

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

Committee on Trade in Industrial Products

INVENTORY OF NON-TARIFF BARRIERS

Addendum

Supplemental Notifications

Corrigendum

The following are further notifications received since issuance of the last document in this series.

Country maintaining restriction and description	Products affected	Country notifying
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To add to General Comments:

(Supplements COM.IND/4, pages 2-16)

TUNISIA

The Government of Tunisia, as a developing country, wishes first of all to underline the importance which it attaches to the search for a satisfactory solution of the problems resulting from the application of non-tariff barriers.

It considers that the existence of such barriers has the effect of impairing and even nullifying in certain cases the results of the Kennedy Round.

In this connexion, the Tunisian Government considers that the few concessions from which its products benefited in the context of the Kennedy Round should be guaranteed.

It reserves the right to present further and more specific remarks during the coming deliberations of the Committee on Industrial Products.

Country maintaining restriction and description	Products affected	Country notifying
<u>To add to Part 1:</u>		
UNITED KINGDOM		
Aid to domestic production of ships (New item)	Ships	POLAND: The United Kingdom Government grants subsidies to shipowners for the purchase of vessels constructed in British yards. For vessels not over 80 feet in length, the subsidy is up to 40 per cent of the price. Payment of the balance may be made over fifteen years at an annual interest rate of 5.5 per cent. For longer vessels, the subsidy is 35 per cent of the price. Owners purchasing vessels constructed in Poland are eligible for subsidies of only 20-25 per cent of the price. This gives a clear preference to British shipbuilding yards by comparison with other countries.
<u>To add to Part 2:</u>		
ITALY		
Arbitrary valuation of merchandise (New item)	Various	POLAND: The Italian customs administration determines dutiable value in an arbitrary fashion, often at a level higher than the invoice price. Polish firms have no way of knowing what regulations apply or what is the precise interpretation to be given to them. Consequently they cannot defend themselves against decisions of the customs administration, often inequitable in their view.
ITALY		
Limitation of entry points (New item)	All products of Poland which are subject to quota	POLAND: By decision of the Italian authorities, goods subject to quota coming from Poland can only be imported into Italy if they cross the Italian frontier at one of a limited number of specified points.

Country maintaining restriction and description	Products affected	Country notifying
JAPAN		
Uplifts (Restatement of and addition to Item 98)	All imports	<p>UNITED STATES: Uplift valuations are often arbitrary and excessive. Classification is frequently inconsistent with accepted practice elsewhere - generally in a manner which results in the highest duty possible being assessed. An identical item may be classified in different tariff categories at various ports.</p> <p>Generally, customs emphasizes controlling rather than expediting the entry of imports. Japan's uplift and classification practices increase the cost of imports and are trade restrictive.</p>
<p>CAMEROON CENTRAL AFRICAN REPUBLIC CHAD CONGO (BRAZZAVILLE) DAHOMEY GABON IVORY COAST MALI MAURITANIA NIGER SENEGAL TUNISIA UPPER VOLTA (New items)</p>	All products	<p>HONG KONG: Exports from Hong Kong must be covered by certificates of origin specially endorsed to show a 50 per cent. Commonwealth cost content. This is a discriminatory requirement and occasions additional expense to Hong Kong exporters. It has an inhibiting effect on trade particularly where small consignments of goods are involved.</p>
<p>MADAGASCAR (New item)</p>	Twenty-one categories of goods	<p>HONG KONG: Comment as above.</p>
GREECE		
<p>Samples requirement on pharmaceutical products (New item)</p>	Pharmaceutical products	<p>SWITZERLAND: Samples of pharmaceutical products sent to Greece must be of a size to distinguish them from products for sale. A needless increase in costs results.</p>

Country maintaining restriction and description	Products affected	Country notifying
<u>To add to Part 3:</u>		
JAPAN		
Regulations on additives for food products (New item)	Food products	UNITED STATES: Only specified approved additives may be used in foods for flavouring, preserving and improving food appearance. The process involved in getting an additive on the approved list for use in a new product is long and costly. Imports of products containing certain additives are banned even though the extensive use of the same additives in Japanese food products is permitted. The United States is particularly concerned about the apparent discrimination against imports.
JAPAN		
Pharmaceutical standards (New item)	Prepara- tions	SWITZERLAND: Registration of compound preparations in Japan involves ever-increasing difficulties.
<u>To add to Part 4:</u>		
BENELUX		
Discriminatory licensing of Polish products (Item 223)	Textiles	POLAND: Licences are required for all imports into the Benelux coun- tries from Poland. The decision on granting licences for textiles depends on the Price Control Board. The deliberations of this Board are secret and competitors' prices are not taken into consideration. The procedure is long, often hindering the consummation of commercial transactions.

Country maintaining restriction and description	Products affected	Country notifying
JAPAN		
Administrative guidance on importation (New item)	Any product which can be furnished by a Japanese manufacturer	<p>UNITED STATES: Japanese Government officials have exercised administrative guidance to control imports by making personal appeals to Japanese importers and/or end-users in an attempt to persuade them either not to purchase imported goods, or to market them in a fashion designed to benefit domestic manufacturers.</p> <p>Potentially any product that can be furnished by a domestic manufacturer may be affected.</p> <p>The United States Government views extremely seriously such attempts to restrict international trade and hopes that all officials directly or indirectly concerned will cease obstructing imports of products that compete with Japanese-produced goods.</p>
GREECE		
Discriminatory restriction (Item 246)	Television receivers	POLAND: By Decision 2042 of 30 August 1968 of the Foreign Trade Committee, published in Official Gazette No. 456, imports of television receivers from all countries except the EEC are prohibited.
<u>To add to Part 5:</u>		
PAKISTAN		
Discriminatory insurance rates (New item)	All products	SWITZERLAND: The exporter of goods destined for Pakistan must insure the transportation of the goods with a Pakistan company. Thus, exporters who cover all their export risks under a general policy with a home company are needlessly obliged to carry double insurance.

Country maintaining restriction and description	Products affected	Country notifying
JAPAN		
Discriminatory credit restrictions (Restatement of and addition to item 511)	All imports	UNITED STATES: Import bills are not eligible for discount or as security for loans with the Bank of Japan (BOJ). Imports must usually be financed at interest rates exceeding those on domestic commercial bank loans which are eligible for BOJ discounts or loans. Export bills by contrast, are eligible for discount of BOJ loans at preferential interest rates. Import bills are among the least liquid of Japanese financial assets because they are not eligible for BOJ refinancing. This, plus lower interest rates for domestic commercial loans or export bills, encourages traders to allocate their scarce resources to domestic transactions rather than imports. Import bills were eligible as security for loans until 1966.
(Restatement of and addition to item 511)	All imports	UNITED STATES: Payments must be made in accordance with standard methods of settlement as specified by the Government of Japan. All imports (IQ, AIQ, or AA) usually must be paid for in full within four months of customs clearance and payment in advance of receipt of shipping documents as well as partial payment within the permitted period, is prohibited. In order to settle on different terms importers must obtain the approval of MITI.

Country maintaining restriction and description	Products affected	Country notifying
JAPAN (cont'd)	All imports (cont'd)	UNITED STATES (cont'd) The United States Government views this practice as discriminatory and trade restrictive. In all cases involving non-standard methods, the Government thus is able to deny methods of import settlement that may be necessary to make the competing import a reasonable alternative to the domestic product, although the "Non-Standard Method" may be no more favourable to the purchaser than financing terms available for the domestic products.

To add to Part 6:

JAPAN

Differential treatment of
imports
(New item)

All
products

UNITED STATES: Under the Unfair Premium Prevention Law, the Japanese Fair Trade Commission may disallow "excessive" premiums used to stimulate sales. Restrictive provisions apply equally to premiums offered on imports and by Japanese dealers in domestic items, but are not applicable to Japanese exports.

Differing treatment of imports and exports is discriminatory and trade restrictive. Premium offers by Japanese and foreign exporters should be treated identically. If a foreign firm cannot offer a premium in Japan for the purchase of a product, then Japanese producer/exporters of that item should be precluded from offering purchase premiums abroad.

Country maintaining restriction and description	Products affected	Country notifying
JAPAN		
Requirement to licence local manufacture as condition to importation (New item)	Heavy elec- trical equipment and possibly other	UNITED STATES: Japanese Govern- ment agencies have required foreign companies to agree to licence manufactures by a Japanese firm prior to permitting imports. Foreign manufacturers of heavy electric equipment must licence Japanese manufacture of their equipment before being allowed to import it for sale to a Japanese power company. More- over, the foreign supplier is normally allowed to sell only a prototype unit, with follow-on units usually supplied by the Japanese licensee of the foreign manufacturer.
JAPAN		
Investment restrictions (New item)	All imports	UNITED STATES: Many firms are unable to establish facilities in Japan from which to direct sales and service operations because of restrictions on capital investment. Even obtaining a minority interest in a Japanese corporation is ex- tremely difficult. The United States considers that Japan should adopt policies that would encourage free competition in the Japanese market, including greater freedom for United States companies to establish branch offices and/or subsidiaries in Japan, and an end to discrimination against the sale of foreign products.