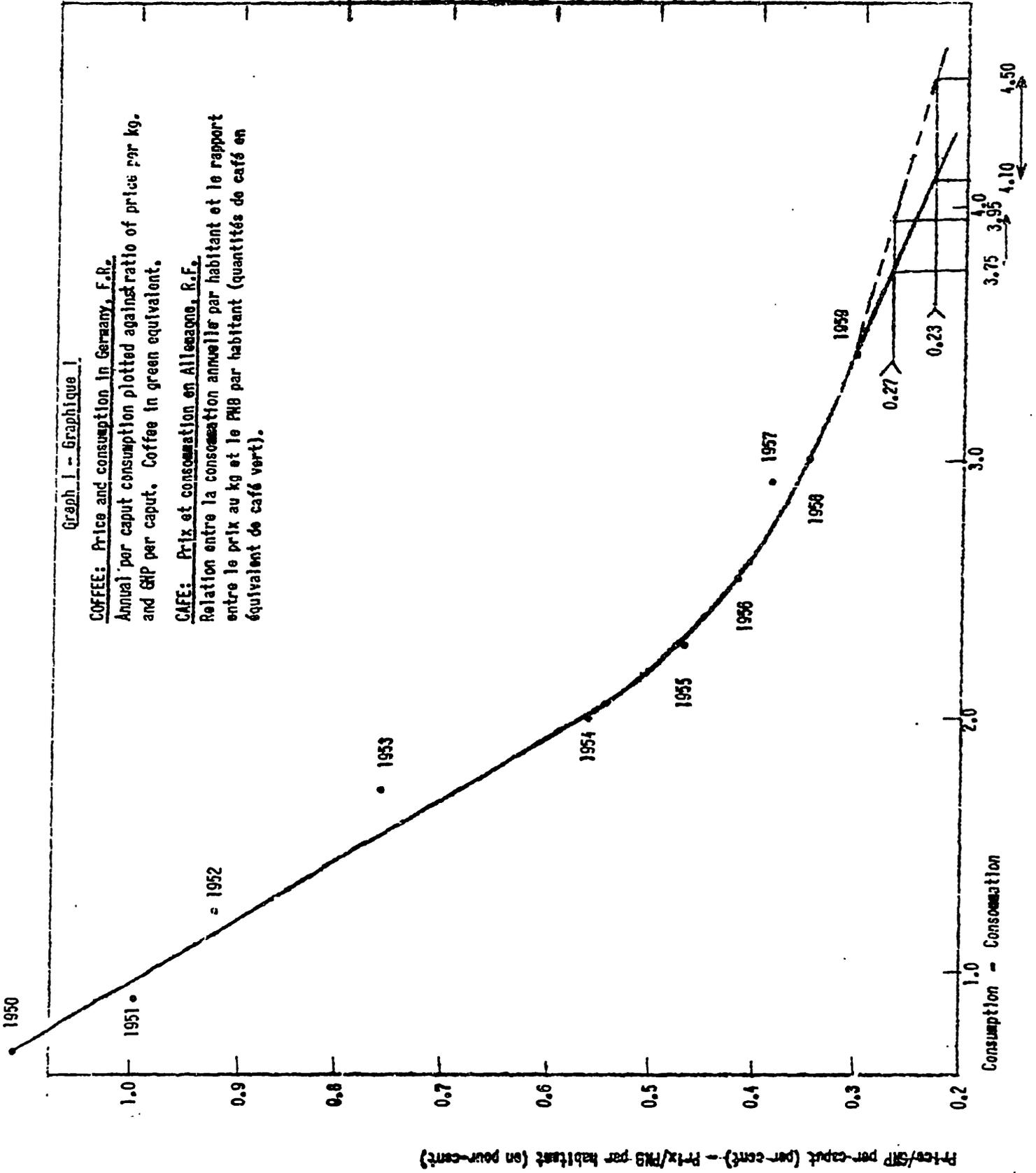


Table 2/Tableau 2

Revised Estimates of the Effects of Total or Partial Abolition of Internal Charges on the Import Demand for Coffee and the Revenue from these Charges/  
Estimations révisées concernant les effets d'une suppression totale ou partielle des taxes intérieures sur la demande d'importation de café et sur le produit de ces taxes.

Net Imports of Green Coffee, 1959		Retail price per kg. (green equivalent)/ Prix de vente au détail par kg (équivalent de café vert)	Internal charges per kg. (green equivalent)/ Taxes intérieures par kg (équivalent de café vert)	Reduction in retail price per kg. (green equivalent)/ Réduction du prix de détail par kg (équivalent de café vert)	"New" price per kg. (green equivalent)/ Prix "réduit" par kg (équivalent de café vert)	Ratio of "new" price to 1959 GNP per caput (par cent)/ Rapport entre le prix "réduit" et le P.N.B. par h. en 1959 (pourcentage)	Consumption per caput (kg. green equivalent) Actual 1959/ Consommation par h. (en kg d'équivalent de café vert) Réelle en 1959	Per cent increase in consumption/ Pourcentage d'accroissement de la consommation	Increase in import outlay/ Accroissement des dépenses d'importation	Reduction in revenue/ Moins-value fiscale	Ratio of last two columns/ Rapport entre les deux dernières valeurs
Quantity (000 tons) Importations nettes de café vert en 1959	Value in National Currency/ Valeur (en monnaie nationale)										
Quantité (en milliers de tonnes)											
<u>Germany, F.R./Allemagne (R.F.)</u>											
185.0	DM million 803.5	DM/kg 14.43	DM/kg 3.50	DM/kg A 3.60 B 1.83	DM/kg 10.83 12.63	0.229 0.267	3.40 (4.10-4.50) (3.75-3.95)	20.6-32.4 10.3-16.2	165.5-260.3 82.8-130.2	666.0 298.3-279.0	4.0-2.6 3.6-2.1
<u>France</u>											
196.7	NF million 702.9	NF/kg 8.13	NF/kg 1.42	NF/kg A 1.42 B 0.71	NF/kg 6.71 7.42	0.113 0.131	4.37 (4.57-4.80) (4.47-4.54)	4.6-9.8 2.3-3.9	32.3-68.9 16.2-27.4	279.3 136.4-134.2	8.5-4.0 8.4-4.9
<u>Italy/Italie</u>											
84.0	Lire '000 million 48.1	Lire/kg 1.698	Lire/kg 500	Lire/kg A 500 B 250	Lire/kg 1.198 1.448	0.33 0.40	1.71 (1.97-2.20) (1.84-1.93)	Lire 15.2-26.7 7.6-12.9	Lire '000 million 7.3-13.8 3.7-6.2	42.0 19.4-18.3	5.8-3.0 5.2-3.0