

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; these will be the subject of a notification by the EEC Commission.

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 2,000,000 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.

Aid to shipbuilding

The building of ships of over 150 gross tons is subsidized in order to take account of aids existing in many foreign countries.

The rate of the subsidy, which was 10 per cent in 1968, has been reduced to 0.5 per cent of the sale price of the ship.

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.

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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.