

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/4085

10 October 1974

Limited Distribution

Original: Spanish

PROVISIONAL ACCESSION OF COLOMBIA

Questions and Replies

The contracting parties were invited (L/4039) to submit to the secretariat any questions they might wish to put concerning the matters dealt with in the Memorandum on Foreign Trade Régime submitted by the Government of Colombia.

In response to that invitation, a number of questions were received and transmitted to the Government of Colombia. The questions and the replies are set forth below.

A. GENERAL QUESTIONS

Question 1

Is there any mandatory legislation which might run counter to the provisions of the General Agreement? If any, what are they?

Reply:

The Colombian Government considers that there is no mandatory legislation which might run counter to the provisions of the General Agreement. Nevertheless, the Colombian Government will be ready to give the relevant explanations concerning measures considered not to be consistent with the General Agreement.

Question 2

What countries do not receive general tariff treatment and must pay the maximum tariff?

Question 3

What is meant by the expression "prejudicial to the vital interests of the nation"?

Are there at present any examples of the maximum tariff being applied with reference to this expression?

Reply:

At the present time the maximum tariff is not applied to imports from any country.

The expression "prejudicial to the vital interests of the nation", which appears on page 13 of the memorandum in the paragraph on the maximum tariff, means that impairs the economic or political interests of the nation in a way that affects or can affect its integrity or survival.

Question 4

Does Colombia have any mechanisms for applying safeguards, anti-dumping duties, or countervailing duties? If so, how do these mechanisms operate?

Reply:

Colombia has only the mechanisms established under the Montevideo Treaty and the Cartagena Agreement for the application of safeguards between the member countries.

As regards the application of countervailing or anti-dumping duties, there are no regulations to this effect in Colombia at the present time.

Question 5

Does Colombia expect to continue the system of bilateral trade agreements after the current agreements expire? When do they expire? Is Colombia's import licensing system used to encourage imports under bilateral trade agreements? How can non-agreement countries be assured of non-discriminatory treatment? Are the texts of the agreements available for inspection?

Reply:

Yes, Colombia expects to continue with these bilateral trade compensation agreements. No expiry date can be indicated at the present time because a clause providing for automatic extension has been included in the agreements.

Colombia's import legislation system is applied generally to imports from all countries; accordingly, the bilateral compensation agreements have to be consistent, without exception, with the system in force. These agreements do not include any preferential clauses.

The texts of the agreements can be consulted in the Ministry of External Relations or in INCOMEX.

Question 6

Are decisions concerning regulation of "export of certain products" taken with due observance of relevant GATT rules (i.a. Articles XI and XIII) and are any such decisions in force at present?

Reply:

Resolutions adopted by the Foreign Trade Council to regulate the export of certain products have been consistent with the relevant GATT rules (Articles XI and XIII) having regard to the fact that the general rule is freedom of exports.

At present, the following Resolutions of the Foreign Trade Council are in Force: No. 023 of 1972 and No. 67 of 1973 concerning the export of finished hides and skins, bovine animals, No. 056 of 1973 with amendments thereto and as referred to in the reply to question 7a.

B. EXPORT REGIME

Question 7

What products are subject to export restrictions, prohibitions and export taxes? For what purposes are these restrictions applied? What is the distinction between the prior licence export list and the special requirements export list, both created by Foreign Trade Council Resolution No. 56 on 20 November 1973? What are the purposes of the two lists?

Is the export quota on animal hides still operative? Foreign Trade Council Resolution No. 15, Article 3, of 3 October 1972 provided for this quota. If the quota is still operative, is it being decreased over time and does Colombia still intend to eventually prohibit the export of animal hides?

Would Colombia explain in detail the export taxes on coffee and bananas?

Reply:

The System of International Exchanges and Foreign Trade provides for freedom of export for goods or products of all kinds, except those which form part of the artistic, historic or archaeological heritage of the country or are the subject of limitations or prohibitions established under international laws or agreements in force (Article 46 of Legislative Decree No. 444 of 1967).

Furthermore, the Foreign Trade Council in its capacity as the body having responsibility for foreign trade policy, has authority to issue regulations designed to promote exports and safeguard Colombia's foreign markets, and likewise to limit or suspend exports of articles considered necessary for domestic supply and which are in shortage, and likewise essential articles the production of which is affected by poor harvests or causes of a similar nature and that cannot be substituted by others.

Exports are exempt from taxes of any kind, with the exception of cattle exports which are subject to a tax at the rate of 50 pesos per head on male animals and 100 pesos on female animals, and likewise exports of coffee, the tax on which is explained below.

In the export régime there are no prior licence lists or lists of free or prohibited export. As already stated in the preceding reply, the general rule is freedom of export and the Foreign Trade Council can establish certain requirements for the export of Colombian products or suspend exports temporarily in the event of world or domestic shortage, poor harvests, or in order to protect animal or plant life or health - in other words, causes expressly provided for in Article 46 of Legislative Decree No. 444 of 1967. In pursuance of this authority the Council adopted Resolution No. 056 of 20 November 1973.

By its Resolution No. 23 of 1972, the Foreign Trade Council established a quota for the export of finished and semi-finished hides and skins of bovine animals for the year 1973. This quota is to be reduced each year and in 1976 the export of these products will not be authorized.

Banana exports, like all Colombian exports except those of coffee and bovine animals, are exempt from export taxes.

At the present time, taxes in the following forms are levied on the Colombian coffee industry:

1. Ad valorem
2. Coffee retention
3. "Pasilla y Ripio"

Ad valorem

Under Legislative Decree No. 444 of 22 March 1967 (Article 226), the tax applied in the form of a differential rate of exchange for the proceeds derived from coffee exports, was converted into a 26 per cent ad valorem tax on the foreign exchange earnings from such exports. For the equivalent of four decimal points of the tax, the Bank of the Republic issues Exchange Certificates in favour of the National Coffee Fund; the remaining points are paid into national reserves, and at the same time the special exchange account is credited with the corresponding amount in legal currency. As regards the share of the tax accruing to the National Coffee Fund, 3.2 per cent is earmarked for the uses for which the Fund was created, in accordance with contracts concluded, or that may be concluded, between the Government and the Coffee Producers' Federation of Colombia. The remaining 0.8 per cent is intended for the social and economic advancement campaigns carried on by the Coffee Producers' Federation in the coffee-producing areas through Departmental Committees. It was envisaged, furthermore, that the initial percentage (26 per cent) would be gradually reduced. Since December 1968, the tax has been equivalent to 20 per cent of the foreign exchange earnings from coffee exports.

Coffee retention

This is defined as being the obligation incumbent on every coffee exporter in favour of the State as represented by the National Coffee Fund, to transfer to the Fund without compensation and to deliver to the warehouses of the Coffee Producers' Federation, a quantity of parchment coffee equivalent to a certain percentage, set by the Government, of the "Excelso" coffee which it is intended to export, and of the quality and type indicated by that authority.

This measure is designed to protect prices of coffee beans by regulating the coffee market, and at the same time to finance the accumulation of annual surpluses. The retention was established under Legislative Decree No. 80 of 26 May 1958, and at the present time it amounts to 39 per cent.

"Pasilla y Ripio"

This is defined as being the obligation incumbent upon every coffee exporter in favour of the State, as represented by the National Coffee Fund, to sell to the Coffee Producers' Federation a quantity of coffee of the so-called inferior qualities ("Pasilla y Ripio") equivalent to a certain percentage of the quantity of "Excelso" coffee that is to be exported.

The tax was established by Law No. 128 of 13 December 1941, and is now payable solely in kind, with a view to promoting domestic consumption, comprising 5.5 per cent "Pasilla" and 0.5 per cent "Ripio". No payment is made for delivery of the latter quality.

Question 8

For the purposes of the restrictions on re-exports, how does Colombia distinguish between re-exports, trans-shipments, and exports of previously imported items that have been further processed in Colombia?

Reply:

Under Colombia's legislation, re-export is deemed to be the transport of goods that have been cleared for admission into Colombia to places outside the Republic.

Trans-shipment is deemed to be the transfer of goods from one transport unit to another, or to the same on a separate journey, including unloading, in order to continue to their destination; this can be effected only subject to permission granted by the responsible customs officer of the port in which the trans-shipment takes place. The goods trans-shipped continue to be foreign.

Exports of imported products that have undergone substantial processing in the country are not deemed to be re-exports since the inputs or raw material concerned were admitted into the country in order to undergo processing involving value added of domestic origin (labour, domestic raw materials, etc.).

Goods produced with raw materials imported under the "special import and export systems" scheme (Legislative Decree No. 444 of 1967, Articles 55 and 172) have to be exported in their entirety.

Question 9

Exporters of certain products receive a so-called "Certificate of Tax Receipt". What does the Colombian Government mean when stating that these certificates are "freely negotiable". Does it mean that these certificates and tax reductions can be granted even to persons or enterprises not directly engaged in export activities?

Reply:

When the Government established the Certificate of Tax Receipt (CAT) under Legislative Decree No. 444 of 1967, Article 165, as a tax incentive for exports other than petroleum and derivatives thereof, raw cattle hides and coffee, it gave the CAT three characteristics, namely:

- a. The documents are made out to the bearer
- b. They are freely negotiable
- c. They are exempt from any sort of tax

Likewise, Article 166 of the same Legislative Decree established that the CAT is accepted at face value by the tax collection offices in payment of income taxes and additional charges, customs duties and sales taxes, after expiry of the period specified by the Government which was initially one year. This period has been reduced and is differentiated according to the degree of processing of the exportable products.

The Certificate of Tax Receipt is granted solely to exporters, but having regard to the characteristics mentioned above, the holder can dispose of them freely, using them for himself or transferring them to a third party in order to obtain immediate settlement. The third party can use them within the period set by the Government and for the purposes envisaged in Article 166 of Legislative Decree No. 444 of 1967, but does not enjoy the tax exemptions provided for exporters.

C. IMPORT RÉGIME

Question 10

Would Colombia provide a list of those goods which may be freely imported at present?

Reply:

Yes, the free import list has been furnished to the secretariat and is available to delegations wishing to consult it.

Question 11

What is the procedure for registration of imports with the Institute of Foreign Trade (INCOMEX)? How long does the process generally take? What information is required on an import registration form?

Reply:

The procedure for registration of imports not requiring a prior licence is as follows:

- The form, duly completed, is marked with the date and serial number in order to identify the application and establish the appropriate channel for subsequent examination. After it has been examined and the documentation found to be complete, the form is registered and returned to the importer.

The procedure takes two to eight days.

The procedure for registration of imports requiring a prior licence is explained in the reply to question 12.

The following particulars are required in the import registration form:

- Importer's name, address and identification.
- Exporter's name and address.
- Name of the exporter's representative or agent and his identification.
- Consignee's name.
- Reimbursement category.
- Customs office where goods are to be cleared.
- Import régime for the goods.
- Country of purchase and country of origin of the goods.
- Route to be used.
- Commercial unit, quantity to be imported, and unit price of the goods in United States dollars.
- Description of the goods, tariff heading number, and value in United States dollars.
- Total value of the import in United States dollars.
- Number, date and value of the import registration receipt.
- Number and date of the advance payment receipt. Percentage of payment, amount of advance payment and value of import on which the advance payment is made, together with name of the bank to which payment has been made.

- Number of consular tax receipt, value thereof in pesos with dollar equivalent, and name of the bank to which the security deposit was paid.
- Importer's signature and home address.
- Application category (against authorization in principle, - conditional approval, additional percentage, non-refundable, official, industry or commerce).
- Date and conditions for reimbursement.
- Currency for the operation, and settlement rate per United States dollar.
- Total value of registration in currency of the operation.

Question 12

What is the procedure used by INCOMEX before granting an import licence? How long does the process take? What information is required on a licence application form? When must applications be submitted? Are domestic producers of similar products consulted before a determination is made on the licence application? Must special authorizations be obtained from various government agencies before INCOMEX may issue licences for certain products? What items are subject to such prior authorization? Would Colombia provide a list of those items subject to prior import licensing?

Reply:

The procedure for granting an import licence is the following:

- The same import registration form as is described in reply No. 11 must be presented, duly completed, together with a letter explaining the need for the import.
- The application is recorded, classified and examined in order to ascertain that it has been properly completed and that the appropriate information is annexed.
- Depending on the goods to be imported, the form is sent to one or other department of INCOMEX for verification and evaluation of the information furnished by the importer. If the import application meets all the requirements, the Import Board approves it in full or in part, defers it or rejects it in accordance with the criteria of national requirements set forth in the legislation and in the directives issued by the Government, and subject to the foreign exchange budget for imports fixed by the Monetary Board.

- Lastly, the approved forms are passed to the Import Registration Section for signature and marking with the registration seal and expiry date.

The process takes 25 to 40 days.

The application is submitted when the importer deems appropriate.

As regards the question whether domestic producers are consulted before the determination is made on a licence application, this is not done in any direct manner because INCOMEX has a fairly complete record of domestic products which is updated periodically, and the Domestic Production Division maintains frequent contact with manufacturers in order to keep its information up-to-date.

As regards the need for special authorization from other government agencies before INCOMEX issues the licence, for some products the relevant prior authorization (according to category) must be obtained from the government agencies mentioned below, in accordance with the responsibilities of each of them: Ministry of Agriculture, Ministry of Economic Development, Ministry of Public Health, Colombian Agricultural Institute (ICA), Renewable Natural Resources Institute (INDERENA).

Among the more important articles requiring such authorization one may mention certain live animals, foodstuffs, chemical products intended for agriculture, fertilizers, raw materials for the manufacture of pharmaceutical products and finished medicaments, rubber, vegetable products, parts for assembly industries, explosives, and some transport equipment.

With respect to the list of products that are subject to prior licensing having regard to the fact that the list of the goods that may be freely imported has been furnished to the secretariat, it is to be inferred that all goods not included in that list are subject to prior licensing.

Question 13

Is the 40 per cent security payment on specified imports a temporary measure? What is the justification for the payments?

Reply:

The reason why a security deposit equivalent to 40 per cent of the value of certain imports was established as a prior requirement for obtaining licences is fundamentally the fact that the monetary authorities found that the value of payments for imports was growing much more slowly than the corresponding value of import registrations, indicating an above-normal accumulation of trade debts.

This development was fundamentally attributable to the abundance of external credit and the low relative cost thereof as compared with credit obtainable in the country. This situation resulted in a substantial increase in the level of international reserves that was largely fictitious, since while these were rising continually, largely because of the increase in exports, private external indebtedness was growing simultaneously.

The measure was introduced in order to correct the situation described, by determining what part of the total value of foreign purchases has to be paid immediately, and what part can be financed. Accordingly, having regard to the characteristics under which the measure operates, it cannot be considered trade-restrictive, because it does not in any way represent an obstacle for the importer; indeed, the measure merely serves to determine the proportion of the total purchase value that can be financed. Furthermore, it does not represent a financial cost for the importer, since at any moment he can use the amount deposited deposited for payment not only of the import in respect of which the deposit was made, but also any other earlier import. It is also important to note that at no time does the importer risk losing the amount deposited, since its refund is assured in the event that the import cannot take place, and once the expiry date of the security document has passed.

The security deposit is undoubtedly a measure of a temporary nature since, as already mentioned, the relevant legislation does not stipulate any minimum holding period for converting it into a foreign transfer; on the contrary, it is clearly specified that this amount may be used at any time in order to pay for imports, including payment through the so-called advance transfer system, i.e. before the goods are admitted. Likewise, although the security documents are valid for six months, this period may be extended where necessary because the relevant import registration provides for payment by instalments.

Question 14

For how long a time does the importer have to deposit a sum corresponding to 40 per cent of the value of the imported goods? It is stated in the Memorandum that this percentage is a minimum one and that the importer if he so desires may deposit a larger sum. Under what circumstances would the importer prefer to deposit a larger sum than the compulsory one? Could there be a situation when he has an interest in higher deposit sums? What is the reason why import from countries with which Colombia has concluded Compensation Agreements has been excepted from the deposit requirement? Do these agreements include any form of quantitative purchase commitments?

Reply:

The period for which the security deposit is made is variable, since the importer can use the security document for foreign payments whenever he deems appropriate.

If he uses it immediately, the approximate period is about five days: the maximum time-limit is the financing period authorized for the import.

As regards circumstances in which the importer would prefer to deposit a sum larger than 40 per cent of the value of the import, these would be circumstances in which he has outstanding obligations that he wishes to pay off, in which case he may consider it appropriate to deposit a sum larger than 40 per cent of the amount of the import. Likewise, for imports representing a small amount, he may prefer, occasionally, to deposit in advance the total amount to cover the application.

In general, it is the importer who decides whether or not to deposit an amount in excess of 40 per cent.

Imports from countries with which Colombia has compensation agreements are exempt from the security deposit requirement because special payments mechanisms are provided for in those agreements and accordingly, the importer does not obtain an exchange permit directly.

There are no purchase commitments in compensation agreements. The latter embody agreed indicative trade lists, with estimates of the relative amount, but they do not constitute commitments.

Question 15

Specify concretely the items which are exempt from import deposit.

Reply:

There are no products subject to the prior deposit régime at the present time.

As regards the "security deposit instrument for foreign payments", the relevant explanations are given in the reply to question 13 in this questionnaire and in the memorandum on Colombia's foreign trade régime (document L/4039, page 9).

Question 16

Are government agencies involved in the importation of basic food commodities in Colombia? For which commodities is each agency responsible? What procedures are used by these agencies in the administration of their programme?

Reply:

The Agricultural Marketing Institute (IDEMA) can import food commodities when domestic requirements make this necessary.

The products at present imported by IDEMA are: wheat, soya, maize, grain sorghum, wheat flour and vegetable oils.

As regards the procedure, once the import needs have been determined and approval obtained from the Governing Board of IDEMA, a public international tender is opened for a period of twenty or ten days according to the urgency of the purchase.

Question 17

Are sales taxes applied to imports which are not applied on an equal basis to domestic goods? Are there any other taxes applied to imports in addition to the 1.5 of the c.i.f. value for use by the Export Promotion Board and 1.5 for use in solving the problems of the coffee industry? Are development surcharges ("cuotas de fomento") one of the import taxes described in L/4039? If not, to what products do they apply and what is the extent of this surcharge?

Reply:

The sales tax is charged on both imported and domestic products although there is a difference in the rate of the tax for certain products, depending on whether they are imported or domestic, particularly in respect of vehicles, spirituous beverages and cigarettes, preserves and some electric household appliances. As regards the application of taxes in addition to those intended to finance the Export Promotion Fund and to solve the problems of coffee, there are no other taxes applied on imports in this respect.

The development surcharges ("cuotas de fomento") cannot be deemed to be a tax on imports. The additional taxes on imports mentioned on pages 10 and 11 of document L/4039 are applied generally to all imports.

The surcharges are designed to promote production of these products.

D. REGIONAL ECONOMIC INTEGRATION

Question 18

What is the content of the concession which is granted to the LAFTA countries? What is the content of the special concession granted to Bolivia, Ecuador, Paraguay and Uruguay?

Reply:

The concessions granted within LAFTA in national schedules comprise two aspects: first, the preference granted to member countries which may be in the form of reductions in ad valorem or specific duties, differences in legal import

régimes or differential treatment in respect of charges or restrictions of some other kind. In general the concession is granted on the basis of preferential treatment in customs duties.

The second aspect comprises the treatment applied to imports from third countries, which is determined at the time of negotiating on products. This treatment, together with the concession granted to the Area, constitutes what is called the "Area Margin of Preference". Like the régime applied to countries within the Area, that applied to third countries is compulsory being the minimum that the member countries can apply to imports from outside the Association. There are a few cases where, if production within the Area is inadequate or non-existent, the "Margin of Preference" can be modified so as to afford treatment more advantageous than that agreed upon for third countries; in such case, however, the approval of the other member countries is necessary (see Resolution 53 of the Conference of the Contracting Parties).

The concessions granted in each National Schedule are extended to all the other Contracting Parties, in pursuance of the most-favoured-nation clause,

The concessions granted in special schedules or schedules of advantages not extended to all the parties, have the same content as those granted in National Schedules except as regards extension. These special schedules form part of the preferential treatment granted to the economically less-developed countries, their characteristic feature being that they may be utilized only by the country to which the concession is granted. At the present time, three countries - Bolivia, Ecuador and Paraguay - are deemed to be relatively less-developed, and one country - Uruguay - is considered to be temporarily in this situation (until 31 December 1975).

For this reason there are at present four different special schedules, one for each beneficiary country.

Question 19

What is the share in the overall trade of the products for which customs duties are scheduled to be eliminated by 1980 in the Andean Group?

Reply:

Products which are to be liberalized in the Andean Group in 1980 are all articles except those reserved for sector programming and those included in the exceptions lists; in 1973, trade in these articles represented approximately 3.55 per cent of our total exports and approximately 4.5 per cent of total imports. It is important to note that the duties may be eliminated on many of the products

reserved for sector programming before 1980, when the relevant programme is approved and brought into operation. Likewise articles may be deleted from the exceptions list prior to that date.

Question 20

With respect to the Cartagena Agreement, detailed information on such matter as CET, CNET and special trade measures granted to non-contracting parties to the GATT is requested.

Reply:

One of the principal objectives of the Cartagena Agreement is the formation of a customs union, to which end the member countries have undertaken to adopt a Common External Tariff. The application of this tariff comprises two stages: first, the Common Minimum External Tariff implies that over a five-year period the member countries adjust their tariff vis-à-vis third countries to a level above a certain minimum. Approximation to this Minimum External Tariff is effected through annual increases of 20 per cent of the tariffs in effect in the member countries on the date of entry into force of the Cartagena Agreement, so that at the end of a five-year period as from 31 December 1971 - the date on which the first approximation became effective - the Minimum External Tariff will be in full operation. Under the preferential treatment granted to them in the Andean Group, Bolivia and Ecuador are not obliged to apply the Common Minimum External Tariff.

The second stage comprises the Common External Tariff which must be approved not later than 31 December 1975. Colombia, Chile, Peru and Venezuela have a five-year period as from 31 December 1976 for arriving at the approved tariff levels through annual approximations of 20 per cent each. Bolivia and Ecuador have a longer period; for them the period of approximation is ten years as from the same date.

On 31 December of this year the fourth approximation to the Common Minimum External Tariff is to become effective. Articles 65 and 67 of the Cartagena Agreement and Articles 10 to 24 of Decision No. 70 of the Commission establish the cases in which member countries can delay application of the Common External Tariffs because of a production shortfall or an inadequate supply at sub-regional level, and stipulate the procedure to be followed.

Question 21

Does Colombia plan to continue its preferential non-tariff treatment of domestic, Andean Common Market and LAFTA goods in government procurement? How is this preferential treatment accomplished?

Reply:

At the present time, with one exception, the government procurement system grants like treatment to purchases of products from the sub-region, from the Area, and from third countries. Provision was made for this exception in

Article 3 of Decree No. 2248 of 1972, which states: "In respect of supplies of goods originating in or imported from member countries of the Cartagena Agreement, the same treatment shall be applied as to supplies of domestic goods when in the countries of origin like treatment is effectively applied to purchases of goods of Colombian origin". In other words, where reciprocity exists in the member country concerned of the Cartagena Agreement, the same treatment will be applied in Colombia to a product imported from that country as is applied to the domestic product.

E. CUSTOMS PROCEDURES

Question 22

What is the purpose of the consular invoice authentication tax? Does not Colombia also levy a consular invoice legalization fee when the invoice is certified by a Colombian consulate? Does Colombia intend to eliminate the consular invoice requirement?

Reply:

The tax represents a fee for services rendered, taking into account that the consular invoice affords prior control over imported goods.

There is no prior payment of the consular fee when the goods are authenticated in a Colombian consulate because the payment made represents the value of the document itself (one dollar) and the equivalent of fifteen dollars corresponding to certification of the document.

There is no intention of eliminating the legalization of the consular invoice as it makes the document official.

Question 23

What steps are being taken by Colombian authorities to permit commercial invoices in lieu of consular invoices, and to abolish consular documentation procedures in the country of export?

Reply:

Although no steps are being taken to this end, this does not imply that consideration might not be given to the possibility of such action in the future.

F. OTHER MATTERS

Question 24

Does Colombia plan to continue the local content requirement for motor vehicles? How is the local content computed? Does Colombia plan to continue the requirement that motor vehicle engines, gear boxes, and transmissions be imported in an unassembled condition? How does Colombia justify these restrictions?

Reply:

Colombia is interested in developing its automobile industry and therefore intends to raise the local content proportion for motor vehicle assembly. It hopes in future to produce the main components of vehicles and to import principally stamped components for coachwork and frame.

The local content used to be computed on the basis of a certain ratio between the f.o.b. value of imported CKD material and the f.o.b. value of the motor vehicle. In future, however, the Automotive Parts Committee, recently established by the Department of Industry and Commerce, will determine which domestic components have to be included in vehicle assembly.

As already noted, these measures are designed to promote development of Colombia's automobile industry, in order in this way to move on from the stage of simple motor vehicle assembly and to prepare the country for accepting the commitments of the automobile programme of the Andean Group, which is at present under discussion and which provides for the incorporation of substantial components of domestic or sub-regional origin of between 60 and 65 per cent.