

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Special Distribution

Multilateral Trade Negotiations

GROUP 3(a) - TARIFF RATE INFORMATION FILE

Request for Data

At its meeting last July, Group 3(a) agreed to a proposal to establish a tariff rate information file on the basis of submissions by governments of detailed information on their various tariff rates on selected dates such as: (i) GATT rates; (ii) most-favoured-nation rates applied to GATT countries in the absence of other legislation, e.g. temporary duty changes; (iii) most-favoured-nation rates actually applied to imports from GATT countries, and (iv) effectively applied rates under the GSP (see MTN/4, paragraphs 16 to 22). The information should refer to 1 January or 1 April 1972, 1 January 1973 and 1 January 1974, and be recorded on magnetic tape.

Delegations are invited to supply the secretariat with the data required on magnetic tapes, as far as possible, by the end of 1974. Delegations which would need assistance in supplying this information in the form required are requested to contact the secretariat.

As far as possible separate files should be created for 1972, 1973 and 1974, but if desirable, the three files may be recorded on one magnetic tape in sequence. One record (of information items 1-12, as specified in the Annex, plus whatever annotations are called for) should be provided for each tariff line. Each tariff line should be identified by a tariff number. In order to keep the size of the file within manageable proportions the text of customs tariff descriptions of individual tariff lines, including the specification of duty, will in general have to be abbreviated, or symbols will have to be used to replace repetitive specifications. In cases where the legal and the MFN applied tariffs are based on different classifications, it would be preferable that the file is established on the basis of the legal tariff and appropriate reference be given to the applied tariff (or statistical) classification in the field provided for the tariff number. If, however, the data are reported in terms of the applied tariff (or statistical) classification, a concordance (as far as possible on magnetic tape) between the two classifications is requested.

A tentative layout of the file is shown in the Annex. The various data should be recorded in the field assigned for them. If the size of one field is insufficient to cover all the required data, additional information can be given in the second part of the file (annotations). In such a case, the necessary reference to the annotation should be given in the tariff data record. In the annotation part of the file, the relevant tariff line should again be identified by the tariff number.

In addition to the rates of duties as reported in the customs tariff, countries are requested to supply ad valorem incidences of specific or compound rates. Since different methods can be used in calculating these ad valorem incidences, submission of a description of the method used is also requested.

The Group also agreed that the tariff information be accompanied by an explanatory note describing the country's tariff system with a view to differentiating, and explaining the differences in, the various categories of rates recorded.

Furthermore, countries with tariff nomenclatures different from the Brussels Tariff Nomenclature (BTN) are requested to supply a concordance between each tariff heading and the appropriate four-digit BTN heading.

Explanatory notes

Ad. 1. Tariff number (numerical or alpha-numerical)

In order to facilitate retrieval of the data in the file, each tariff line record must be identifiable by a distinct number, even in cases where no tariff number is assigned to it in the national customs tariff. If, under one tariff item, there are two or more lines with different rates for different products or product groups, a separate record should be provided for each line.

Similarly, if a GATT binding or a temporary measure concerning the duty rate or the GSP rate applies only to a part of a tariff item, separate tariff line records should be created for the covered and uncovered part. In all cases, each tariff line record should be differentiated by a distinct number. The first characters of the tariff number should correspond to the number (numerical or alpha-numerical) of the customs tariff item, the following characters to whatever suffixes are required in order to differentiate individual tariff lines or ex-items or, possibly, further subdivisions correlating the legal tariff to the applied tariff (or statistical) classification. If a full concordance cannot be established, cross-reference to the statistical or applied tariff number may be given in the second part of the field preferably starting with the field location 14.

Ad. 2. Annotation references

A cross reference is required to indicate the existence of supplemental information in the annotation part of the file and to link the tariff data records with their respective annotation records. When an annotation record is created to supplement the tariff data record, that fact should be indicated by an asterisk in the record annotation reference field (Location 31). If the annotation is of a general nature applicable to the record as a whole, no other

annotation references are required in the tariff data record. If, however, the annotation has narrower application (e.g., relevant to the GATT rate only), an asterisk should be entered in the specific field to which the annotation relates. Thus, for example, if the annotation is a qualification or limitation to the GATT rate, an asterisk would appear in the record annotation reference field (Location 31) and also in the annotation reference field associated with the GATT rate (Location 133). In order to link the annotation record to the appropriate tariff data record, the annotation record must be given the identical tariff number (or statistical number) that the data record to which it relates bears.

Ad. 3. Descriptions

The text of the description of each tariff line record should be written in English or in French, where possible, and must not exceed 100 characters. Descriptions should include records which have had to be created to cover parts of a single line in the national customs tariff schedule. Independent descriptions for each line are preferable to descriptions of general headings (defining the broad category), followed by a description of the particulars distinguishing one tariff line from the preceding one.

Ad. 4. to 7. Duty rates

The following rates should be recorded:

- (i) The GATT rate, i.e., the lowest rate to which the reporting country is committed for the item in Part I of its GATT schedule.
- (ii) Most-favoured-nation "statutory" rates applying to GATT countries in the absence of any overriding legislation or administrative measures (e.g., temporary duty reductions, escape clause duty increases, etc.).
- (iii) Most-favoured-nation rates actually applied to imports from GATT countries.
- (iv) The GSP rates applied to imports benefiting from the generalized system of preferences.

In order to facilitate the retrieval of the tariff data it would be useful if each type of duty could be identified by a single code. It is therefore

suggested that in each of the four rate fields, the first element in the field be a one-letter code to designate the type of rate, as follows:

<u>Type of rate</u>	<u>Code</u>
Ad valorem	A
Specific	B
Compound	C
Duty-free	D
Other	E

Similarly, with respect to GSP rate, an additional four-character field is provided for the specification of the applicability of the System; the suggested GSP codes are as follows:

- N - GSP not applicable
- O - duty-free admission under GSP
- OQ - duty-free admission subject to quota
- R - admission at reduced rate under GSP
- RQ - admission at reduced rate subject to tariff quota
- SO - duty-free admission subject to ceilings
- SR - admission at reduced rate subject to ceilings
- * - following the code letter(s): the GSP applies to a limited number of developing countries.

The rate itself should be inserted in the field immediately following the type of rate code or the GSP code.

It is important that specific and compound rates be included in the file in their exact form specified in the customs tariff (abbreviated where necessary), rather than as ad valorem equivalents only. Explanation of the abbreviations used may be given in a general note. If necessary, additional information pertaining to individual duty rates should be recorded in annotation at the end of the file.

If a duty rate is applicable to a limited volume of imports, such a situation should be described (type of limitation) and the rate applicable in excess of the quantity should be indicated, preferably on a separate tariff line. In the case of tariff quotas, the volume of the quota itself should be recorded together with the corresponding duty rate. With respect to GSP rates, the limits of their applicability should also be indicated. Duty rates applicable during different parts of the year should be reported on separate lines.

Duty rate reductions or exemptions provided for by specific provisions of the customs tariff (specific end uses or specific classes or kinds of products) should be reflected wherever applicable and to the extent that these can be identified by tariff line. On the other hand, provisions concerning processing traffic or drawbacks in general need not be reflected.

Ad. 8-12. Ad Valorem Incidences (AVE's)

For each m.f.n. specific duty or compound duty, ad valorem incidences should be calculated on the basis of the corresponding m.f.n. imports and, for the GSP rates, on the basis of imports actually receiving the GSP treatment, or in the absence of such data, on imports originating in countries entitled to the GSP. For each file, AVE's calculated on imports in several recent years should be reported where possible. The AVE's should be recorded in the field appropriate for the year of import data used for their calculation, following the year label (71 for the year 1971, 72 for 1972 etc.). Thus, AVE's calculated on 1971 import data would be in field locations 308-321, those calculated on 1972 import data in field locations 325-338 etc.).

All ad valorem equivalents should be reported to one decimal point. The decimal point itself, however, should not be included in the field. Thus, for example, an AVE of 8.6 per cent would be reported as 0086; an AVE of 15.7 per cent, as 0157; an AVE of 180.6 per cent, as 1806. Four spaces are allowed for each AVE, thereby accommodating all AVE's up to 999.9 per cent. The fourth space in the field is for the one figure to the right of the decimal; the third space is for the first figure to the left of the decimal.

Tape specifications

To the extent possible the data should be recorded on magnetic tapes 9 tracks, density 1600 b.p.i.

ANNEXLayout for Tariff Rate Information File

Part One - TARIFF DATA		Field location	Field length
1.	Tariff number (or statistical number)	1-30	30
2.	Record annotation reference	31	1
3.	Description		
	Annotation reference	32	1
	Description of the tariff line	33-132	100
4.	GATT rate		
	Annotation reference	133	1
	Type of rate	134	1
	Rate	135-174	40
5.	M.f.n. "Statutory" rate		
	Annotation reference	175	1
	Type of rate	176	1
	Rate	177-216	40
6.	M.f.n. applied rate		
	Annotation reference	217	1
	Type of rate	218	1
	Rate	219-258	40
7.	GSP rate		
	Annotation reference	259	1
	Type of rate	260	1
	GSP code	261-264	4
	Rate	265-304	40
8.	AVE year label (71)	305-306	2
	Annotation reference	307	1
	GATT rate ¹	308-311	4
	Annotation reference	312	1
	M.f.n. applied rate	313-316	4
	Annotation reference	317	1
	GSP applied rate	318-321	4

¹ Statutory rate in the absence of GATT rate.

Part One - TARIFF DATA		Field location	Field length
9.	AVE year label (72)	322-323	2
	Annotation reference	324	1
	GATT rate ¹	325-328	4
	Annotation reference	329	1
	M.f.n. applied rate	330-333	4
	Annotation reference	334	1
	GSP applied rate	335-338	4
10.	AVE year label (73)	339-340	2
	Annotation reference	341	1
	GATT rate ¹	342-345	4
	Annotation reference	346	1
	M.f.n. applied rate	347-350	4
	Annotation reference	351	1
	GSP applied rate	352-355	4
11.	AVE year label (..)	356-357	2
	Annotation reference	358	1
	GATT rate ¹	359-362	4
	Annotation reference	363	1
	M.f.n. applied rate	364-367	4
	Annotation reference	368	1
	GSP applied rate	369-372	4
12.	AVE year label	373-374	2
	Annotation reference	375	1
	GATT rate ¹	376-379	4
	Annotation reference	380	1
	M.f.n. applied rate	381-384	4
	Annotation reference	385	1
	GSP applied rate	386-389	4
13.	Blank space	390-400	11
Part Two - ANNOTATIONS (at the end of the file)		Field location	Field length
1.	Tariff number (or statistical number)	1-30	30
2.	Field reference	31-33	3
3.	Annotations	34-400	367

¹Statutory rate in the absence of GATT rate.

NOTE: For compound rates the AVE should include, where applicable, the ad valorem element plus the incidence of the specific element of the duty.