- Letter dated 7 February 1979 forwarding Yugoslavia's contribution to the Multilateral Trade Negotiations.

- Letter dated 14 June 1979 forwarding list of tariff concessions granted by Yugoslavia.
Dear Mr. Director-General,

I have the honour to convey the following communication in respect of the contribution of my country to the Multilateral Trade Negotiations.

In the expectation that the Multilateral Trade Negotiations would be concluded positively, and that the requests submitted by the Government of the Socialist Federal Republic of Yugoslavia would meet with a favourable response, my Government has made the maximum effort to contribute towards the achievement of the MTN, while at the same time taking account of the indicative requests submitted by participants in these Negotiations.

In the tariffs sector, the following important steps have been taken:

1. The customs duty range, which was established in the Customs Tariff introduced in 1965 from free to 50 per cent ad valorem, was reduced to from free to 25 per cent ad valorem as of July 1, 1978 (published in the Official Gazette, No. 27/78).

2. An important in-depth reduction of tariff rates has been accomplished, particularly in certain sections of the Customs Tariff (VIII, XI, XII, XVI, XVII and XVIII) which cover leather goods, textiles and clothing, footwear, machinery, mechanical appliances, vehicles, aircraft and other transport equipment, apparatuses and instruments. Applied to imports effected in the period 1974-1977, the average reduction of the duty comes to about 50 per cent.

./.
A very great effort was made to meet the particular interests of exporting countries in the field of capital goods, for about 70 items of the Customs Tariff (sections XVI, XVII and XVIII), where the new rates are now free, 5 and 7 per cent ad valorem instead of the old rates of 20, 25, 30 or more per cent.

4. In order to facilitate international trade, the Recommendation of the Customs Cooperation Council for the harmonization of the Brussels Nomenclature with the Nomenclature of the UN (SITC) has been incorporated into the new Customs Tariff (E-75.17.6 Rev.II). The Yugoslav Customs Tariff has further been elaborated accordingly and the number of tariff items has been increased from 4,537 to 5,869.

The effects of the reduction of customs duty rates can be evaluated by comparing previous and present rates in sectors where important reductions in depth have been made and by applying the changes to imports effected in recent years (1974-1977), as presented in the Annex.

In addition to these efforts made in advance in the year 1978, in the anticipation that negotiations would be terminated and put into effect in their totality, my Government is ready to increase the number of tariff bindings in sections XVI, XVII and XVIII of the Customs Tariff as an additional contribution to the negotiations and with the aim of increasing the stability of trade relations. The number of these bindings is dependent upon the final results of the tariff negotiations.

My Government is also of the opinion that possible adherence to codes and other negotiated instruments adopted in the MTN could be counted as an important contribution of my country to the objectives defined in the Tokyo Declaration.

My Government considers that participating countries interested in exports to the Yugoslav market would derive important benefits from the measures set out above, several of which coincide with specific requests received from them, and hopes
that this will enable them to make additional efforts to respond positively to our requests.

I would be much obliged if this letter, along with the enclosed Annex, could be circulated to the participants in the negotiations.

Yours sincerely,

Dr. Marko Vrhunec
Ambassador

Mr. O. Long
Director-General
GATT
Rue de Lausanne 154
Genève
ANNEX

1. Illustrative comparative presentation of average tariff rates in 1965 and in 1978 after the introduction of the new tariff for some sectors of the most sensitive character

<table>
<thead>
<tr>
<th>Section</th>
<th>1965</th>
<th>1978</th>
</tr>
</thead>
<tbody>
<tr>
<td>VIII. Hides and skins, Leather, Furs and Articles thereof</td>
<td>11.85</td>
<td>7.99</td>
</tr>
<tr>
<td>XI. Textiles and Textile Articles</td>
<td>16.63</td>
<td>15.36</td>
</tr>
<tr>
<td>XII. Footwear, Headgear and Similar</td>
<td>20.95</td>
<td>17.93</td>
</tr>
<tr>
<td>XVI. Machinery and Mechanical Appliances</td>
<td>26.60</td>
<td>14.06</td>
</tr>
<tr>
<td>XVII. Vehicles, Aircraft, Vessels</td>
<td>21.21</td>
<td>13.87</td>
</tr>
<tr>
<td>XVIII. Optical, Cinematographic, Measuring Instruments</td>
<td>26.74</td>
<td>14.37</td>
</tr>
</tbody>
</table>

Total tariff average 13.00 11.40

2. Impact of the reduction of rates on the trade effected in the years 1974-1978 for sections XVI, XVII and XVIII in millions of dinars.

<table>
<thead>
<tr>
<th>Year</th>
<th>Import</th>
<th>% (1965)</th>
<th>Duty</th>
<th>% (1978)</th>
<th>Duty</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974</td>
<td>35,026</td>
<td>24.96</td>
<td>8,744</td>
<td>14.02</td>
<td>4,912</td>
<td>3,832</td>
</tr>
<tr>
<td>1975</td>
<td>46,413</td>
<td>25.22</td>
<td>11,706</td>
<td>14.03</td>
<td>6,512</td>
<td>5,194</td>
</tr>
<tr>
<td>1976</td>
<td>44,656</td>
<td>25.38</td>
<td>11,334</td>
<td>14.03</td>
<td>6,267</td>
<td>5,667</td>
</tr>
<tr>
<td>1977</td>
<td>63,864</td>
<td>25.28</td>
<td>16,145</td>
<td>14.03</td>
<td>8,962</td>
<td>7,183</td>
</tr>
</tbody>
</table>

3. Impact of reduction of rates on trade effected in the years 1974-1978 for sections VIII, XI and XII:

<table>
<thead>
<tr>
<th>Year</th>
<th>Import</th>
<th>%</th>
<th>Duty</th>
<th>%</th>
<th>Duty</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1975</td>
<td>10,402</td>
<td>16.26</td>
<td>1,691</td>
<td>14.66</td>
<td>1,525</td>
<td>166</td>
</tr>
<tr>
<td>1976</td>
<td>9,203</td>
<td>16.13</td>
<td>1,485</td>
<td>14.51</td>
<td>1,335</td>
<td>150</td>
</tr>
<tr>
<td>1977</td>
<td>14,451</td>
<td>15.96</td>
<td>2,147</td>
<td>14.23</td>
<td>1,915</td>
<td>232</td>
</tr>
</tbody>
</table>

4. The tariff reductions presented above cover the import trade in 1977 of 77 billion dinars or 44.4% of the total imports, or at the rate of 1 dollar=18 dinars or about 4 billion 300 million dollars or saving on duty of over 400 million dollars
# SCHEDULE LVII - YUGOSLAVIA

This schedule is authentic only in the English language

## PART I

**Most-Favoured-Nation Tariff**

<table>
<thead>
<tr>
<th>Heading</th>
<th>Description of goods</th>
<th>Concession rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex 84.08</td>
<td>Other engines and motors</td>
<td></td>
</tr>
<tr>
<td>1/</td>
<td>Reaction engines</td>
<td>15</td>
</tr>
<tr>
<td>5/</td>
<td>Parts of reaction engines or of turbo-propellers</td>
<td>15</td>
</tr>
<tr>
<td>Ex 84.18</td>
<td>Centrifuges; filtering and purifying machinery and apparatus /other than filter funnels, milk strainers and the like/, for liquids or gases</td>
<td></td>
</tr>
<tr>
<td>2/</td>
<td>Filtering and purifying machinery and apparatus:</td>
<td></td>
</tr>
<tr>
<td>c/</td>
<td>Filter presses for purification of polymerisates before extrusion</td>
<td>29</td>
</tr>
<tr>
<td>d/</td>
<td>Meta-filters for purification of sodium tyocianate</td>
<td>29</td>
</tr>
<tr>
<td>e/</td>
<td>Rotary filters for purification of sodium tyocianate</td>
<td>29</td>
</tr>
<tr>
<td>f/</td>
<td>Apparatus for purification by extraction of sodium tyocianate</td>
<td>29</td>
</tr>
<tr>
<td>g/</td>
<td>For filtration or purification of other liquids</td>
<td>29</td>
</tr>
<tr>
<td>h/</td>
<td>Interchangeable filters</td>
<td>29</td>
</tr>
<tr>
<td>i/</td>
<td>For metal ores, concentrate and powder</td>
<td>29</td>
</tr>
<tr>
<td>Ex 84.38</td>
<td>Auxiliary machinery for use with machines of heading No.84.37 /for example, dobbies, Jacquards, automatic stop motions and shuttle changing mechanisms/, parts and accessories suitable for use solely or principally with the machines of the present heading or with machines falling within heading No.84.38 or 84.37 /for example, spindles and spindle flyers, card clothing, combs, extruding nipples, shuttles, healds and heald-lifters and hosiery needles/</td>
<td></td>
</tr>
</tbody>
</table>
1/ Parts and accessories for use with the machines of heading No. 84.36:

a/ Extruding nipples for man-made and synthetic fibres

Ex 84.43 Converters, ladles, ingot moulds and casting machines, of a kind used in metallurgy and in metal foundries:

1/ Converters, ladles, ingot moulds and casting machines.

a/ Converters:
   1/ For ferro-nickel refining
   2/ Other

b/ Casting machines:
   1/ Machines for continuous casting of liquid steel
   2/ Machines for die casting:
      a/ Of ferro-nickel
      b/ Other
   3/ Other:
      a/ For ferro-nickel casting
      c/ Implements for additives, cast agitation under pressure or vacuum

Ex 84.44 Rolling mills and rolls therefor:

1/ Rolling mills:
   b/ Rolling rails for hot and cold rolling
   c/ Skep rolling mills

Ex 84.56 Machinery for sorting, screening, separating, washing, crushing, grinding or mixing earth, stone, ores or other mineral substances, in solid (including powder and paste) form; machinery for agglomerating, moulding or shaping solid mineral fuels, ceramic paste, unhardened cements, plastering materials or other mineral products in powder or paste form; machines for forming foundry moulds of sand.
3/ Mixing or kneading machinery:
   b/ Machines for preparation and mixing concretes for pipe coating

4/ Other machines and machinery:
   a/ Palleting machines for metal ores

Ex 84.59

Machines and mechanical appliances, having individual functions, not falling within any other heading of this Chapter:

1/ Nuclear reactors and parts thereof.

4/ Machines and mechanical appliances for the rubber or artificial plastic materials industries
   a/ For injecting plastic material sprays:
   1/ For manufacture of brake lining
   e/ Machines for extension, cutting and packing man-made and synthetic fibres
   f/ Machines for pipe coating with plastics materials by extrusion

6/ Machines and mechanical appliances for treating wood:
   a/ Appliances for shaping and pressing panels of wooden fibres, chips, of cork powder and other coal-cellulose materials

8/ Other machines and mechanical appliances:
   h/ Machines, apparatus and devices for making high-octane gasoline
   i/ Appliances for hydraulic pipe testing
   j/ Machines for cement pipe coating by centrifuges

Ex.85.14

Microphones and stands therefor; loudspeakers; audio-frequency electric amplifiers:

1/ Apparatus, including stands for microphones:
   c/ Microphones stands and similar stands
Ex.85.22 Electrical appliances and apparatus, having individual functions, not falling within any other heading of this Chapter:

1/ Particle accelerators and parts thereof

2/ Other:
   a/ Electrical apparatus for ignition in mining with over 40 ignition spots

Ex.87.06 Parts and accessories of the motor vehicles falling within heading No.87.01, 87.02 or 87.03.

1/ Parts for motor vehicles, capacity over 70t

Ex 88.01 Balloons and airships

Ex 88.02 Flying machines, gliders and kites; parachutes:

4/ Other aircraft of an unladen weight exceeding 2,000 kg but not exceeding 15,000 kg.:
   a/ Aircraft in passenger traffic with 5 seats in the least

5/ Other aircraft of an unladen weight exceeding 15,000 kg.:
   a/ Aircraft for passenger traffic with 5 seats in the least

Ex.88.03 Parts of goods falling in heading No.88.01 or 88.02:

1/ Under heading 88.01

2/ Under heading 88.02:
   a/ Under sub-heading 5 of this heading

Ex.88.05 Catapults and similar aircraft launching gear; ground flying trainers; parts of any of the foregoing articles

2/ Ground flying trainers

Ex.89.01 Ships, boats and other vessels not falling within any of the following headings of this Chapter:

3/ Tankers of all kinds
4/ Other vessels for the transport of goods, including vessels for the transport of both passengers and goods:
   a/ Ocean-going freight vessels
   b/ Ferries
   c/ Other

6/ Other:
   b/ Hydrofoil or hovercraft vessels

Ex.89.02 Vessels specially designed for towing /tugs/ or pushing other vessels:
   1/ Tugboats for port or non-port services, designated for rescue operations, over 600 HP

Ex.89.03 Light-vessels, fire-floats, dredgers of all kinds, floating cranes, and other vessels the navigability of which is subsidiary to their main function: floating docks; floating or submersible drilling or production platforms:
   1/ Floating docks
   2/ Floating platforms for submersive drilling and production platforms

Ex.90.04 Ships, boats and other vessels for breaking up.

Ex.90.06 Astronomical instruments /for example, reflecting telescopes, transit instruments and equatorial telescopes/, and mountings therefor, but not including instruments for radio-astronomy.
Geneva, 14 June 1979

Dear Mr. Director General,

With reference to my letter of February 7, 1979 with respect to the contribution of my country to the Multilateral Trade Negotiations, I have the honor, in addition, to convey the contribution of my country in binding rates of duty as listed in the annex of this letter under the condition that the overall results achieved in the negotiations remain.

At the same time, I would like to recall the substantive number of bound rates of duty Yugoslavia effected when acceding to the GATT and in the Multilateral Trade Negotiations in 1967 (the Kennedy Round). The present list is additional and covers a very important part of Yugoslav imports, mainly from developed countries.

My Government is convinced that the participating countries interested in exports to Yugoslavia would derive important benefits from this additional contribution as a response to their efforts to liberalize the access of Yugoslav exports to their markets.

I would be obliged if these bindings could be integrated in the final results in the Tariffs of the MTN in due course.

Yours sincerely,

Dr Marko Vrhunec
Ambassador, Permanent Representative

Mr. Olivier Long
Director General of GATT
154, Rue de Lausanne
Geneva
LIST OF PRODUCTS
for which binding rates of duty within the MTN in GATT are
offered as a contribution by Socialist Federal Republic of
Yugoslavia

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<tr>
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<th>Duty rate for binding</th>
</tr>
</thead>
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<tr>
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</tr>
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