

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

BOP/79

8 April 1968

Limited Distribution

Committee on Balance-of-Payments Restrictions

Original: English

1968 CONSULTATIONS WITH ISRAEL

Basic Document for the Consultation¹

1. Legal and administrative basis of the import restrictions

The Import, Export and Customs Powers (Defence) Ordinance 1939, and the Defence Regulations (Finance) provide the legal basis for the control and regulation by the Government of Israel of the commercial and financial aspects of the country's foreign trade.

Certain imports, as noted in Section 2 below, are free from licensing control under the Free Imports Order. Under the "Authorized Importer Order" however, persons who desire to engage in import trade are required to register and to obtain a certificate permitting them to do so. This requirement is aimed at ensuring fair trade practice, and, to date, no application for such a certificate has been refused. Foreign currency for free import is granted by "Authorized Banks" without prior confirmation by the "Competent Authority" of the Ministry of Finance.

Import licences, where necessary, are issued by the "Competent Authorities", who are officials designated by the Ministers of Commerce and Industry, Agriculture, Transport, Health, Labour, Ports and Finance.

Every licence issued by the "Competent Authorities" is countersigned by the Foreign Exchange Division of the Ministry of Finance.

2. Methods used in restricting imports

Imports may be classified into three categories; the main features of which are described as follows:

(a) Free imports

1. Goods in this category do not require import licences.
2. Free allocation of foreign currency by authorized banks.
3. Conditions of payment: cash against documents at f.o.b. quotations except when otherwise authorized by the Treasury.

¹Material supplied by the Government of Israel.

(b) Automatically approved imports

1. Under this system import licences are issued immediately. No quantitative or other restrictions are applied. These licences are automatically countersigned by the Ministry of Finance.
2. The aim of the licensing is to examine the effect of the imports on goods produced in Israel which have been liberalized. The licences serve as an additional source of information on home demand.

(c) Restricted imports

Licences for imports of goods in this category are issued at the discretion of the "Competent Authorities". In the exercise of this discretion the following points are taken into consideration:

1. The necessity to protect "infant industries". These restrictions are gradually removed as the industries develop and grow stronger.
2. The necessity to protect industries in the developing regions of the country.
3. The investigation of prices of commodities from alternative sources for control purposes.
4. Non-essential imports.

3. Treatment of imports from different sources

The foreign trade policy of Israel is based on the principle of non-discrimination. Customs rates are applied equally on all products irrespective of country of origin. The "Competent Authorities" do not interfere in the choice of the source of supply, except in the following special cases:

(a) Agricultural surpluses

I.e. agricultural products available under surplus disposal schemes.

(b) Earmarked sources

I.e. imports of goods covered by a loan agreement under which credit is extended specifically for the purchase of goods from a specific country of origin.

(c) Imports within the framework of bilateral agreements

In this case, too, policy is based on the principle of non-discrimination.

The Government encourages imports from countries with which bilateral agreements exist for those goods included in the trade agreement. The importance of these agreements is that they provide additional possibilities for the expansion of Israel's exports. In 1966 imports of goods from these sources reached the amount of \$40.3 million, or 4.8 per cent of total imports. In 1967 the above-mentioned imports amounted to \$29.9 million, or 3.9 per cent of total imports. (See Annex I.)

As a result of trade talks between the Rumanian, and Israeli Governments, the payments agreement was discontinued and as from 1 May 1967 trade between the two countries has been carried out on a basis of freely convertible currency.

4. Groups of commodities affected by the various forms of restrictions

The following groups of commodities are indicated in a separate column in the Customs Tariffs Books¹ as follows:

F = Free imports

A = Automatically approved imports

R = Restricted imports

(a) Free imports

The list of products which fall under this category includes mainly raw materials and essential foodstuffs.

(b) Automatically approved imports

This paragraph comprises local production which has been liberalized, semi-manufactured and investment goods not produced in Israel and fiscal items.

(c) Restricted imports

Consist of certain types of spare parts and equipment, certain kinds of paper, foodstuffs, etc.

¹One annotated copy of the complete Israel Customs Tariff showing the type of import control applicable to each tariff item as of 1 January 1967 was distributed to each contracting party under cover of L/2905 on 11 November 1967. The secretariat has a few additional copies of this publication for distribution.

5. The use of State trading or government monopolies in restricting imports

It is worth noting that State trading generally does not serve as a means of import restriction. Therefore it has no direct implications on the balance of payments.

Government imports are limited to a small number of basic foodstuffs of which sufficient quantities are bought to cover and to ensure the current local demand plus quantities required for maintenance of adequate stocks. (The items are mentioned in Annex II.)

Sales on the local market are unrestricted. The Government is ready to transfer the import of these goods to private firms on condition that they meet certain requirements in regard to the size of stocks and their storage.

6. Measures taken in the last two years in relaxing restrictions

In the last two years, the Government further reduced tariffs and relaxed other restrictions.

I. Tariff reductions

(a) In November 1966 a reduction of 10 per cent of the tariff rates was implemented. This reduction affected 330 items, already included in the Israel Customs Tariff 1967.

(b) Following the devaluation of the Israeli pound, a further reduction of customs duties at the rate of 15 per cent to 20 per cent was applied in November 1967, on most of the items of the Tariff. (See 1968 Customs Tariff.)

(c) Tariff concessions regarding imports amounting to \$115 million (1965 figures) were conceded in the Kennedy Round. Schedule XIII will enter into force on 1 July 1968; two fifths of the total reductions to the final rates will be made on that day.

II. Non-tariff relaxations

1. Liberalization

In 1966 and 1967 the Public Committee for the removal of administrative restrictions continued its examination of the possibilities of extending Israel's liberalization programme.

A revised edition in English of the Israel Customs Tariff including the last liberalization lists, the various classes of imports, the F, A, R division and the tariff reductions consequent to the Kennedy Round will be published in the fall of 1968.

2. Free imports

In order to extend the Free Import Category, the Competent Authorities examined last year the possibilities of freeing the import of a large number of items. As a result, a list of items amounting to \$25 million worth of imports will enter into force in June 1968. (See Annex IV.)

7. Effects of trade restrictions and general policy in applying restrictions for balance-of-payments considerations

The heavy deficit in the current account in 1966 and 1967 was, as it had been in previous years, the main and most acute problem of the economy. This deficit amounted in 1967 to nearly half a billion dollars, which was covered by a large capital inflow. However, this capital inflow has continued to impose considerable burden on the economy. Repayment of capital and interest payments reached in 1967 \$300 million, a figure which compares with the highest in the world, either per capita or in respect of the gross national product.

Annexes V, VI, and VII show the volume, composition and trends of exports and imports of goods and services, and capital movements.

The main economic factors that affected the balance of payments in the surveyed years were as follows.

Fiscal and monetary policies aimed to achieve stabilization of the economy and to curb the inflationary pressures, and simultaneously to divert labour force and investments to export industries have been implemented. This policy was carried out by means of a slow-down in economic activities, mainly by cutting Government expenditure on goods and services, and other fiscal and monetary steps affecting domestic demand. This policy was generally successful. Prices and wages have been stabilized, labour efficiency increased and an improvement in the trade balance was achieved.

The price paid for these improvements was not small, in terms of unemployment, curbing of private incomes, and reduction in the rate of economic growth and investments. After three consecutive years of stability, imports decreased in 1967 (by 7 per cent), due to this slow-down in the economic activities. This decrease in imports occurred despite the continuation of the import liberalization scheme, described in previous chapters of this document.

At present there are some indications of revival of the economy and it can be expected that imports will rise again to meet the renewed demand.

Another point that should be mentioned is the situation of foreign currency reserves. Despite the improvement in the balance of trade, the trend in 1966 and the first half of 1967 was of declining reserves. However, by the end of 1967

these reserves had increased. This was mainly due to emergency contributions and Government-bond purchases by millions of individuals in many countries during and around the period of the Six Days War. This money inflow was largely offset by increased defence expenditures, but it still ended with a net increase. At the end of 1967 reserves were equal to seven-months imports of goods and services, a level vital in the case of Israel, given its dependence on foreign trade and considering the geo-political situation.

To conclude, the long-run policy of the Government has always been towards achieving economic independence. The desired means of achieving this end is to expand exports rather than to restrict imports, on which Israel depends heavily due to her lack of natural resources. The Government realizes that the imposition of restrictions on imports is no more than a short-term solution to the problem of the deficit, which cannot contribute to the economic independence in the long run. We feel that during 1966 and 1967 there was a considerable advance in this direction.

This policy is of course identical to the interests and policies of GATT, which aim to reduce and eliminate restrictions and barriers to international trade.

Note: Annexes I and III will be distributed later.

ANNEX II
Government Imports

Commodity	Quantity (in tons)			Value (in \$10,000)		
	1965	1966	1967 ¹	1965	1966	1967 ¹
Frozen meat	22,811	39,310	23,590	16,993	26,066	15,702
Skimmed milk powder	6,020	3,900	3,300	2,035	1,074	1,100
Butter	1,584	-	-	1,333	-	-
Cheese	213,569	-	-	424	-	-
Wheat	213,997	304,060	114,897	13,984	21,047	8,366
Soya beans	237,070	259,265	235,861	26,619	30,856	33,523
Edible fats	20,136	13,269	18,304	6,033	3,831	5,135
Sugar	70,655	70,417	86,208	7,612	7,085	6,194
	<u>572,842</u>	<u>690,221</u>	<u>482,160</u>	<u>75,033</u>	<u>89,953</u>	<u>70,020</u>

¹Provisional figures.

ANNEX IVItems Added to the Free List in Force as from June 1968

Heading No.	Description
13.01	Raw vegetable materials of a kind used primarily in dyeing or in tanning.
13.02 - 1090	Other natural lacs.
13.02 - 2000	Natural gums, resins, gum resins and balsams.
14.01	Vegetable materials of a kind used primarily for plaiting (for example cereal straw, cleaned, bleached or dyed, osier, reeds, rushes, rattans, bamboos, raffia and lime bark).
15.04	Fats and oils of fish and marine mammals, whether or not refined.
15.09	Degras.
15.17	Residues resulting from the treatment of fatty substances or animal or vegetable waxes.
25.07	Fuller's earth and other decolourizing and degreasing clays.
25.30	Crude natural borates and concentrates thereof (calcined or not), but not including borates separated from natural brine; crude natural boric acid containing not more than 85 per cent of H_3BO_2 calculated on the dry weight.
26.03	Ash and residues (other than from the manufacture of iron or steel), containing metals or metallic compounds.
28.01 - 2000	Fluor.
28.01 - 9900	Iodine.
28.04	Hydrogen, rare gases and other non-metals except Argon gas.
28.05	Alkali, alkali-earth and rare earth metals; yttrium and scandium; mercury.
28.07	Sulphur dioxide.
28.10	Phosphorus pentoxide except phosphoric acids.
28.12	Boric oxide and boric acid.
28.23	Iron oxides and hydroxides; earth colours containing 70 per cent or more by weight of combined iron evaluated as Fe_2O_3 .
28.29 - 1000	Chromium fluoride.

Heading No.	Description
28.34	Iodides, oxyiodides, iodates and periodates.
28.43	Cyanides and complex cyanides.
28.45	Silicates; commercial sodium and potassium silicates.
28.57	Hydrides, nitrides and azides silicides and borides.
28.58	Other inorganic compounds of the kinds: Alkali amides Amalgams except amalgams of precious metals Aminomercuric chloride Cyanogen and halogen compounds of cyanogen Non-metallic oxysulphides Phosphonium iodide.
29.12	Halogenated, sulphonated, nitrated or nitrosated derivatives of products falling within heading No. 29.11.
29.27	Nitrile - function compounds.
29.28	Diazo-, azo- and azoxy- compounds.
29.29	Organic derivatives of hydroxylamine.
29.30	Compounds with other nitrogen functions.
32.04	Colouring matter of vegetable origin (including dyewood extract and other vegetable dyeing extracts, but excluding indigo) or of animal origin.
32.05	Synthetic organic dyestuffs (including pigment dyestuffs); synthetic organic products of a kind used as luminophores; products of the kind known as optical bleaching agents, substantive to the fibre; natural indigo.
33.01	Essential oils (terpeneless or not); concretes and absolutes; resinoids.
33.02	Terpenic by-products of the deterpenation of essential oils.
37.01 - 2000	Plates sensitive to infra-red or ultra-violet only.
37.01 - 3000	High contrast monochrome plates and film.
37.01 - 4000	Sensitized metal plates of a kind used in photomechanical processing.
37.02 - 1030	Microfilm.
37.08	Chemical products and flash light materials of a kind and in a form suitable for use in photography.

Heading No.	Description
38.07	Spirits of turpentine (gum, wood and sulphate) and other terpenic solvents produced by the distillation or other treatment of coniferous woods; crude dipentene; sulphite turpentine, pine oil (excluding pine oils not rich in terpineol).
38.11 - 1000	Disinfectants of the kinds: Chloro i.p.c. V.C. 13 R.V.C. Morocid Rogor Pival Dymid-diphenamid
44.03 - 4000	Ilomba, Limba, mahogany, makore, ocume, sapelli or utille wood.
44.03 - 7000	Poplar wood in the bark.
44.05 - 4500	Beech wood.
44.12	Wood wool and wood flour.
46.01 - 1000	Plaits and similar products of plaiting materials for all uses, whether or not assembled into strips, of artificial straw made of synthetic or artificial fibres.
48.05 - 3000	Glassine paper.
48.06 - 1000	Paper of a kind used in automatic registered appliances.
54.01	Flax, raw or processed but not spun; flax tow and waste (including pulled or garnetted rags).
57.04 - 1020	Sisal and fibres of other kinds of agave.
59.01 - 1010	Filters used for cigarette manufacture.
62.03 - 1090	Used sacks made of jute.
67.02	Artificial flowers, foliage or fruit and parts thereof; articles made of artificial flowers, foliage or fruit.
67.03 - 1000	Human hair.
67.05	Non-mechanical fans of any material.
69.14	Ceramic moulds.
70.16	Bricks, tiles, slabs, paving blocks, squares and other articles of pressed or moulded glass, of a kind commonly used in building; multi-cellular glass in blocks, slabs, plates, panels and similar forms.

Heading No.	Description
70.20 - 1020	Chopped strand mats of glass fibre.
70.20 - 1030	Strand or roving mats of glass fibre.
70.20 - 1040	Chopped strand of glass fibre.
70.20 - 6010	Strands used for the manufacture of glass felt.
70.20 - 7000	Discs, centre-holed, made of glass fibre netting and coated with plastic material of a diameter not exceeding 360 mm.
73.12 - 9991	Galvanized hoops and strips.
73.12 - 9999	Tinned hoops and strips.
73.14 - 9990	Steel reed wire.
73.19	High-pressure hydro-electric conduits of steel, whether or not reinforced.
73.40 - 2000	Balls of the type used in grinding and crushing rills and balls for the graining or polishing of lithographic plates.
74.07 - 1000	Tubes and pipes and blanks therefor.
74.08 - 9910	Tube and pipe fittings of copper weighing more than 5 kg. each.
75.02	Wrought bars, rods, angles, shapes and sections of nickel; nickel wire.
76.07 - 1000	Tube and pipe fittings of aluminium weighing more than 5 kg. each.
80.05	Tubes and pipes and blanks therefor of tin; hollow bars, and tube and pipe fittings (for example, joints, elbows, sockets and flanges), of tin.
82.06 - 7000	Knives and blades for leather-working machines.
84.01 - 1010	Steam and other vapour generating boilers if it has been shown to the satisfaction of the Director that their heating surface exceeds 350 m ² .
84.03 - 1090	Producer gas and water gas generators, with or without purifiers.
84.04	Steam engines (including mobile engines, but not steam tractors falling within heading No. 87.01 or mechanically-propelled road rollers) with self-contained boilers.
84.05	Steam and other vapour power units, not incorporating boilers.

Heading No.	Description
84.06 - 2000	Motorcycle engines.
84.06 - 6000	Other engines except motor vehicles and ships.
84.07	Hydraulic engines and motors (including water wheels and water turbines).
84.08 - 2000	Air compressed and gas compressed motors.
84.10 - 4090	Vane pumps.
84.19 - 1000	Machinery for cleaning or drying bottles or other containers; machinery for filling, closing, sealing, capsuling or labelling bottles, cans, boxes, bags or other containers; other packing or wrapping machinery; machinery for aerating beverages; dish washing machines, each weighing more than 300 kg.
84.21 - 6000	Oilers for pneumatic systems.
84.27 - 9900	Presses, crushers and other machinery, of a kind used in wine-making, cider-making, fruit juice preparation or the like, each weighing more than 500 kg.
84.29	Machinery of a kind used in the bread grain milling industry, and other machinery (other than farm type machinery) for the working of cereals or dried leguminous vegetables.
84.31	Machinery for making or finishing cellulosic pulp, paper or paperboard.
84.32	Book-binding machinery, including book-sewing machines.
84.39	Machinery for the manufacture or finishing of felt in the piece or in shapes, including felt-hat making machines except hat-making blocks.
84.40 - 1021	Training machinery and steam presses of the kind used for the production process in the textile industry and so used.
84.40 - 3091	Washing machines and parts of a kind used in the production process in the textile industry and so used.
84.43 - 9900	Converters, ladles, and casting machines, of a kind used in metallurgy and in metal foundries.
84.46	Machine-tools for working stone ceramics, concrete, asbestos-cement and like mineral materials or for working glass in the cold, other than machines falling within heading No. 84.49 each weighing more than 2,000 kg.

Heading No.	Description
84.47	Machine-tools for working wood, cork, bone, ebonite (vulcanite), hard artificial plastic materials or other hard carving materials other than machines falling within heading No. 84.49 each weighing more than 2,000 kgs.
84.49	Tools for working in the hand, pneumatic or with self-contained non-electric motor.
84.50 - 9900.	Gas-operated welding, brazing, cutting and surface tempering appliances, except hand torches, parts and accessories thereof.
84.55	Parts and accessories (other than covers, carrying cases and the like) suitable for use solely or principally with machines of a kind falling within headings Nos. 84.51, 84.52, 84.53 or 84.54.
84.56 - 9900	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, except concrete mixers.
84.57	Glass-working machines (other than machines for working glass in the cold); machines for assembling electric filament and discharge lamps and electronic and similar tubes and valves.
84.60 - 1000	Moulds for the production of tyres.
84.60 - 2000	Moulds of kinds used for the production of footwear.
84.60 - 3000	Moulds of kinds used for the production of rubber and plastic products by the injection process if the weight of each mould exceeds 1,500 kgs.
84.61 - 3000	<p>Taps, cocks, valves and similar appliances not specified in paragraph 20.00 and fulfilling at least one of the following conditions:</p> <ol style="list-style-type: none"> 1. Each weighs more than 500 kgs; 2. Their continuous working pressure exceeds 100 atmospheres (excluding those held in the hand when used) if certified by an institute recognized by the Director; 3. They are designed for pipes of a nominal diameter exceeding 12 inches.

Heading No.	Description
84.61 - 4010	Taps, valves and similar appliances certified by the Director-General of the Ministry of Commerce and Industry to be of kinds used in systems of control and operation by compressed air.
85.01 - 1020	Motors and rotary converters weighing more than 1,750 kgs. each, n.e.s.
85.05	Tools for working in the hand, with self-contained electric motor.
85.07	Shavers and hair clippers, with self-contained electric motor.
85.08 - 9900	Distributor and parts thereof for motor vehicles.
85.09 - 9900	Sirens and sealed beams for motor vehicles.
85.21 - 1000	Thermionic, cold cathode and photo-cathode valves and tubes.
85.22 - 1500	Electron and proton accelerators.
85.22 - 2000	Equipment for the production of deuterium, its compounds (including heavy water) derivatives, mixtures or solutions, in which the proportion of deuterium atoms to hydrogen atoms exceeds 1:5,000 operating by electrolysis of water.
85.22 - 2500	Electrolytic polishing apparatus used for microscopic metallurgical examination.
85.22 - 3000	Signal generators.
85.22 - 3500	Noise reduction units.
85.22 - 4000	Magnetizers.
85.22 - 4500	Sound mixers of the kind used in filming, recording or broadcasting studios.
85.22 - 5500	Appliances for metal detection by electro-magnetic means.
90.02 - 9920	Camera lenses.
90.06	Astronomical instruments (for example, reflecting telescopes, transit instruments and equatorial telescopes), and mountings therefor, but not including instruments for radio-astronomy.

Heading No.	Description
90.07	Photographic cameras; photographic flashlight apparatus.
90.08	Cinematographic cameras, projectors, sound recorders and sound reproducers; any combination of these articles.
90.10 - 2000	Photo-copying apparatus contact type, operating by heat or light methods, including photo-copying and blue-print apparatus and parts thereof.
90.11	Microscopes and diffraction apparatus, electron and proton.
90.14	Surveying (including photogrammetrical surveying), hydrographic, navigational, meteorological, hydrological and geophysical instruments; compasses; range-finders.
90.16 - 2011	Focimeters.
90.22	Machines and appliances for testing mechanically the hardness strength of industrial materials (for example, metals, wood, textiles, paper or plastics).
90.25	Instruments and apparatus for physical or chemical analysis (such as polarimeters, refractometers, spectrometers, gas analysis apparatus); instruments and apparatus for measuring or checking viscosity, porosity, expansion, surface tension or the like (such as viscometers, porosimeters, expansion meters); instruments and apparatus for measuring or checking quantities of heat, light or sound (such as photometers (including exposure meters), calorimeters); microtomes.
90.28 - 2000	Machines whose non-electrical counterparts fall under heading No. 90.14.
90.28 - 3500	Electrical machines and appliances for mechanical testing (whose non-electrical counterparts fall within heading No. 90.22) (see Note 6(b)).
90.28 - 5000	Electrical instruments or apparatus (non-electrical counterparts fall within heading No. 90.25).

Heading No.	Description
91.01	Pocket-watches, wrist-watches and other watches; including stop-watches.
92.01 - 1000	Harps and harpsichords.
92.03	Pipe and reed organs, including harmoniums and the like.
92.04	Accordions, concertinas and similar musical instruments; mouth organs.
92.09	Musical instrument strings.
92.10 - 2000	Mechanisms for musical boxes.
92.12 - 1010	Linguaphone records.
98.04	Pen nibs and nib points.
98.11	Smoking pipes; pipe bowls, stems and other parts of smoking pipes (including roughly shaped blocks of wood or root); cigar and cigarette holders and parts thereof.
98.13	Corset busks and similar supports for articles of apparel or clothing accessories.

FOREIGN EXCHANGE DIVISION
17 March 1968

ANNEX V

Israel Balance of Payments 1965-1967

(\\$ millions)

	1965			1966			1967 (provisional)		
	Credit	Debit	Net credit	Credit	Debit	Net credit	Credit	Debit	Net credit
A. <u>Goods and services</u>									
<u>Goods (Exports f.o.b., Imports c.i.f.)</u>	404.4	794.4	-390.4	474.5	795.9	-321.4	515	730	-215
<u>Services</u>	344.9	489.5	-144.6	394.5	520.8	-126.3	423	693	-270
Thereof: Transportation	148.2	93.5	+ 54.7	157.7	102.8	+ 54.9	170	94	+ 76
Travel	55.0	43.7	+ 11.3	59.1	48.8	+ 10.3	53	43	+ 10
Insurance	47.5	49.5	- 2.0	56.5	54.7	+ 1.8	59	56	+ 3
Investment income	36.9	106.0	- 69.1	48.2	119.1	- 70.9	53	135	- 82
Government	20.2	132.2	-112.0	25.0	135.5	-110.5	34	296	-262
Other services	37.1	64.6	- 27.5	40.0	59.9	- 11.9	54	69	- 15
<u>Total goods and services</u>	748.9	1,283.9	-535.0	869.0	1,316.7	-447.7	928	1,423	-485
B. <u>Transfer payments</u>									
Institutional remittances	117.0	1.4	+115.6	107.1	1.6	+105.5	292	2	+290
Reparations from Germany	19.8	3.1	+ 16.7	-	2.0	- 2.0	-	2	- 2
Personal restitutions from Germany	112.7	-	+112.7	110.4	-	+110.4	120	-	+120
United States grant in aid	5.1	0.2	+ 4.9	3.4	0.2	+ 3.2	-	-	-
Personal remittances	103.9	5.9	+ 98.0	90.5	5.5	+ 85.0	92	6	+ 86
<u>Total transfer payments</u>	358.5	10.6	+347.9	311.4	9.3	+302.1	504	10	+494
C. <u>Capital movements long- and medium-term</u>									
Independence and development bonds	100.4	67.1	+ 33.3	121.3	113.0	+ 11.3	235	59	+176
United States loans	81.5	29.7	+ 51.8	51.1	19.5	+ 31.6	58	26	+ 32
International Bank for Reconstruction and Development loans	23.4	0.4	+ 23.0	19.2	2.0	+ 17.2	8	3	+ 5
Other loans	119.9	68.4	+ 51.5	114.9	62.8	+ 52.1	114	71	+ 43
Investments	92.4	17.9	+ 74.5	83.3	9.1	+ 74.2	32	14	+ 18
<u>Total capital movements</u>	417.6	183.5	+234.1	392.8	206.4	+186.4	447	173	+274
D. <u>Short-term capital movements</u>									
Thereof: Changes in reserves	-	15.9	- 15.9	0.9	-	+ 0.9	-	168	-168
Net error and omissions	-	105.8	-105.8	18.8	-	+ 18.8	-	113	-113
Net error and omissions	-	31.1	- 31.1	-	41.7	- 41.7	-	115	-115
<u>GRAND TOTAL</u>	1,525.0	1,525.0	-	1,574.1	1,574.1	-	1,889	1,889	-

ANNEX VIImports, by Economic Destination (Gross)

(\$ million, c.i.f.)

	<u>1965</u>	<u>1966</u>	<u>1967</u> ¹
<u>TOTAL IMPORTS</u>	<u>832.2</u>	<u>832.6</u>	<u>754.6</u>
Consumer goods	82.9	88.2	73.7
Non-durable	56.7	65.6	55.7
Food	35.2	42.7	29.9
Other	21.5	22.9	25.8
Durable	26.2	22.6	18.1
Production inputs	570.8	604.7	553.4
For agriculture	34.1	48.2	51.7
For industry	422.8	443.4	416.1
Raw diamonds	110.7	138.9	137.5
Other	312.1	304.5	278.6
For building	17.4	10.0	7.6
Fuel	53.2	58.3	45.8
Spare parts	43.3	44.8	32.3
Investment goods	178.5	139.7	127.5
For agriculture	5.2	5.6	4.6
For industry	88.5	64.7	48.6
Transport	65.4	47.8	56.3
Ships and aircraft	31.9	18.8	34.1
Other	33.5	29.0	22.2
Other	19.4	21.6	18.1

¹Before adjustments.

ANNEX VIIImports, by Main Group (Gross)

(\$'000, c.i.f.)

	<u>1965</u>	<u>1966</u>	<u>1967</u> ¹
<u>TOTAL</u>		832,588	754,640
I. Live animals	28,291	33,200	19,978
II. Plants and vegetable products	28,601	112,615	102,824
III. Animal and vegetable fats and oils	9,107	7,154	7,593
IV. Prepared foodstuffs, beverages, spirits and vinegar; tobacco	16,567	16,937	15,294
V. Products of the chemical and allied industries	100,406	107,711	99,396
VI. Artificial resins and plastic materials, cellulose, esters; rubber	17,774	18,211	18,424
VII. Raw hides, leather and fur skins	6,909	7,978	7,511
VIII. Wood, straw, cork etc. and products thereof	31,140	23,875	21,598
IX. Paper-making material; paper and paper-board and articles thereof	22,207	22,713	24,822
X. Textile and textile articles	44,027	40,045	35,395
XI. Footwear, headwear, umbrellas, etc.	435	740	848
XII. Articles of stone, plaster, cement, asbestos, ceramic, mica, glass	5,697	5,498	4,823
XIII. Pearls, precious stones, precious metals, imitation jewellery, coins	119,038	148,289	145,895
XIV. Base metals and articles thereof	83,544	71,516	62,367
XV. Machinery and mechanical appliances; electrical equipment and parts thereof	128,877	113,061	88,943
XVI. Vehicles, aircraft, vessels and parts	89,095	61,854	61,897
XVII. Optical, photographic, precision, etc. - instruments; clocks and watches	20,032	20,507	17,960
XVIII. Miscellaneous manufactured articles	4,613	4,467	3,498
XIX. Works of art, collectors pieces, etc.	1,748	2,989	1,266
XX. Unclassified goods	16,135	13,223	14,308

¹Before adjustments.