

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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SUBSIDIES

Notifications Pursuant to Article XVI:1

Addendum

FRANCE

The French subsidy system for exports and production

Like the previous French notifications, this notification does not cover products coming under the common policy of the EEC.

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Aid in favour of textile raw materials

Wool. The Fund for the Orientation and Regulation of Agricultural Markets (FORMA) allocates an annual credit of F 1,500,000. (1971) to promote the collection of well-presented greasy wools, with a view to obtaining a better price for the article through improved marketing. A single comprehensive bonus is accordingly paid to the regional wool-collecting bodies approved by FORMA (mountain sheep-farmers) and it replaces the three types of bonuses (grouping, incentive and exploring bonuses) which existed in 1969.

Hemp. For the 1971-1972 crop year, FORMA is granting a stock-piling bonus for seeds of monoecious hemp up to a maximum of 200 tons. The sum of F 126,000 has been allocated for this purpose.

This aid is a temporary measure and it will not be renewed because, following on the adoption by EEC of a common organization for the hemp and flax markets (Regulation No. 1308/70 of 29 June 1970), aid for these two products is no longer within the competence of member States. The other bonuses for hemp reported in 1969 have already disappeared and the same applies to all the bonuses granted at the French national level for flax.

Silk-worm breeding. Silk-worm breeding no longer receives any subsidies, although it still did in 1969.

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Aid to shipbuilding

The building and repair of ships of over 50 gross tons are subsidized in order to compensate for the difference in costs between France and foreign countries.

Since 1 July 1968 this aid has been limited to a maximum of 10 per cent of the contract price of the ship; the previous figure had been 15 per cent. The amount of subsidy payable within this maximum of 10 per cent is determined in each case by the Merchant Marine Department of the Ministry of Transport.

Aid to paper-pulp production

A quasi-fiscal charge is levied on paper consumed in France, whether imported or of French manufacture. Newsprint is exempt.

The rate of this charge varies between 0.6 per cent and 0.3 per cent ad valorem, according to the type of paper.

The proceeds from this charge are used to finance action of benefit to the pulp industry as a whole in connexion with technical research, raw material supplies and the elimination of harmful effects.