

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/1604

6 November 1961

Limited Distribution

CONTRACTING PARTIES

Nineteenth Session

13 November-8 December 1961

Original: French

BELGIAN IMPORT RESTRICTIONS

Annual Report (1961) Submitted by the Government of Belgium under the Decision of 3 December 1955¹

The Belgian Government has the honour to submit to the CONTRACTING PARTIES its sixth and last annual report under the Decision of 3 December 1955 granting Belgium a waiver in respect of import restrictions applied to certain agricultural products.

At their last session the CONTRACTING PARTIES asked the Belgian Government to establish a programme for the relaxation of remaining restrictions. In view of the fact that the validity of the waiver will expire on 31 December 1962, the Belgian Government wishes to assure the CONTRACTING PARTIES that it will take all appropriate action so as to be able to remove by that date quantitative restrictions still in force after the removal of those referred to below.

I. Progress accomplished in the elimination of quantitative restrictions

The Belgian Government is in a position to report that quantitative restrictions applicable to the products listed below will be removed with effect from 1 January 1962.

ex 02.05 B	Unrendered pig fat, fresh or smoked
03.01 B I b	Tunny and sardines, fresh, chilled or frozen, intended for the trade
ex 03.01 B I c)	Fish, whole, headless or in pieces and fillets thereof
ex 03.01 B II)	(see Annex) and deep-water fish and fillets thereof, other than herring, sprats and mackerel, fresh, chilled or frozen, intended for the trade
03.01 C	Fish livers and roes
03.03 A IIa2	Shrimps, not peeled
04.01	Milk and cream, fresh, not concentrated or sweetened
ex 04.02	Milk and cream, preserved, concentrated or sweetened, in liquid or paste form, with or without added sugar

¹The Belgian Government has supplied statistics of imports and exports in 1959 and 1960 of the products covered by the Decision. One copy will be supplied to each delegation attending the nineteenth session.

04 03	Butter
06.03 A I g)	Other cut flowers and flower buds, fresh
06 03 A II g)	
15.01 A	Lard and other rendered edible pig fat
ex 16.02 B II	Prepared or preserved foal-flesh, in non-airtight containers
16.05 A	Shrimps merely boiled and peeled, not preserved

II. Justification for the maintenance of quantitative restrictions still applied after 1 January 1962

Tariff item: ex 01.01 A IIa - Foals for slaughter; ex 01.01 A III - Foals, other; ex 02.01 A I - Foal-flesh, fresh or chilled

In the past few years the Belgian Government has endeavoured to remove the quantitative restrictions applied to horses, cattle and swine. The three items mentioned above are the only ones which it would still be difficult to liberalize. The reasons already mentioned - to prevent unfair competition between veal and foal-flesh - are still valid. In the light of developments, however, the Belgian Government hopes to be able to liberalize these items before 31 December 1962.

It should be noted that, as stated in section I of this report, preparations and preserves of foal-flesh in non-airtight containers will be liberalized with effect from 1 January 1962.

Tariff item: ex 03.01 - Sea fish, fresh, intended for the trade, excluding herring, smelt, sprats, mackerel and fish included in the list annexed hereto

Despite the difficulties encountered in the fishery sector, the Belgian Government will apply the liberalization measures mentioned in section I of this report in order to carry out its obligations under the General Agreement. In this connexion it should be noted that imports of fish for the fish industry have already been liberalized. Furthermore, the quotas specified in trade agreements with all the countries with an interest in the Belgian market are maintained despite the removal of restrictions already mentioned.

Tariff item: ex 06.03 - Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh

Although considerations of a social nature still apply to this sector, the products listed in tariff items 06.03 A I g and 06.03 A II g will be liberalized with effect from 1 January 1962.

Tariff item: ex 07.01 A II a - Early potatoes from 26-5 to 30-6
07.01 A III - Other potatoes

The restrictions on potato imports are intended to maintain potato growing on a sound economic basis and to ensure normal crop rotation in certain agricultural areas.

Vegetables, fresh or chilled, for the trade

Tariff item: ex 07.01 M I - Tomatoes

07.01 M IV

Tariff item: ex 07.01 H-Onions and shallots from 2-6 to 31-1

Tariff item: ex 07.01 B I a - Cauliflower from 16-4 to 30-11

Tariff item: ex 07.01 B II a - White cabbage and red cabbage from 16-6 to 28-2

Tariff item: ex 07.01 c - Spinach from 1-4 to 15-12

Tariff item: ex 07.01 D II b - "Witloof" chicory from 1-4 to 31-12

Tariff item: ex 07.01 D I - Lettuce and various salad vegetables
ex 07.01 D II b

Tariff item: ex 07.01 G II b1 - Carrots from 1-4 to 31-7

Tariff item: ex 07.01 F II - Beans from 16-6 to 15-10

Tariff item: ex 07.01 F I c - Peas from 1-6 to 31-8

Tariff item: ex 07.01 S II - Celery

Tariff item: ex 07.01 S III - Leeks

Vegetables are to be considered as a whole because market gardening undertakings generally grow a full range of vegetables and because they represent a socially important group which must be ensured of an equitable economic position.

It should be noted that imports of vegetables for the vegetable industry, which represent the greater part of imports in this sector, are already liberalized.

The Belgian Government always endeavours to protect the interests of exporting countries as well as those of domestic importers and producers, by making changes in the periods during which imports are prohibited, and hopes to be able to liberalize this sector by 31 December 1962.

Fresh fruit for the trade

Tariff item: ex 08.04 A - Grapes

Tariff item: ex 08.06 A - Apples from 16-7 to 15-3

Tariff item: ex 08.06 B - Pears from 16-7 to 15-2

Tariff item: ex 08.07 B I - Peaches, including nectarines from 1-8 to 9-9
and free-stone peaches

Tariff item: ex 08-07 C I - Cherries and morello cherries from 1-6 to 15-7

Tariff item: ex 08-07 D I - Plums from 16-7 to 15-9

Tariff item: ex 08.08 A I - Strawberries from 1-6 to 30-6

The remarks concerning vegetables are equally applicable to fruit. In view of the poor harvest this year, pears and apples will probably be imported in larger quantities than in earlier years. In addition the Belgian Government is considering, together with the authorities of countries with an interest in the Belgian market, the possibility of relaxing the import regulations applied to pears and apples and hopes in this way to establish a system by 31 December 1962 which would give full satisfaction to exporting countries.

Cereals for sowing, except selected seeds

Tariff item: ex 10.01 A - Wheat; ex 10.03 - Barley; ex 10.04 A - Oats

Imports of selected seeds for seed production are unrestricted. As regards seeds for commercial purposes, the volume of imports is determined in relation to cultivation requirements.

Tariff item: 12.04 A - Sugar beet, whole or sliced, fresh, dried or powdered

The restrictions applied in this sector are only theoretical and are, in a way, a safety measure to prevent any disruption of trading between beet producers and the sugar industry in Belgium and neighbouring countries.

Tariff item: 12.05 - Chicory roots, fresh or dried, whole or cut, unroasted

The import restrictions on these products are intended to protect the Belgian market from supplies at abnormally low prices from certain eastern countries.

It should be noted that the area planted with chicory has substantially declined in recent years in Belgium.

Tariff item: 12.06 - Hops, cones and lupulin

The cultivation of hops employs a large amount of skilled labour.

In recent years import prices have fallen sharply and measures had to be taken in order to limit imports of hops at abnormally low prices.

There has recently been some recovery in import prices and if this tendency continues the Belgian Government hopes within the next few months to be able to relax considerably the regulations at present applied.

III. General reasons warranting the continuance of quantitative restrictions

Far from improving, the situation in Belgian agriculture deteriorated still further in 1960 as compared with 1959. As may be seen from the table below, the selling price index of agricultural products, including vegetable and animal products, is declining noticeably while production costs are rising constantly.

Agricultural Index 1951 - 1952 = 100

	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
Index of selling prices of agricultural products of	90.6	90.7	88.2	94.4	91.6
which: vegetable products	96	91	98.6	113.7	107.1
animal products	89.1	90.6	85.2	88.9	87.1
Index of production costs of	110	114.1	115	119.6	121.6
which: wages	118	130	133.7	135.1	140.1
farm rents	118.1	125.7	131.1	132.7	134.2
Ratio:					
<u>selling price x 100:</u> <u>production costs</u>	82.4	79.5	76	78.9	75.3

This situation does not ease the task of the Belgian Government which, in order to respect its obligations, has, nevertheless, decided to apply the liberalization measures mentioned in section I of this report with effect from 1 January 1962.

IV. Non-discriminatory application of quantitative restrictions

As in the past, all quantitative restrictions were applied in a non-discriminatory manner to imports from GATT countries.

V. Granting of a fair share of the Belgian market

The Belgian Government is convinced that it has granted to exporting countries a fair share of the Belgian market.

VI. Conclusion

The Belgian Government hopes that the CONTRACTING PARTIES will appreciate the efforts made by Belgium with a view to terminating the waiver granted to Belgium which will expire on 31 December 1962.

The Belgian Government requests the CONTRACTING PARTIES not to overlook the difficulties encountered by Belgian agriculture at both the domestic and international levels when assessing the progress already achieved or

still being made in regard to the liberalization of trade. . The data relating to the agricultural index given in this report show that the Belgian agricultural situation is deteriorating and that the ratio between selling prices and production costs (75.31 for 1960) is the lowest recorded since 1956 (82.4).

Furthermore, in examining this report, the CONTRACTING PARTIES will bear in mind the work of the Committee II which reached the conclusion that, with very few exceptions, GATT member countries apply non-tariff measures to imports of a given agricultural product as soon as they become producers of that item, and that of those non-tariff measures quantitative restrictions are among the protective measures applied by contracting parties with no balance-of-payments difficulties or to which no waiver has been granted.

As stated at the beginning of this report, the Belgian Government will make every endeavour to terminate the waiver granted to it before 31 December 1962 while respecting all the GATT rules. The Belgian Government wishes to point out to the CONTRACTING PARTIES, however, that its task is not eased by the fact that Belgian agriculture has to protect itself against imports of products in respect of which large production or export subsidies are granted.

ANNEX

List of fish to be liberalized with effect from 1 January 1962

Whiting, ling, cusk, hake, whiting-pout, plaice, flounder, dab, turbot, brill, lemon-sole, witch plaice, gurnard, red gurnard, sea-perch, surmullet, greater weever, conger, dorado, John Dory, sturgeon, rousette, porbeagle.