

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

AIR/TSC/3

5 November 1981

Special Distribution

Committee on Trade in Civil Aircraft

THIRD PROGRESS REPORT OF THE TECHNICAL SUB-COMMITTEE

1. The Technical Sub-Committee met three times since the last progress report (AIR/TSC/1); in March, June and October 1981. This report covers work within the Sub-Committee on statistics, tariff classification matters, end-use systems, the reproduction of Aircraft Agreement concessions in national tariffs, and on the List of Selected Products (AIR/TSC/2).

2. On statistics: 1980 import statistics have been submitted by six Signatories and are contained in document AIR/TSC/W/6, 7,10,12,13 and 16. A secretariat note (document AIR/TSC/W/15) summarizes the statistical information available. That summary explains the differences in the degree of coverage and comparability of the statistics. These may be summarized as including:

- different tariff and statistical classification systems, with no available concordance between them;
- in two cases military products were included;
- in one case products extraneous to the Aircraft Annex were included;
- in two cases the statistics covered less than the products in the Annex; in one case some products in the Annex were grouped where imports were less than \$1 million.

To achieve comparability would require some changes in statistical collection systems, which could not be undertaken for 1980 figures. Signatories were invited to consider the feasibility of altering their systems to work towards comparability. Some Signatories felt that there was a clear lack of progress on this matter. In view of this, the Technical Sub-Committee requests the Aircraft Committee to provide instructions on whether the matter of statistical reporting should be pursued.

3. On end use systems, the Sub-Committee had agreed at its meeting in March that Signatories would submit, by July 1981, notifications on problems encountered with other Signatories' end-use systems. These notifications were intended to constitute the basis for a review of end-use systems. As of October 27, 1981, no such notifications have been made, nor has any delegation raised any specific problem. The Sub-Committee concluded that there did not appear to be any problem with end-use systems at present; however it would be prepared to consider any notification submitted to it in the future.

4. On the reproduction of Aircraft agreement concessions in national tariffs, the Sub-Committee noted that Signatories had reproduced in different ways, in their respective national tariffs, the concessions agreed to under the Aircraft Agreement. Some technical questions were raised on how this was done in particular cases. Delegations agreed to consider what action could be taken to ensure full transparency of their respective national tariffs, and to report on their progress to the Technical Sub-Committee.

5. On the List of Products; the Sub-Committee considered some supplementary information on the products listed in document AIR/TSC/2. In addition, a substantial quantity of supplementary information was deposited with the secretariat, where it can be consulted. Members of the Sub-Committee agreed to supply further data, according to an agreed format, no later than the end of January 1982. The Technical Sub-Committee plans to examine this data after it has been circulated.