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PROTECTIVE ACTIONS BY DEVELOPED COUNTRIES AFFECTING IMPORTS FROM DEVELOPING COUNTRIES

Note by the Secretariat

1. In this note, the secretariat has put together available information on a number of recent measures taken by developed countries and affecting the exports of developing countries that have come to its notice since the Sub-Committee's last session on 27 and 30 September 1983. It will be recalled that it was agreed in the Committee on Trade and Development in March 1980 (COM.TD/104, paragraph 20) and reaffirmed by the Sub-Committee at its first session in July 1980 (COM.TD/SCPM/1, paragraph 21) that there were three possible sources of information for the work of the Sub-Committee: notifications by contracting parties applying new protective measures affecting imports from developing countries; "reverse" notifications by developing countries; and information to be provided by the secretariat on the basis of data available from official sources and as necessary checked with the delegations concerned to ensure accuracy.
2. At its Forty-Ninth Session on 8 March 1983 the Committee on Trade and Development agreed that there should not be any unnecessary duplication between the programme of country consultations on the application of Part IV called for by Ministers at the Thirty-Eighth Session of the CONTRACTING PARTIES and the work of the Sub-Committee. It was therefore decided that in contributing to the review of the application of Part IV, the Sub-Committee would not examine any new measures covered in the course of country consultations held during the relevant period (COM.TD/114, paragraph 7 of Annex).
3. GATT/AIR/2032 of 16 July 1984 invited notifications from contracting parties containing information not covered in the programme of country consultations but relevant, inter alia, to the work of the Sub-Committee. No notifications had been received at the time that this note was prepared.
4. For this session of the Sub-Committee, any new measures taken by the European Communities, the United States and Japan which have been covered in documentation prepared for the Part IV consultations in October 1984 are not referred to in this document. However, for the sake of continuity, mention is made of recent developments with respect to measures previously taken by those countries which have already been examined by the Sub-Committee at previous sessions.
5. As was the case for earlier meetings of the Sub-Committee, measures taken under the Multifibre Arrangement by countries participating in it are not listed in this document. Such measures are notified to the Textiles Surveillance Body for examination and subsequent circulation. Similarly, measures which are currently under consideration, such as in the steel and

copper sectors in the United States, but on which no official decision has been announced, are not listed. Export restraints on other products are mentioned in this paper where information is available to the secretariat. With respect to GSP actions, the Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries provides in its paragraph 4 for notification, and consultations if requested, with respect to actions taken by a contracting party to introduce, modify, or withdraw, inter alia, preferential tariff treatment accorded under the Generalized System of Preferences. The Committee on Trade and Development has primary responsibility for supervision of the implementation of the Enabling Clause.

6. It should be noted that the information in this document is presented in accordance with the understanding reached at the July 1980 meeting of the Sub-Committee that the inclusion of measures in secretariat papers for the Sub-Committee would be without prejudice to views delegations might have regarding the desirability of taking up for examination any such measures or whether they fall within the Sub-Committee's terms of reference (COM.TD/SCPM/1, paragraph 21). It remains open to delegations to raise for discussion any other measures that they consider fall under the Sub-Committee's mandate. In this connection, it might be recalled that, at the Sub-Committee's July 1980 meeting, there was a widespread view that the value of discussion in the Sub-Committee would be enhanced if countries taking measures had some advance indication of the points that members might wish to take up for examination (COM.TD/SCPM/1, paragraph 21).

NEW DEVELOPMENTS AFFECTING IMPORTS FROM DEVELOPING COUNTRIES

Switzerland - frozen vegetables

7. The Swiss authorities introduced additional customs charges on imports of certain frozen vegetables with effect from 1 May 1984. This measure was notified to the CONTRACTING PARTIES in document L/5658 of 20 June 1984, in pursuance of paragraph 3 of the Understanding Regarding Notification, Consultation, Dispute Settlement and Surveillance. It was announced that in addition to the prevailing rate of Sw F 55 per 100 kgs., a further customs duty of Sw F 100 per 100 kgs. would be charged when imports of the following frozen vegetables (CCCN ex 0702.10 and ex 0702.12) exceeded 3,400 tonnes per year: peas, beans, carrots, spinach, brussels sprouts, broccoli, cauliflower, snow peas, salsify, kohlrabi, kale, lettuce, leeks, rhubarb, celery, onions and marrows. Relevant tariff and trade flow information can be found in Table 1 in Annex 1.

OTHER DEVELOPMENTS OF POSSIBLE INTEREST TO THE SUB-COMMITTEE

Anti-dumping and countervailing duty actions

8. Under the terms of Article 14:4 and 2:16 of the Anti-Dumping Code and of the Code on Subsidies and Countervailing Duties respectively, signatories of these agreements report without delay to the relevant Committee all preliminary or final actions taken with respect to anti-dumping or countervailing duties. In addition, they submit, on a semi-annual basis, reports on actions taken within the preceding six months. Reports covering the period July-December 1983 have been circulated in documents ADP/20 and Addenda and SCM/48 and Addenda. Reports covering the period January-June 1984 will be circulated in due course.

Information on anti-dumping and countervailing actions affecting exports of developing countries that has come to the notice of the secretariat since the last background note for the Sub-Committee was prepared is summarized in Annex II, this information being provided subject to the understanding referred to in paragraph 6 above. In accordance with the decisions taken by the Committee on Trade and Development in March 1983, referred to in paragraph 2 above, Annex II does not contain information on anti-dumping and countervailing actions taken by the EEC, the United States or Japan.

Subsidy notifications under Article XVI:1

9. In regard to subsidy practices, new notifications pursuant to Article XVI:1 are being submitted by some contracting parties in 1984 (L/5603 and Addenda). Notifications by contracting parties in 1982 and 1983 of changes in subsidy measures since their last full notifications in 1981 can be found in documents L/5282 and Addenda and L/5449 and Addenda respectively.

DEVELOPMENTS WITH RESPECT TO MEASURES DISCUSSED AT THE SUB-COMMITTEE'S EARLIER MEETINGS

European Communities - dried grapes

10. At its sixth meeting in September 1983, the Sub-Committee had before it information regarding protective measures taken by the EEC affecting imports of dried grapes other than currants, falling under CCT sub-heading 08.04 BI and II (paragraph 8 of COM.TD/SCPM/W/17). These measures were notified to the CONTRACTING PARTIES as an Article XIX action in document L/5399 of 2 November 1982. Under the arrangements, which were originally to be applied until 31 August 1983, a minimum price was established for dried grapes other than currants of ECU 106.7 per 100 kgs. free at Community frontier. If this price was not respected, a countervailing charge of ECU 16 per 100 kgs. was applicable. The countervailing charge was not to be levied on imports from countries which were prepared and in a position to guarantee that the import price of products originating in their territory was not lower than the minimum price and that any deflections of trade would be avoided.

11. With certain modifications, these arrangements have been extended for the 1983/84 marketing year. The countervailing charge applied when the minimum import price of ECU 106.7 per 100 kgs. is not respected was increased to ECU 26.83 per 100 kgs. with effect from 18 February 1984. In addition, traders are now required to declare the import price (f.o.b. price plus transport and insurance costs) when the products enter the EEC for free circulation and also to ensure that each consignment is accompanied by the documents required to verify the import price.

Canada - footwear

12. At its fifth session in September 1982, the Sub-Committee had before it information on import quotas imposed by Canada on leather and non-leather footwear (COM.TD/SCPM/W/14, paragraphs 8 and 9). These measures were notified to the CONTRACTING PARTIES as Article XIX actions in documents L/5351 of 22 July 1983 (for leather footwear) and L/5263 of 30 November 1981 (for non-leather footwear). The import restrictions on leather footwear were made effective from 9 July 1982 to 30 November 1984.

The levels of global import quotas were established at 3.4 million pairs for the period 9 July 1982 to 30 November 1982, 11.4 million pairs from 1 December 1982 to 30 November 1983 and 11.4 million pairs plus 3 per cent for the year to 30 November 1984. The Canadian authorities subsequently announced (L/5351/Add.9) that with effect from 31 December 1982, leather shoes and sandals with value for duty of at least CAN\$45 per pair and leather boots with value for duty of at least CAN\$75 per pair were exempted from import quota and subject only to surveillance. The restraint levels for leather footwear remaining under quota were unchanged by this modification.

13. The Canadian authorities notified the CONTRACTING PARTIES in documents L/5351/Add.17 (for leather footwear) and L/5263/Add.16 (for non-leather footwear), both of 7 June 1984, that the import quotas on leather and non-leather footwear were being extended from the original expiry date of 30 November 1984 for a further sixteen months, until 31 March 1986. For leather footwear, the annual quota to 30 November 1985 will be increased by 3 per cent from the previous year, to 12.1 million pairs. In addition, with effect from 1 December 1984, the price points above which leather footwear is exempt from quotas are being lowered to CAN\$40 per pair (from CAN\$45 per pair) for shoes and sandals and to CAN\$67 per pair (from CAN\$75 per pair) for boots. In regard to non-leather footwear, the annual quota to 30 November 1985 will also be increased by 3 per cent from the previous year, to 37.3 million pairs. In all other respects, the situation regarding non-leather footwear remains unchanged from that described in paragraphs 8 and 9 of COM.TD/SCPM/W/14.

European Communities - quartz watches

14. At its fifth and sixth sessions the Sub-Committee had before it information on import restrictions imposed by France on quartz watches from Hong Kong (COM.TD/SCPM/W/14, paragraph 14 and COM.TD/SCPM/W/17, paragraph 19). A quota was established limiting imports of this item (CCT No. ex 91.01) from Hong Kong to 5.5 million units for the period 1 October 1981 to 31 December 1982, and to 4.4 million units for the year ending 31 December 1983. With effect from 20 April 1984, annual quotas on imports into France of this item were set for three years to 31 December 1986, and the measure was notified to the CONTRACTING PARTIES as an Article XIX action in document L/5645 of 2 May 1984. The quotas, which increase annually by 5 per cent, have been distributed to supplying countries as follows:

<u>Origin</u>	<u>Annual quotas</u> ('000 units)		
	<u>1984</u>	<u>1985</u>	<u>1986</u>
Hong Kong	4,400	4,620	4,851
Japan	815	856	899
Republic of Korea	497	522	548
Macao	496	521	548
Taiwan	425	446	469
Other	160	168	175
TOTAL	6,793	7,133	7,489

United States - procelain-on-steel cooking ware

15. The United States authorities advised the CONTRACTING PARTIES in document L/4889/Add.1 of 22 January 1980 that duties were to be increased on certain porcelain-on-steel cooking ware. This measure, which was discussed at the first session of the Sub-Committee (COM.TD/SCPM/1, paragraph 14), was designed to provide temporary relief under Article XIX for a period of four years, during which time the additional duties would be progressively reduced. In accordance with the original decision, the Article XIX action was terminated with effect from 17 January 1984 (L/4889/Add.15).

United States - clothes-pins

16. At its fifth session, the Sub-Committee had before it information concerning an Article XIX action taken by the United States with respect to wood and plastic clothes-pins (COM.TD/SCPM/W/14, paragraph 22). This action, involving the imposition of import quotas for a period of three years with effect from 23 February 1979, was notified to the CONTRACTING PARTIES in document L/4759/Add.2. This action was subsequently prolonged for a further two years and terminated on 23 February 1984 (L/4579/Add.3).

Other measures previously examined by the Sub-Committee

17. The secretariat has no new information regarding developments concerning other measures examined at earlier meetings of the Sub-Committee. These measures include, inter alia, the following:

- European Communities action affecting tapioca (COM.TD/SCPM/5, paragraphs 11 to 14);
- Australian programme of assistance for the textiles, clothing and footwear industries (COM.TD/SCPM/5, paragraphs 15 and 16);¹
- United States action on preserved mushrooms (COM.TD/SCPM/4, paragraphs 23 and COM.TD/SCPM/W/14, paragraph 31);
- New Zealand tariff increase on coir mats and matting (COM.TD/SCPM/2, paragraph 12);
- Swiss price supplements on imports of edible vegetable oils and fats (COM.TD/SCPM/3, paragraphs 8 to 11);
- Italian measures affecting jute yarn and certain clams (COM.TD/SCPM/3, paragraphs 30 and 34 to 35);

¹ According to the IAC Annual Report 1982-83, the only changes in the quota system applicable to textiles, clothing and footwear, as described in document COM.TD/SCPM/W/14, was the increase in the proportion of the overall tariff quota which was allocated by tender from 15 to 20 per cent in the period 1982-84.

ANNEX I - TABLE 1

TARIFF AND TRADE DATA: SWISS MEASURES REFERRED TO IN PARAGRAPH 7

CCCN Tariff Line	Description	M.f.n. duty rate	GSP	Imports 1983 '000 Sw.F - figures in brackets '000 kg. Total Supplying countries
ex07.02.10	Frozen peas, beans, carrots, spinach, brussels sprouts, broccoli, cauliflower, snow peas, salsify, kohlrabi, kale, lettuce, leeks, rhubarb, celery, onions and marrows In containers of: more than 5 kg.	Sw.F 55.00 per 100 kg. gross (Plus Sw.F 100 per 100 kg. for quantities in excess of 3,400 tonnes per annum)	-	<p>Spain 3,192 (371); EEC 2,344 (1,340); EFTA 734 (503); Hungary 420 (336); Poland 361 (277); Yugoslavia 355 (126); South Africa 96 (29); Israel 56 (27); Other 325 (90).</p>
ex07.02.12	5 kg. or less	Sw.F 55.00 per 100 kg. gross (Plus Sw.F 100 per 100 kg. for quantities in excess of 3,400 tonnes per annum)	-	<p>EEC 4,284 (2,448); South Africa 671 (223); Spain 407 (207); Israel 185 (49); Yugoslavia 163 (173); Poland 76 (63); Romania 38 (3); Other 1,823 (374).</p>

ANNEX IIAnti-Dumping and Countervailing Actions Relating to
Products from Developing Countries

Country and product description (1)	Action (2)	Date (3)
<u>Australia</u>		
Male industrial overalls from the People's Republic of China	Initiation of anti-dumping inquiries	12.8.83
	Imposition of anti-dumping duties	9.5.84
Passenger car radial ply tyres from the Republic of Korea	Imposition of anti-dumping duties	5.9.83
Polyvinyl chloride homopolymer from Israel and the Republic of Korea	Imposition of anti-dumping duties	13.9.83
Low density polyethylene resin from Qatar	Initiation of anti-dumping inquiries	22.9.83
Nylon flat yarn from Israel	Imposition of anti-dumping duties	4.10.83
Alkyl phenol ethoxylates from Mexico and Brazil	Termination of anti-dumping inquiries	25.10.83
Vertical metal filing cabinets (imported in a completely built up, or in a completely knocked down condition) from Singapore	Revocation of anti-dumping order; cessation of exports	28.10.83
Ceiling sweep fans from Hong Kong	Initiation of anti-dumping inquiries	1.11.83
Detergent powder from Hong Kong	Initiation of anti-dumping inquiries	9.12.83
	Termination of anti-dumping inquiries	14.6.84
Twenty watt and forty watt fluorescent lamps from the Philippines	Initiation of anti-dumping inquiries	19.12.83
PVC resin paste from the Republic of Korea	Initiation of anti-dumping inquiries	22.12.83
	Finding of dumping and material injury	17.2.84

(1)	(2)	(3)
Small diameter welded carbon, steel pipe and tube from the Republic of Korea and Singapore	Initiation of anti-dumping inquiries	29.12.83
	Imposition of dumping cash securities	8.3.84
Woven polyolefin bags from the Philippines	Initiation of anti-dumping inquiries	23.1.84
	Imposition of dumping cash securities	19.3.84
Passenger car tyres from the People's Republic of China	Initiation of anti-dumping inquiries	2.2.84
	Termination of inquiry	13.4.84
Paint brushes from the People's Republic of China	Initiation of anti-dumping inquiries	7.2.84
	Finding of dumping and material injury	30.3.84
Toothpaste from the Republic of Korea	Termination of anti-dumping inquiries	16.3.84
High grade stearic acid from the Republic of Korea	Revocation of anti-dumping order; cessation of exports	5.4.84
Ceramic tableware from the People's Republic of China	Imposition of anti-dumping duty	17.4.84
Steel Jerricans from the People's Republic of China	Initiation of anti-dumping inquiries	18.4.84
Candles from the People's Republic of China	Initiation of anti-dumping inquiries	28.5.84
Small diameter welded carbon steel pipe from Thailand	Initiation of anti-dumping inquiries	13.6.84
<u>Canada</u>		
Alloy tool steel bars, plates and forgings, including high speed AISI type M2 but not including other high speed steels, AISI P20 mold steel and die blocks, from Brazil	Finding of material injury	27.5.83
	Imposition of anti-dumping duty	12.4.84

(1)	(2)	(3)
Stainless steel, nickel and nickel alloy pipe and tubing from the Republic of Korea	Initiation of investigation Preliminary determination of dumping; imposition of provisional anti-dumping duties. Initiation of inquiries for material injury Finding of no injury	20.6.83 13.1.84 19.1.84 16.4.84
Carbon steel welded pipe in the nominal size range 12.7 to 406.4mm (1/2" to 16") inclusive, in various forms and finishes from the Republic of Korea	Finding of material injury	28.6.83
Stainless steel sheet, excluding AISI type 409 and hot rolled bands from the Republic of Korea	Finding of material injury (the 300 series only)	30.6.83
Expanded vinyl coated knitted fabrics from the Republic of Korea	Initiation of investigation Preliminary determination of dumping; imposition of provisional anti-dumping duties Finding of no injury	4.7.83 10.11.83 3.2.84
Wide flange steel shapes, beams, columns of sections etc., from the Republic of Korea and Spain	Initiation of inquiries Finding of partial injury Imposition of anti-dumping duty (except for wide flange beams and items from Spain not causing any injury)	20.7.83 14.10.83 27.4.84
Natural rubber (latex) balloons from Mexico	Termination of anti-dumping proceedings	29.7.83
China tableware from the People's Republic of China	Initiation of investigation Preliminary determination of dumping; imposition of provisional anti-dumping duties	18.8.83 11.4.84

(1)	(2)	(3)
Natural bristle paint brushes and heads from the People's Republic of China	Initiation of anti-dumping investigation	23.8.83
Certain carbon and alloy steel plate from Brazil, the Republic of Korea, and Spain	Preliminary determination of dumping; imposition of provisional anti-dumping duties	22.3.84
Plate used in the manufacture of pipe or tubes known as skelp, from Brazil, the Republic of Korea, and Spain	Initiation of material injury inquiries	26.3.84
Inner tubes from the Republic of Korea	Finding of material injury	20.6.84
Deep tillage sweeps, field cultivator sweeps, reversible points, reversible twisted chisels and reversible furrow shovels from Brazil	Preliminary determination of dumping; imposition of provisional anti-dumping duties	19.9.83
Bicycles, assembled or unassembled bicycle frames, forks, steel handlebars and wheels (not including tires and tubes) from the Republic of Korea	Finding of material injury	7.12.83
Twelve-gauge shotshells and rimfire 22 caliber from Mexico	Imposition of anti-dumping duty	16.5.84
Stainless steel bars and wire in cut lengths from Brazil, the Republic of Korea and Spain	Termination of investigation	19.9.83
Wooden clothes pins from the People's Republic of China	Termination of anti-dumping proceedings	28.9.83
Stainless steel bars and wire in cut lengths from Brazil, the Republic of Korea and Spain	Preliminary determination of dumping; imposition of provisional anti-dumping duties	29.9.83
Wooden clothes pins from the People's Republic of China	Finding of no injury	28.12.83
Stainless steel bars and wire in cut lengths from Brazil, the Republic of Korea and Spain	Notice of review for finding of material injury (8.11.77)	3.10.83
Wooden clothes pins from the People's Republic of China	Finding of material injury reversed	17.2.84