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Inventory of Variable Levies and Other Special Charges on Imports

AUSTRIA¹

Revision

The Austrian variable levies are imposed under five different laws:

In the case of goods subject to conventional duties bound under GATT, the compensatory levy must not exceed the amount of the customs duty resulting from the bound rate.

1. Sugar Law (Federal Law Gazette No. 217/1967 as amended by Federal Law Gazette No. 462/71)

Goods listed in the Annex under 1 are subject to a compensatory levy, which is collected in lieu of tariff duties.

Levy collections under the Sugar Law totalled S 216,000 in 1973.

The level of the levy or skimming charge is calculated by taking the difference between threshold and free-frontier price. Levies are fixed separately for raw sugar (with a polarization of 97.5 per cent and less), for white sugar (with a polarization of more than 97.5 per cent) and for molasses. The level of the levy on sugar beets amounts to 12 per cent of the level of the levy on white sugar. The levy on all other goods covered by the law corresponds to that on white sugar. The level of levies is changed when the difference between the prices determining their level varies by more than 5 per cent.

2. Starch Law (Federal Law Gazette No. 218/1967 as amended by Federal Law Gazette No. 150/1969 and Federal Law Gazette No. 463/1971)

¹The preceding notification by Austria (1968 figures) was published in document COM.AG/W/68/Add.3, pages 3-12.

The levies on potato starch, wheat starch, and maize starch are calculated by taking the difference between the threshold price and the free-frontier price. These levies are recalculated quarterly and are changed when the price difference determining them varies by more than 5 per cent. The levy on wheat starch is also used as a basis for the calculation of rice starch, the levy on potato starch is also used as a basis for the calculation of the levies on the other starches and starch products.

Goods listed in paragraph 1(3) of the same Law, quoted under "2b" in the Annex, are subject both to a fixed protective element, amounting to 20 per cent of the free-frontier price, and a variable component (compensatory levy), which is calculated (by taking into account the levy on potato starch) and the amount of which depends on the quantity of starch contained in the products concerned.

The level of the levy is changed when the price difference determining it varies by more than 15 per cent.

Levy collections under the Starch Law totalled S 4,888,000 in 1973.

3. Equalization Levy Law (Federal Law Gazette No. 219/1967 as amended by Federal Law Gazette No. 359/1972)

Goods listed in the Annex under 3 are covered by the Law. The compensatory levy is collected in lieu of tariff duties.

Levy collections amounted to S 101,676,000 in 1973.¹

The levy consists of a fixed protective element and a variable amount.

The fixed amounts consist of ad valorem charges quoted in Federal Law Gazette No. 359, Article I, lit. 4 amending paragraph 2 of the Basic Law No. 219/1967.

¹The Austrian authorities have stated that it is not possible to calculate the percentage of import levies for all goods covered by the equalization levy act, as the pattern of import statistics deviates from the main group of commodities.

The variable amount is calculated by taking the difference between the domestic or threshold price and the external or free-frontier price of the quantities of sugar (sucrose, dextrose, glucose), molasses, cereals, cereal groats and flours, as well as starch, milk and milk products contained in the goods concerned. The respective percentage of milk and milk products is converted into terms of milk powder. The calculation of the variable amount for primary materials generally used is based on standard (average) recipes. Since the amendment Federal Law Gazette No. 359/1972 the variable amounts are calculated on 1 February, May, August and November of each year; the results are published by decree.

4. Marketing Law 1967 (Federal Gazette No. 36/1968 as amended by Federal Law Gazette Nos. 452/1969, 411/1970, 492/1971, 224/1972, 455/1972 and 808/1974)

The Marketing Law of 1958 consolidated three Laws of 1950 relating to the three main agricultural sectors - dairy products, cereals and meat. The Law at present in force is the Marketing Law of No. 36/1968 as amended. The basic levy system applied under this Law has, therefore, remained practically unchanged since 1950. The aims of the levy system under the Marketing Law are to provide an adequate income for producers, to equalize prices throughout the country and to take into account the interest of the consumer. It must be stressed that import prices are only brought into line with domestic prices by decision of the competent Board and have not to bear any additional protective charge.

For Marketing Law goods the levy is, in practice, collected in lieu of customs duty. The amount of the levy is calculated by taking the difference between the gate price (dutiabale) and the representative or fixed (as in the case of bread cereals) domestic wholesale price.

In the case of cereals the gate price is determined generally by the cheapest offer of the importers entering into competition on the basis of public tenders.

The Austrian authorities have noted that there are no official statistics available for the requested calculation; all figures submitted represent only estimates and are not supposed to be very meaningful.

The products subject to market regulation are listed in the Annex under 4.

The following comments were made:

As regards dairying it was stated that only position 04.04, Cheese and Gurd (from cow's milk) showed considerable imports, disregarding drawback trade. Under this position the Dairy Products Board charged for a total of 2,444,419.27 kgs. of imports compensatory levies of S 14,412,435.07 in 1973. This results in an average incidence of S 5.90 per kg. A breakdown of the import levies according to the individual types of cheese is not possible for technical reasons.

Trade of cereals

(i) Oats and maize for feeding:

In the field of fodder grains only 17,000 tons of oats with a calculated gross import levy of 12.8 per cent and 40,000 tons of maize with an average gross levy of 17.8 per cent were licensed by the Board in 1973. The gross import levy does not take account of the freight compensations granted by decree of the Federal Ministry of Agriculture and Forestry.

(ii) Durum wheat:

In the field of bread grains, 2,517 tons of durum wheat with an import levy of some 5.3 per cent were admitted in 1973.

In animal husbandry import price adjustments are individually fixed by decree of the Livestock Trade Board. The compensatory levies on imports of the most important commodities were:

| | | |
|---------------------|------|-------|
| Live horses | 0.05 | S/kg. |
| Live cattle | 0 | |
| Calves with skin | 0 | |
| Live pigs | 0 | |
| Pig halves | 0 | |
| Belly pork | 0 | |
| Heads of pigs | 1.0 | S/kg. |
| Beef | 0 | |
| Veal | 0 | |
| Horseflesh | 0.20 | S/kg. |
| Viscera of pigs + | | |
| Viscera of cattle + | | |
| Viscera of calves + | | |
| Salame | 40% | |
| Meat preserves | 30% | |
| Meat extract | 0 | |

Breakdown of viscera:

| | | |
|----------------------|-----|-------|
| (+) Pigs' hearts | 3.0 | S/kg. |
| Pigs' liver, fresh | 3.0 | S/kg. |
| Pigs' liver, frozen | 2.0 | S/kg. |
| Pigs' kidneys | 3.0 | S/kg. |
| Pigs' tongues | 1.0 | S/kg. |
| | | |
| (+) Cattle hearts | 3.0 | S/kg. |
| Cattle liver, fresh | 3.0 | S/kg. |
| Cattle liver, frozen | 2.0 | S/kg. |
| Cattle tongues | 1.0 | S/kg. |
| | | |
| (+) Calves' brain | 3.0 | S/kg. |
| Calves' thymus | 6.0 | S/kg. |
| Calves' liver | 3.0 | S/kg. |
| Calves' tongues | 1.0 | S/kg. |

In 1973 the total revenues in this sector amounted to S 26,506,851.21.

5. Poultry industry (Federal Law Gazette No. 135/1969 as amended by Federal Law Gazette No. 467/1971 and No. 785/1974)

In 1969 another regulation concerning equalization levies came into force. The products subject to these levies are listed in the Annex under 5.

The compensatory levies are calculated taking the difference between the gate price (dutiabale value) and the threshold price, the incidence being at least the level of the tariff rate; above this rate there is no additional protective charge on imports. The levy is fixed individually by the Ministry for Agriculture. The same Ministry is held, after hearing a consultative expert body, to fix by decree economically adequate and justified threshold prices for the products concerned, in agreement with the Ministries for Finance and for Trade and Industry.

An import equalization levy of a total of S 95 million was charged in 1973; detailed data are the following (estimates):

| | | <u>S million</u> |
|----------------------------|---------------|------------------|
| I. Live poultry | 500,000 heads | 1.0 |
| II. Dead poultry and parts | 13,000 tons | 50.2 |
| III. Eggs | 15,500 tons | 38.3 |
| IV. Egg products | 1,700 tons | 5.5 |

LIST OF PRODUCTS SUBJECT TO COMPENSATORY LEVIES
ACCORDING TO THE MARKETING LAW AND SPECIAL LAWS

| <u>Law</u> | <u>Symbol used</u> |
|--|--------------------|
| Sugar Law | 1 |
| Starch Law | |
| - Variable levy | 2a |
| - Variable levy + fixed amount | 2b |
| Equalization Levy Law | 3 |
| Marketing Law. | 4 |
| Equalization Levy Law for poultry and eggs | 5 |

| Item | Products subject to levy | Levy type |
|------------|---|--------------|
| | Description | |
| ex 01.01 A | Live horses, for slaughter | 4 |
| ex 01.02 | Live animals of the bovine species, for slaughter | 4 |
| ex 01.03 | Live swine, for slaughter | 4 |
| 01.05 | Live poultry, that is to say, fowls, ducks, geese, turkeys and guinea fowls | 5 |
| ex 02.01 | Meat and edible offals of the animals falling within heading Nos.01.01 A, 01.02 and 01.03, fresh, chilled or frozen | 4 |
| 02.02 | Dead poultry (that is to say, fowls, ducks, geese, turkeys and guinea fowls) and edible offals thereof (except liver), fresh, chilled or frozen | 5 |
| 02.03 | Poultry liver, fresh, chilled, frozen salted or in brine | 5 |
| 02.05 A | Pig fat free of lean meat (not rendered or solvent-extracted), fresh, chilled, frozen, salted, in brine, dried or smoked | 4 |
| 02.05 B | Poultry fat (not rendered or solvent-extracted), fresh, chilled, frozen, salted, in brine, dried or smoked | 5 |
| ex 02.06 | Meat and edible meat offals of the animals falling within heading Nos.01.01 A, 01.02 and 01.03, salted, in brine, dried or smoked | 4 |
| ex 04.01 | Milk from cows and cream from cows' milk, fresh, not concentrated or sweetened | 4 |
| ex 04.02 | Milk from cows and cream from cows' milk, preserved, concentrated or sweetened | 4 |
| ex 04.03 | Butter, from cows' milk | 4 |
| ex 04.04 | Cheese and curd, from cows' milk | 4 |
| 04.05 A | Hen's eggs | 5 |

| Item | Products subject to levy | Levy type |
|------------|--|-----------|
| | Description | |
| ex 04.05 C | Whole eggs and egg yolks, fresh, dried or otherwise preserved, sweetened or not, except whole eggs and egg yolks, dried, intended for the manufacture of egg-based macaroni; spaghetti and similar products, under certificate of authorized use according to note 3 to heading No. 04.05 of the Austrian Customs Tariff | 5 |
| ex 07.06 | Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and other similar roots and tubers with high starch or inulin content, fresh or dried, whole or sliced | 2a |
| 10.01 | Wheat and meslin (mixed wheat and rye) | 4 |
| 10.02 | Rye | 4 |
| 10.03 A | Fodder barley | 4 |
| 10.04 A | Fodder oats | 4 |
| 10.05 A | Fodder maize | 4 |
| 10.05 B | Maize for grinding | 4 |
| ex 10.07 | Millet | 4 |
| ex 11.01 | Wheat, meslin, rye or maize flour | 4 |
| ex 11.02 B | Groats, meal, other worked grains (for example, rolled, flaked, polished, pearled or kibbled but not further prepared), germs, whole, rolled, flaked or ground, of wheat, meslin, rye or maize; barley, oats and millet, flaked | 4 |
| 11.05 | Flour, meal and flakes of potato | 2a |
| 11.06 | Flour and meal of sago and of manioc, arrowroot, salep and other roots and tubers falling within heading No. 07.06 | 2a |
| 11.07 | Malt, roasted or not | 3 |
| ex 11.08 | Starches | 2a |
| 12.04 A | Sugar beet, whole or sliced | 1 |
| ex 13.03 C | Pectic substances, pectinates and pectates, containing more than 90 per cent by weight of added sugar, evaluated as invert sugar | 3 |

| Item | Products subject to levy | Levy type |
|----------|--|-----------|
| | Description | |
| 15.01 A | Lard and other pig fat | 4 |
| 15.02 A | "Premier jus" and edible tallow | 4 |
| 16.01 | Sausages and the like, of meat, meat offal or animal blood | 4 |
| ex 16.02 | Other prepared or preserved meat or meat offal of the animals falling within heading Nos. 01.01 A, 01.02 and 01.03 | 4 |
| 17.01 | Beet sugar and cane sugar, solid | 1 |
| 17.02 A | Glucose (dextrose) with a purity of at least 98% | 2b |
| B | Other glucose, glucose syrup and maltodextrins | 2b |
| ex C | Fructose (laevulose) | 3 |
| E | Artificial honey, whether or not mixed with natural honey | 1 |
| F | Caramel | 1 |
| G | Invert sugar | 1 |
| H | Other sugars and syrups (except maltose and lactose) | 1 |
| 17.03 | Molasses, whether or not decolourized | 1 |
| 17.04 | Sugar confectionery, not containing cocoa | 3 |
| 17.05 | Flavoured or coloured sugars, syrups and molasses, but not including fruit juices containing added sugar in any proportion | 1 |
| 18.06 | Chocolate and other food preparations containing cocoa | 3 |
| 19.01 | Malt extract | 3 |
| 19.02 | Preparations of flour, meal, starch or malt extract, of a kind used as infant food or for dietetic or culinary purposes, containing less than 50% by weight of cocoa | 3 |
| 19.03 | Macaroni, spaghetti and similar products | 3 |

| Item | Products subject to levy | Levy type |
|----------|--|-----------|
| | Description | |
| 19.04 | Tapioca and sago; tapioca and sago substitutes obtained from potato or other starches | 2b |
| 19.05 | Prepared foods obtained by the swelling or roasting of cereals or cereal products (puffed rice, corn flakes and similar products) | 3 |
| 19.06 | Communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products | 3 |
| 19.07 | Bread, ships' biscuits and other ordinary bakers' wares, not containing added sugar, honey, eggs, fats, cheese or fruit | 3 |
| 19.08 | Pastry, biscuits, cakes and other fine bakers' wares, whether or not containing cocoa in any proportion | 3 |
| ex 20.05 | Jams, fruit jellies, marmalades, fruit purée and fruit pastes, being cooked preparations, containing added sugar | 3 |
| 20.07B4b | Juices of fruits falling within heading No. 08.02 A, B and C, unfermented and not containing spirit, containing 25% or more by weight of added sugar, evaluated as invert sugar | 3 |
| ex 21.01 | Roasted coffee substitutes, extracts, essences and concentrates thereof; except roasted chicory, not mixed with other ingredients, extracts, essences and concentrates thereof | 3 |
| ex 21.05 | Homogenized preparations, ready for consumption, containing meat or meat offal, with a dry substance of more than 10%, unless the importer produces at the time of customs clearance a certificate from the Federal Ministry for Agriculture and Forestry attesting that these ingredients stem only from animals falling within heading Nos. 01.04 to 01.06 | 4 |

| Item | Products subject to levy | Levy type |
|---------------------------------------|--|-----------|
| | Description | |
| ex 21.07 A ^{1/} , B and D | Cereals in grain or ear form, pre-cooked or otherwise prepared; ravioli, macaroni, spaghetti and similar products; ice creams and other edible ices; prepared yoghurt; prepared milk-powder for use as infants' food or for dietetic or culinary purposes; other food preparations containing 1.5% or more by weight of milk-fats or containing 5% or more by weight of sugar, evaluated as invert sugar, or containing 5% or more by weight of starch | 3 (4) |
| ex 22.02 ^{1/} | Lemonade, flavoured spa waters and flavoured aerated waters and other non-alcoholic beverages, not including fruit and vegetable juices falling within heading No. 20.07; containing milk, milk-fats or sugar | 3 (4) |
| 22.03 | Beer made from malt | 3 |
| ex 23.02 ^{2/} | Bran, sharps and other residues derived from the shifting, milling or working of cereals except "Schälkleie" | 4 |
| ex 23.07 | Sweetened forage and other preparations of a kind used in animal feeding, containing 40% or more by weight of sugar, evaluated as invert sugar, or containing 40% or more by weight of starch or containing 2% or more by weight of lactose | 3 |
| 29.43 A | Laevulose (fructose) | 3 |
| 35.01 ^{1/} | Casein, caseinates and other casein derivatives; casein glues | 3 (4) |
| 38.19 C1 | Foundry core binders based on starch and dextrin | 2b |
| 39.06 C2b | Starch ethers and esters, water soluble | 2b |

^{1/} For the items ex 21.07 A and D, ex 22.02 and ex 35.01 A, which are subject to a compensatory levy according to the Equalization Levy Law, the Dairy Products Board charges an additional import levy according to the Marketing Law, if and inasmuch as the interior charges on the same or similar products originating in Austria (contributions for price equalization and marketing promotion) exceed the (fixed) protective element of the equalization levy (Law Gazette No. 455/1972, Article II, lit. 2 and No. 808/1974, Article II, lit. 1), amending paragraph 17(10) of the Marketing Law as amended by Federal Law Gazette No. 492/1971.

^{2/} Bran of inferior quality (residue) derived from the processing of coarse grains.