

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MTN/GR/W/8/Add.2

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## Multilateral Trade Negotiations

### Group "Agriculture"

#### sub-Group on Grains

## DOCUMENTATION ON INTERNATIONAL TRADE IN GRAINS

### Note by the Secretariat

#### Addendum

The present addendum to document MTN/GR/W/8 contains information concerning measures affecting exports and imports (Chapter C) and statistical information on commercial and special transactions (Chapter D) submitted by the following delegations:

Canada

European Communities

Thailand

Yugoslavia

#### CANADA

Credit sales of Western Canadian wheat and barley on terms of three years or less are financed by the Canadian Wheat Board, under a Government guarantee, following Government approval. Sales not administered by the Wheat Board, including sales of other than the Western grains marketed by the Board, and sales on terms of more than three years are insured by the Export Development Corporation, which is a Crown Corporation, again with a Government guarantee of repayment.

Most sales on credit have been on terms of three years or less, although there have also been sales to three countries on concessional terms of up to ten years following approval of a concessional sales credit programme in 1968. There have been no new concessional arrangements made since 1972, although Canada is continuing to fulfil ongoing commitments in two countries.

Canada provides food aid, mainly in the form of grains, under both bilateral and multilateral assistance programmes. TLO principles of surplus disposal are observed. Canada agreed to provide a minimum of 495,000 tons of grain annually to developing countries under the Food Aid Convention of the IWA. More recently, it was announced that Canada would provide one million tons of grain annually in each of the three fiscal years beginning April 1975.

The attached table, covering the period 1968/69 to 1974/75 inclusive, shows the volume of wheat exports on concessional credit terms as well as grain exports on aid terms. Wheat and barley exports on terms of three years or less are shown separately. In this period over 60 per cent of the volume of credit transactions was with China on commercial credit terms of eighteen months.

CANADIAN GRAIN SALES ON CREDIT AND AID TERMS  
(million bushels grain equivalent)

Concessional Credit <sup>a</sup>			Special Transactions						Commercial Credit Export Transactions	
			Aid						Commercial Credit <sup>b</sup>	
Aug./July	Wheat		Wheat and Wheat Flour	Barley	Rapeseed	Rapeseed Oil	Sorghum	Wheat and Wheat Flour	Barley	
1968/69	-		25.1	-	-	-	-	90.5	-	
1969/70	6.2		30.4	1.3	-	-	-	80.6	4.8	
1970/71	16.4		38.8	0.9	5.8	-	-	133.0	3.9	
1971/72	13.1		44.5	0.3	0.7	-	-	146.3	16.6	
1972/73	12.5		26.4	0.6	5.7	-	-	187.7	-	
1973/74	11.8		21.5	0.9	1.1	-	-	105.2	10.1	
1974/75	14.5		23.8	0.8	1.0	0.9	0.4	113.6	-	

<sup>a</sup>On terms of up to ten years.

<sup>b</sup>On terms of up to three years.

EUROPEAN COMMUNITIES

Data concerning non-commercial transactions

The only non-commercial transactions carried out by the Community in the grains sector are those under the Convention concerning Food Aid.

I. Total quantities of cereals furnished as Food Aid

Crop year	Tonnage allocated
1968/69	1,035,000
1969/70	1,035,330
1970/71	1,015,860
1971/72	983,389
1972/73	985,079
1973/74	1,050,133
1974/75 (prov.)	1,263,529

II. Breakdown by cereal

Crop Year	Wheat	Wheat flour	Maize	Grain sorghum	Rice	Barley	Maize meal	Maize flour	Pearled barley	Barley flour	Oat flakes	Hard wheat meal	Barley meal	Soft wheat meal	Rye	Groats	Hard wheat
1968/69	689,737	217,740					2,542	720	1,488	1,728	1,488	2,181	585				
1969/70	495,500	333,300	37,000					24								1,580	
1970/71	492,526	316,343	24,000	7,500	1,500		1,667					1,266		7,300	10,000		
1971/72	500,101	240,408	20,000	20,000	79,164												4,000
1972/73	633,260	157,777	77,300	26,000	6,112	1,000						5,000					
1973/74	608,489	187,136	137,500	25,000	5,676						10,000						

THAILAND

Measures Affecting Imports and/or Exports of Grains

1. On the import side, there are no measures affecting imports of the four products except for import tariffs. The Government does not impose quantitative restrictions or any other non-tariff measures on the import of wheat and barley. However, tariffs and business taxes are charged on the importation of the four products as in the following tables.

Import Tariffs

Commodity	Rate of duty (specific) baht/kg.	Rate of business tax (%)
Maize	2.20	1.5
Sorghum	2.20	1.5
Wheat	2.20	1.5
Barley	2.20	1.5

Source: Customs tariff of Thailand.

2. On the export side, measures affecting exports of the four products include business taxes and other actions by central boards and agencies.

2.1 Business taxes are charged on the exports of maize, sorghum and wheat as follows:

Business Taxes

Commodity	Rate of business tax (%)
Maize	2.0
Sorghum	2.0
Wheat	2.0

Source: Customs tariff of Thailand.

## 2.2 Other central board actions

2.2.1 Maize. Each year the Board of Trade of Thailand enters into negotiations with major importers of maize, for example Japan and the Republic of China, wherein agreements are reached concerning the quantity of exports for the coming year and other conditions of sale including shipping arrangements. These agreements become contracts which must be fulfilled during the year. After such contracts are fulfilled the rest of the maize is available for export to other foreign markets.

All export of maize is subject to export licensing by the Ministry of Commerce in order to ensure that there is enough maize to fulfil the contracts. Furthermore the Ministry of Commerce also fixes the minimum export prices so as to avoid cut-throat competition. Export of maize is also subject to export quality tests by the Office of Commodity standards.

Export credits are given to maize exporters by the Bank of Thailand (the central bank) in the form of re-discount of promissory notes. The present re-discount rate is 5 per cent per annum.

2.2.2 Sorghum. The Government does not take direct actions on the export of sorghum but it fixes minimum export prices, as in the case of maize. Sorghum is also subject to pre-export quality tests by the Office of Commodity Standards. Export credits are also provided to sorghum exporters by the Bank of Thailand.

The foregoing measures are summarized in the following tables.

Measures affecting Imports and/or Exports of Grains

Commodity	Measures affecting	
	Imports	Exports
1. Maize	<ol style="list-style-type: none"> <li>1. Import duty</li> <li>2. Business tax</li> </ol>	<ol style="list-style-type: none"> <li>1. Business tax</li> <li>2. Bilateral contracts</li> <li>3. Export licensing</li> <li>4. Export standards</li> <li>5. Minimum export price control</li> <li>6. Export credits by the Bank of Thailand</li> </ol>
2. Sorghum	<ol style="list-style-type: none"> <li>1. Import duty</li> <li>2. Business tax</li> </ol>	<ol style="list-style-type: none"> <li>1. Business tax</li> <li>2. Export standards</li> <li>3. Minimum export price control</li> <li>4. Export credits by the Bank of Thailand</li> </ol>
3. Wheat	<ol style="list-style-type: none"> <li>1. Import duty</li> <li>2. Business tax</li> </ol>	<ol style="list-style-type: none"> <li>1. Business tax</li> <li>2. Export credits by the Bank of Thailand</li> </ol>
4. Barley	<ol style="list-style-type: none"> <li>1. Import duty</li> <li>2. Business tax</li> </ol>	



YUGOSLAVIA

Cereals

Exports of cereals are subject to licensing and imports are subject to commodity quotas.

There are a number of enterprises which export and import cereals. Only enterprises authorized by the Federal Executive Council may participate in the trade with cereals. The principal trading organizations are Granexport, Beograd, Agrocoop, Novi Sad, and Agrariacoop, Zagreb. Moreover, the Federal Office in charge for reserves of food products is authorized to import wheat, maize and rice. Import is regulated by the Secretariat for Foreign Trade.