

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

AG/FOR/W/PER/1
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Special Distribution

Committee on Trade in Agriculture

INFORMATION ON MEASURES AFFECTING TRADE SUBMITTED BY PERU

Note by the Secretariat

1. This note has been prepared by the Secretariat with a view to facilitating discussion in the Committee, notably with respect to "Exercise A", as was suggested by the Chairman at the meeting in June 1983 /AG/M/2, paragraph 23). It provides a summary of the information on measures affecting trade set out in document AG/FOR/PER/1.
2. AG/FOR/PER/1 covers all products falling within CCCN Chapters 1 through 24, classifiable under 164 different four-digit headings of the CCCN; no other products are covered.
3. Measures included in AG/FOR/PER/1 are tariff and non-tariff measures affecting either exports, or imports, or both. The symbols used are those set out in document AG/W/2¹. Information on "other preferential duties" is limited at this stage to preferences granted by Peru in the context of the Latin American Integration Association (ALADI).

Measures affecting exports

4. Subsidies - Column 2: no entry in the format tables. Column 3 - Non-commercial credit: no entry. Column 4 - Other forms of assistance: no entry. Column 5 - Charges, prohibitions and other restrictions: the entry "P" (prohibition) is inscribed against 12 headings (applicable sometimes only to part of the heading). Article XX (g) - (relating to the conservation of exhaustible natural resources) is specifically invoked in five instances (by analogy, in six instances) and

¹ The envisaged Annex to AG/FOR/PER/1, reproducing these symbols and the classifying criteria, mentioned on page 2 of that document could for technical reasons not be circulated together with AG/FOR/PER/1.

Article XX (b) - (measures necessary to protect human, animal or plant life or health) in four instances. For position ex 04.01 (fresh milk) Article XI-2a is invoked. No specific GATT Article is shown against ex P (potato starch) classified in the format under heading 11.01. The entry "XR", for export restriction, is shown against 10 CCCN headings. For 01.02 (live cattle), ex 04.02 (condensed, evaporated milk), 17.01 (sugar), 17.03 (molasses) - the GATT Article invoked is Article XI:2a. For heading ex 01.01 (pure-bred racing horses), ex 23.02 (cottonseed cake and soya-cake) Article XX (b) has been invoked and, by implication, this might also apply to ex 12.07 (medicinal plants and coconut in flakes). No specific GATT Article or provision has specifically been invoked, among those already cited, in regard of export restrictions shown against positions 15.04 and 23.01 (fats, oils, flours and meals of fish and marine animals) and 24.01 (unmanufactured tobacco). Two positions, 09.01 (coffee) and 17.01 (sugar) are shown as subject to global quotas, in accordance with international agreements, and the relevant GATT Article shown is XX (h). Column 6 - State trading enterprises: A reference to actual or potential state-trading activities is inserted against 8 headings (coffee, tobacco, and various fishery and fishery industry products). The relevant GATT Article shown is Article XVII. Column 7 - Other measures affecting exports: no entry.

Measures affecting imports

5. Column 8 - Tariffs and bindings: there are no mfn-free rates. Out of 164 four-digit headings in Chapters 1 through 24, twelve headings are in the category of 5 through 15% ad valorem; about 50 headings are subject to a duty ranging (sometimes from 5, 10 or 15 per cent) to a maximum set at or below, 30%; for 28 headings the duty rate range has as its maximum 40%; In other words, somewhat more than one-half of all duty rates are comprised between 5% and 40%. The remainder are duties ranging up to 60% and are, in fact, very frequently set at 60%. In respect of 27 CCCN headings GATT bindings are shown affecting, with one exception, part of the heading. The GATT reference for these bindings is Schedule XXXV. The existence of other preferences (but not yet reflecting those granted under the Cartagena Agreement, c.f. para. 3 of this note) is shown in 37 instances, relating, in general, to specified sub-positions only. The GATT provision invoked is the 'Enabling Clause'. Column 9 - Levies and other charges: the applicability of an import levy (MLV) for balance-of-payments reasons is shown against 144 headings. The GATT Article invoked is Article XVIII:12. Column 10 - Licensing and import restrictions: a prior import licensing requirement, "L" is shown against ex 04.02 (milk powder), ex 07.01 (potatoes), 10.01 (wheat) ex 10.06 (yellow maize), 10.06 (rice), ex 10.07 (millet, sorghum), 11.01 (cereal flours), ex 12.01 (soya beans), ex 14.05 ("Tara pods"), 15.07 (fixed vegetable oils), 22.08 (ethyl alcohol) and ex 24.02 (cigarettes). The GATT Article invoked is Article XVIII:12. A mixing regulation (MR) is applicable to ex 12.03 (rice for sowing) and for ex 12.04 (sugar cane); GATT Article invoked: XX(b). Column 11 - Sanitary and phytosanitary regulations: the symbol SN, or PSN - as the case may be - is shown against 78 headings. The Article invoked is XX (b). Column 12 - Marketing standards, packaging and labelling regulations: the symbol MSR appears against positions 04.01 - 04.04 (dairy products), 11.01 - 04 and 11.07 - 08 (cereal and leguminous vegetables flours, - meal, - malt and for starches), ex 12.07 (medicinal

plants, coconut flakes), 1302, - 03 (shellac, gums, resins, saps, agar-agar), 14.05 (vegetable products n.e.s.), 15.02 - 07, 15.15 (various fats and oils), and 16.01 - 17.02 (prepared meat, fishery and other animal products, sugar) and various food and processed food products in chapters 18, 19, 20, and also in respect of 22.08 (ethyl alcohol) and 24.02 (cigarettes). The GATT Article invoked is XX (b). Column 13 - State trading enterprises: Imports under five headings are shown in the format as subject to State trading "ST", namely 03.01 - 03 (fish, crustaceans, molluscs), 04.02 (preserved milk and cream) and 10.06 (rice). Article XVII is invoked. Column 14 - Other measures affecting imports: no entry.

References to GATT-documents

6. Column 15: the documents cited by Peru as being relevant in the context of the information covered by Peru's submission are Schedule XXXV, L/5104/Add.15, L/5507, L/5522, L/5527, BOP/217, and AG/DOC/3/PER/1.

References to GATT Articles, provisions and classification criteria as in paragraph 7(a) through (f) of document AG/1.

7. Column 16 - Summary: For most of the non-tariff measures inscribed in the format Peru has indicated the GATT Articles corresponding to and governing the application of the measures as noted in column 16. Special charges on most imports (designated "MLV" in the Peruvian submission) and licensing requirements, "L", for a number of products, are imposed for balance-of-payments reasons and Article XVIII:12 has been invoked. Mixing regulations for imports of a few products and sanitary and phytosanitary regulations as well as marketing standards and regulations on other imports are applied under the provisions of Article XX(b). In respect of preferential duty rates applicable to imports from ALADI countries the "Enabling Clause" has been invoked. As regards exports, Column 16 shows that various measures taking either the form of export restrictions or prohibitions, are applicable under the provisions of Article XX(b) or (g) and that quotas on exports of coffee and sugar are applied in accordance with the provisions of the ICA or the ISA (Article XX(h)). Finally, certain items are subject to actual (or potentially) State Trading (exports and/or imports), in respect of which GATT Article XVII is invoked.

8. With a few exceptions (concerning certain measures under Article XX(b) - for which the classification symbol (a) was chosen) - Peru has not yet indicated the classification symbol it considers appropriate for designating the various measures.