

RESTRICTED

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

LIMITED C
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WORKING PARTY 2 ON ARTICLE XVIII

Statement made by the Representative of Cuba regarding
the Non-Discriminatory Measure maintained for the
Development of Henequen production.

The Cuban Delegation wishes to make the following statement in order to clarify to members of the Working Party that the non-discriminatory measure adopted by the Cuban Government was fundamentally based on the furtherance and development of Henequen production.

The production of Henequen in Cuba began to develop, without artificial means, before the first world war. Due to proper climatic conditions in our country and to the availability of large areas properly suited for the cultivation of this fibre (which, by the way, were inadequate for other economical cultivation), our domestic production of Henequen began to increase progressively.

The quota system has been a decisive factor in the development of the Henequen production in Cuba, as proven by the increase in the areas under cultivation amounting to more than FIFTY PERCENT as against the area cultivated during the three-year period prior to the date this measure was put into effect.

Technicians in our Department of Agriculture recommended recently that it would help to develop further and expand our manufacture of Henequen, if the same were to be mixed with a certain proportion of Sisal. The necessary experiments were successfully carried out and, therefore, a programme was put into practice to develop the production of Sisal. This programme is going ahead and we shall soon be in a position to compete more favourably in the world market, thus being in a better condition to develop further the production of Henequen.

We are also doing research work both in the agricultural and manufacturing fields and expect favourable changes which would also help to develop even further our production of Henequen.

While waiting for the areas already planted with Sisal, as well as for the ones which are contemplated, to be in a condition to produce the fibre which the industry requires, it is essential to maintain the measure adopted, limiting imports, which, if they were to take place, would endanger the development of this agricultural enterprise, with its repercussion on the economic situation of Cuban farmers, labourers and workers engaged in the same.

It is evident that the world requirements of hard fibres are very extensive and as soon as the present difficulties for obtaining these requirements are solved by the different countries requiring hard fibres, the development of fibre production throughout the world, including Cuba, will undoubtedly reach much higher than actual levels.

With reference to future cost of production, it is not possible to determine same inasmuch as Cuba's policy on salaries and wages is intimately related to that of the sugar industry and, therefore, salaries and wages affecting fibre production will definitely have to be adjusted to the circumstances governing sugar production.

Although we have not as yet been able to obtain the figures covering the area under cultivation for the year 1949, we have been informed that same has increased in comparison with preceding years.

In the "World Fiber Survey", published by the Food and Agriculture Organization of the United Nations, the following was stated:

"Indeed, importing countries in general are experiencing acute fiber shortages and are attempting to cover their cordage needs as best they can by the importation of finished products. The binder twine outlook is especially serious. Most of the important consuming countries have expressed concern as to their ability to meet requirements", etc....

We again wish to emphasize the fact that our Government waived its rights to a number of restrictive quotas but in the case of Henequen has no other alternative but to maintain the non-discriminatory measure we now have in force, as we cannot contemplate the possibility of throwing out of work from 3 to 4,000 workers. In a country such as ours, not highly industrialized, this would constitute a national problem.

Please also do not lose sight of the fact that this measure dates back to 1939, and can never be interpreted as a precedent by the contracting parties.

In the light of our statement and information we earnestly request the Working Party to view with sympathy our case accepting and recommending the necessity of our maintaining the non-discriminatory measure on Henequen imports.