

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/W/437/Corr.1

15 May 1984

Limited Distribution

COUNCIL  
15-16 May 1984

## DEVELOPMENTS IN THE TRADING SYSTEM OCTOBER 1983 - MARCH 1984

### Corrigendum

Delegations were invited to comment on the document prepared by the Trade Policies Division for the Council's special meeting on developments in the trading system (C/W/437, 1 May 1984). The following changes should be made to reflect suggestions by delegations and developments since the document was issued:

#### Page 3, paragraph 6:

Second sentence: replace "will be affected" by "are affected".

Last sentence: replace "1 April 1985" with "1 January 1985".

#### Page 3, paragraph 7 (penultimate sentence):

Replace "announced its intention to increase" by "increased total GSP ceiling quotas...".

#### Page 4, paragraph 9:

Delete "Japan agreed to limit, over a four year period, its exports of specialty steels to the United States" and replace by "A number of countries (Austria, Argentina, Canada, Japan, Poland Spain and Sweden) have concluded agreements with the United States which limit their exports of specialty steels to the US market."

#### Page 5, paragraph 13:

Replace paragraph by "Japan decided to limit its exports of passenger cars into the United States Customs Territory in 1984 to 2.02 million units as against the previous limit of 1.83 million units in 1983. Japanese automobile manufacturers have stated that, of their own volition, they will continue to exercise prudence in their marketing policy in the United Kingdom limiting their sales of passenger cars in 1984 to 11 per cent of the total United Kingdom market."

#### Page 5, paragraph 14:

Delete "forecasts ... passenger cars" and insert "an export forecast for 1984 for exports to the EEC of video tape recorders, colour television tubes and sets, numerically-controlled lathes and machining centres. With respect to passenger cars, light commercial vehicles, fork lift trucks, motorcycles and quartz watches, the Japanese authorities have reiterated that their basic policy of moderation will continue to apply to exports of these products."

Page 8, paragraph 27:

Add "(L/5642 and L/5648)" to the end of the last sentence.

Page 9, paragraph 28 - section on Brazil:

Add to end of first sub-paragraph "in force until 11 August 1984".

Add to end of second sub-paragraph "... 74.01.03.00, in force until 11 August 1984".

Add to end of third sub-paragraph "until 11 August 1984".

Delete fourth sub-paragraph and replace by the following:

"- Resolution 05.0575 of 15 February 1984, which replaces Resolution 05-0500, reduces from 30 per cent to 5 per cent the import duty on a quota of 220,176 Kg. (of "n-phosphonomethylglycine" under the tariff heading 29.34.99.00) which will remain in force until 15 March 1984."

Delete fifth sub-paragraph and replace by the following:

"- Resolution 08-0607 of 12 April 1984 grants exemption from import duty on a quota of 2,100,000 tonnes of wheat grain (tariff heading 10.01) which will remain in force until 12 September 1984."

Page 10, paragraph 28:

In the item concerning tariff reductions by the Republic of Korea, the figure of 729 should be replaced by 734.

Replace the last sub-paragraph by the following:

"- The United States and Japan have agreed to remove their respective import duties on semi-conductors. Prior to this agreement the rates in both countries were 4.2 per cent. Legislation has been submitted to the United States Congress and to the Japanese Diet. The tariff reductions will take effect when legislative action has been completed."

Page 11, paragraph 29, fifth sub-paragraph:

Replace "Japan announced its intention to increase ..." by "Japan has increased the total GSP ceiling quotas ...". At the end of the second sentence add "L/5642)".

Page 11, paragraph 30:

Replace by the following:

"- Colombia has notified in L/5542 and Add.1 a number of amendments to its import licensing scheme. These include lists defining goods to be placed on free import or prior licensing lists, as of May 1983, originating in Argentina, Brazil, Chile, Paraguay and Uruguay, as negotiated by Colombia

under the Latin American Integration Association. In addition, a large number of items from all sources have been made subject to prior licensing; certain items have also been transferred from the prior licensing to the free import list."

Page 13, paragraph 38:

Delete paragraph 38. The Ministry states that it continues to issue import licences not only to the agricultural and mining sectors but to other sectors as well to import goods which Zambia does not produce or for which there is a shortfall in domestic supply.

Page 14, paragraph 45:

Last sentence to include, after US\$ 615 million, "on a half-year basis" (L/5600, L/5610).

Page 15, paragraph 53:

Delete paragraph 53 (see page 17, paragraph 74).

Page 15, paragraph 55:

Insert the words "as a provisional measure," before "even if rescheduled".

Page 15, paragraph 59:

Delete the last two sentences and replace by:

"In connection with its new stand-by agreement with the IMF, the Government has approved Decree-Law No. 103-6/84, dated 30 March 1984, whereby the import surtax of 30 per cent, imposed in February 1983, has been reduced to 10 per cent. Moreover, certain products have been eliminated from the schedule of products subject to the surtax."

Page 17:

Insert a paragraph 70 bis which replaces paragraph 92 on page 21 (United States/Japan specialty steels):

"In the context of the Article XIX action taken by the United States with respect to specialty steels, the United States has concluded orderly marketing arrangements with Austria, Argentina, Canada, Japan, Poland, Spain and Sweden, in order to regulate the distribution of shipments under the U.S. global import quota system."

Page 17:

Insert a paragraph 74 bis which replaces paragraph 53 on page 15:

"The European Community (France): as of 20 April, the EC applied, on behalf of France, a three-year quota ending 31 December 1986 to cover third country imports (mainly Hong Kong, Japan, Republic of Korea, Macao and

Taiwan) of certain electronic piezo-electric quartz watches with digital display. According to the emergency action taken under Article XIX, France is authorized thereby to restrict imports to 6.793 million units in the current year; in the remaining two years, 1985 and 1986, a growth factor of 5 per cent is to be applied to the quota (L/5645). In this connection, see also Appendix III, page 37, 'European Communities: quantitative restrictions on imports of certain products from Hong Kong: recourse by the United Kingdom on behalf of Hong Kong (L/5511)'."

Page 21, paragraph 92

Delete the second sub-paragraph (United States/Japan, specialty steels).

Delete the fourth sub-paragraph and replace by the following:

"- United States/Japan: Japan will limit automobile exports into the United States Customs Territory in 1984. The limit (beginning in April) is 2.02 million units, compared to the previous year's level of 1.83 million units."

Page 21, paragraph 94

Replace the whole paragraph, as follows:

"94. It should be borne in mind that the majority of specific countertrade arrangements are on an inter-company basis, and thus outside the purview of a document concerned with developments in the trade policies of governments. The following cases of countertrade at the governmental level came to the attention of the secretariat during the period October 1983 - March 1984:

- Guyana: in January 1984 the USSR signed an agreement to purchase 50,000 tons of bauxite from Guyana, which in return agreed to accept machines and equipment from the USSR for an equivalent value.

- Jamaica and the United States agreed in November 1983 to exchange 1 million tons of Jamaican bauxite for United States dairy products. In November 1983, it was agreed that the first 400,000 tons of bauxite would be exchanged for dairy products valued at \$13.6 million. In January 1984, it was agreed that the remaining 600,000 tons would be exchanged for dairy products valued at \$20.4 million.

- Jamaica/Yugoslavia: Jamaica and a Yugoslav trading company agreed to countertrade 450,000 tons of alumina against prefabricated housing units. The agreement has been set up for five years.

- Turkey: local companies which have attained an export sales volume equivalent to \$50 million in the preceding calendar year have been given the right, as of 1 January 1984, to conclude specific import deals, whether on a cash or barter basis, with companies in State-trading countries."

Page 25, Article XVII - State trading:

The first sub-paragraph should read as follows:

"An invitation ... Switzerland, the United Kingdom and Yugoslavia."

The second sentence in the second sub-paragraph should read as follows:

"As at the end of ... Hungary, Poland, the United States and Yugoslavia."

Page 30, Annex II to Appendix I:

Between the entries for Peru and Romania should be added:

"Poland", with a cross (X) to be inserted under the column "1984 (full)".

In the entry for the United Kingdom a cross (X) should be inserted under the column "1983".

Page 31, Appendix II: Waivers:

Add the following final sentence to the item on India:

"By Decision of 16 April 1984, the CONTRACTING PARTIES extended the time limit of the waiver for another year (L/5638)."