

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Special Distribution

Agriculture Committee

Working Group 2

TARIFF STUDY

Note by the Secretariat

1. At its meeting of 21 May 1969 the Council agreed that when working on the tariff study, the secretariat should collect data for all products and should turn over the results for Chapters 1 to 24 of the Brussels Nomenclature to the Agriculture Committee (C/M/54 and L/3207). In the Agriculture Committee's last report to the Council it was noted that the tariff study would be among the documentation available to Working Group 2 (L/3320, Annex 1).

2. By the time Working Group 2 holds its first meeting, data will be available on computer tape for Austria, Denmark, European Communities, Finland, Japan, Norway, Sweden, Switzerland, United Kingdom and United States and shortly thereafter for Canada.

3. For each of these customs areas the secretariat has established a detailed print-out designed to describe the tariff situation at the tariff item level as it will be when all Kennedy Round concessions are implemented. The detailed listing provides information on duty rates, their status under the General Agreement and on imports for two or three recent years under each tariff line. The layout of the detailed listings of items in Chapters 1 to 24, which is the same as that used for the industrial chapters, is described more fully in the Annex to this document.

4. As noted in the Council's discussion on the matter, the detailed listings are too voluminous for general distribution but are available for reference purposes in the secretariat.

ANNEX

Each file contains the full post-Kennedy Round most-favoured-nation tariff and, unless otherwise stated, the value of imports in 1964, 1967 and/or 1968. The customs tariffs are arranged according to the Brussels Tariff Nomenclature. Countries which use a different tariff classification have established a concordance for the purpose of this study. The numbering of tariff lines beyond the four-digits of the BTN follows the national customs tariff. Descriptions either in English or in French are based on the respective issues of the International Customs Journal, published by the International Customs Tariffs Bureau in Brussels. In order to facilitate recording the data on magnetic tape, certain simplifications of the descriptions were necessary. The text of the tariff headings has, in general, been abbreviated and the tariff numbering converted into numerical code. In addition to tariff numbers, statistical coding has been included for countries reporting trade under a different nomenclature.

As already mentioned, the duty rates reported here are those which will be in force when the Kennedy Round concessions are fully implemented. They refer to most-favoured-nation treatment only.¹ Conditional reductions assuming, e.g. the abolition of the "American selling price" have been taken into account but, on the other hand, temporary increases, reductions or suspensions of duties have, in general, not been retained. Unless otherwise stated, fiscal duties are not included. Only ad valorom rates or ad valorem incidences of specific duties are shown in the tariff column. Specific or mixed rates which are usually reported at the end of the description text were converted into ad valorem equivalents on the basis of 1964 and 1967 or 1968 import unit values and rounded to one decimal point. As the duty rates refer to most-favoured-nation treatment, the ad valorem incidences were in general calculated on most-favoured-nation imports only.

In addition to the duty rates, the listings also include indications concerning the type of duty and its legal status under the General Agreement. Distinction is made between bindings which refer to the whole and to a part of a tariff line, and also between bindings at the prevailing rate or a ceiling rate. In most country files, definitions of partial bindings are given in the description column on the line following the full tariff item, and ceiling duty rates are shown in brackets at the end of the description.

The incidence of variable levies, variable components and other special charges has not been included in the tabulations but tariff sub-headings subject to such charges are identified.

The trade data are as far as possible reported in full detail of the national customs tariff. In some cases tariff sub-headings which were introduced during or after the Kennedy Round are not available in trade returns for earlier years. An

¹Wherever applicable, a list of preferential duties is shown in the Appendix.

attempt was made to allocate trade to these newly-created items on the basis of the most recent import data which already distinguish such new tariff sub-items. In some cases, however, import values had to be derived from trading partners' returns or to be allocated arbitrarily from larger aggregates to the appropriate tariff lines. In a few cases, finally, imports could not be allocated to the new tariff sub-headings and their value is reported for several tariff lines combined. When comparing the ad valorem duty rates among countries, it should be borne in mind that the United States and the Canadian duties are applied on an f.o.b. basis and are therefore not strictly comparable to those applied by countries which adhere to the Brussels definition of value.

The import figures refer to the years 1964, 1967 and/or 1968. They are expressed in thousands of United States dollars. Due to different valuation procedures, the United States and the Canadian import figures are not strictly comparable with those of other countries covered in the study. In addition to total trade, imports from countries entitled to most-favoured-nation treatment are distinguished from imports originating in preferential areas and countries; for the EFTA countries, imports from all other EFTA suppliers, and for the EEC, intra-EEC trade are reported separately.¹ Imports from developed and developing countries are also distinguished both for most-favoured-nation and for preferential and area trade. Individual supplying countries are reported in decreasing order of importance. In addition to import values, percentage shares of the most-favoured-nation and preferential areas in total imports and of individual countries in the corresponding area total are also shown.

In designing the layout for the detailed listings, the secretariat endeavoured to supply the data in the greatest detail available yet, at the same time, to keep the volume of the tables within manageable proportions. Unavoidably, the latter consideration required some sacrifice in terms of easy legibility of the tables. The tabulations should be read in the following way:

- (i) For each tariff sub-heading, which is identified by a number in the first column, the first line shows the tariff number and description, the duty rate and the binding code. This symbol indicates not only the status of the duty rate under the General Agreement, but also the type of duty. The value of imports from all provenances and from the most-favoured-nation and preferential areas in the reference period is also shown on that line. Summarized import data for more recent years will be found on the second or third line.
- (ii) The subsequent lines indicate, for the most recent year available, imports from individual supplying countries. Most-favoured-nation developed countries are reported first, followed by most-favoured-nation developing countries and by countries in the Eastern trading area benefiting from most-favoured-nation treatment. Intra-area trade, wherever applicable, is shown on the following line, followed by imports from other countries benefiting from preferential treatment, and,

¹It should, however, be borne in mind that the linear rules for tariff reduction within the EFTA do not, in general, apply to agricultural products.

finally, from any countries in the Eastern trading area not benefiting from most-favoured-nation treatment.

- (iii) For individual areas and countries of origin, both value (in thousand dollars) and percentage share in the area total are shown. The two figures are related by a dash for both area totals and individual countries of provenance.
- (iv) The percentages relating to total most-favoured-nation and total preferential and area imports are based on imports from all origins, whereas the percentages of imports from developed and developing areas were calculated in relation to the respective most-favoured-nation or preferential sub-totals. Shares of individual countries were calculated in respect of total most favoured nation for the countries belonging to that category; and in respect of total preferential or area imports for countries included in the latter category.

The column headings refer to data listed under (i) only. For the detailed import data under (ii), stub descriptions are given at the beginning of each line.

In addition to detailed import figures for each national tariff sub-heading, sub-totals are shown for each BTN heading and for BTN chapters. Aggregate totals for Chapters 1 to 24, Chapters 25 to 99, as well as for total imports, are shown at the end.