

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/96/Add.7

4 September 1984

Limited Distribution

Original: English

## AUSTRIA - SPECIAL MEASURES ON HANDMADE PRODUCTS

### Notification by Austria

#### Addendum

In a communication dated 20 August 1984, the Permanent Mission of Austria has provided the following information on improvements made in the Austrian scheme for handmade products with effect from 1 September 1984.

A few, but important improvements in the Austrian special tariff regime for handicraft products originating in developing countries will be implemented with effect from 1 September 1984.

Duty-free treatment will be extended to products falling within CCCN heading Nos. 44.24, covering "Household utensils of wood", and 44.27, covering the following products: "Standard lamps, table lamps and other lighting fittings, of wood; articles of furniture, of wood, not falling within Chapter 94; caskets, cigarette boxes, trays, fruit bowls, ornaments and other fancy articles, of wood; cases for cutlery, for drawing instruments or for violins, and similar receptacles, of wood; articles of wood for personal use or adornment, of a kind normally carried in the pocket, in the handbag or on the person; parts of the foregoing articles, of wood."

Duty-free treatment will be provided also for textile handicraft products originating in least-developed countries, which have so far enjoyed a 50 per cent tariff reduction.

It might be appropriate to recall the main features of the Austrian special tariff regime for handicraft products originating in developing countries. Handicrafts covered by this regime are listed in two separate schedules. The textile schedule comprises articles falling within 26 tariff headings, the schedule for other handicraft products now comprises articles falling within 66 tariff headings. For the non-textile articles, duty-free treatment is provided for imports from all beneficiary countries. For textile handicrafts, imports from least-developed beneficiaries are granted duty-free treatment, whereas imports from other developing countries are granted a 50 per cent tariff reduction. In comparison with the Austrian scheme of generalized preferences, the Austrian handicraft regime now offers additional benefits also for least-developed countries.

It should be recalled that preferential tariff rates for handicrafts are applied only to imports from the developing countries which have concluded bilateral agreements with Austria to this effect.

As at 1 August 1984, the following countries are in a position to benefit from the special tariff regime for handicraft products on the basis of bilateral agreements (least-developed countries are underlined): Afghanistan, Argentina, Bangladesh, Bolivia, Bulgaria, Chile, China, Costa Rica, Cuba, Cyprus, Ecuador, Egypt, India, Indonesia, Iraq, Isreal, Kenya, Republic of Korea, Malawi, Malaysia, Malta, Mexico, Nepal, Pakistan, Peru, Philippines, Romania, Rwanda, Singapore, Spain, Sri Lanka, Thailand, Tunisia, Turkey, Uruguay and Yugoslavia.

According to Austrian legislation, "handicraft products" are defined as products the major part of which is handmade; the use of machine-made raw material is therefore not generally excluded. When using machines or apparatus in the production, only products where manpower is used as source of power can be classified as handicraft products. The use of other sources of energy, especially of hydropower or of electric energy, precludes classification as handicraft products.