

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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DEVELOPMENTS RELEVANT TO THE OPERATION OF PART IV

Note by the Secretariat

1. In GATT/AIR/750 governments were invited to report any developments or information relevant to the implementation of Part IV in preparation for the Committee's customary annual review of action taken by governments. The secretariat has in the meantime prepared the following summary notes on recent changes in commercial policies and on developments affecting the trade of developing countries which have come to its notice.

I. Acceptance of Part IV by governments

2. Since the last report by the secretariat to the Committee in COM.TD/60 on the status of governments in respect of Part IV, the Governments of Burma, Greece, Haiti, Nicaragua and Uruguay have accepted the Protocol embodying the provisions of Part IV. Thus Part IV has now been accepted by all contracting parties and governments which have acceded provisionally to the GATT with the exception of France, Gabon, Senegal and South Africa.

II. Tariffs

3. At the June meeting of the Committee the Canadian delegation announced that, effective from 4 June 1969, Canada would give immediate implementation to Canada's tariff reductions negotiated during the Kennedy Round, and that this advance implementation would cover all items with the single exception of shoeboard. On 1 July 1969 the Government of Ireland completed the implementation of the tariff concessions agreed by Ireland in the Kennedy Round by bringing into effect on that date the tariff reductions which were scheduled to be made on 1 January in each of the years 1970, 1971 and 1972.

III. Non-tariff measures

Import restrictions

4. Document COM.TD/67 and Corrigendum 2 contain an up-to-date listing of import restrictions at present applied by industrialized countries on products notified as being of export interest to developing countries. Notifications by governments indicate that since the last meeting of the Committee in June 1969 import restrictions have been removed by the governments applying them on the products listed below:

Country	BTN	Description of product liberalized	Effective date of liberalization
Austria	02.02	Dead poultry (i.e. fowls, ducks, geese, turkeys and guinea-fowls) and edible offals thereof (except liver) fresh, chilled or frozen	9 July 1969
Denmark	ex 01.04	Live sheep and goats except breeding animals (rest of item)	1 July 1969
	ex 02.06	Meat and edible meat offals of the animals falling within heading No. 01.04, salted, in brine, dried or smoked	1 July 1969
	ex 08.10	The following fruits (whether or not cooked) preserved by freezing, not containing added sugar: apples and plums of all kinds in packing with a gross weight of more than 2 kgs. each (other packings are previously liberalized)	1 July 1969
	ex 16.02	Other prepared or preserved meat or meat offal from the animals falling within heading No. 01.04	1 July 1969
	19.03	Macaroni, spaghetti and similar products	1 July 1969
	ex 20.03	The following fruits, preserved by freezing, containing added sugar: apples and plums of all kinds in packings with a gross weight of more than 2 kgs. each (other packings are previously liberalized)	1 July 1969
	ex 20.06	The following fruits, otherwise prepared or preserved, whether or not containing added sugar or spirit: apples and plums of all kinds in packings with a gross weight of more than 2 kgs. each (other packings are previously liberalized)	1 July 1969

Country	BTN	Description of product liberalized	Effective date of liberalization
Germany, F.R.	ex 61.02	Women's, girls' and infants' outer-garments: of synthetic materials of artificial discontinuous fibres	Partially liberalized notified on 2 October 1969
Japan	ex 22.09 -1-(2)	Brandy (including Cognac)	1 October 1969
	2-(1)	Liqueurs (rest of item)	1 October 1969
	ex 84.35 -1	Automatic printing machines of the relief and lithographic, sheet-feed type (rest of item)	1 October 1969
	ex 84.41 -1-(2)	Other sewing machines (rest of item)	1 October 1969
	ex 85.21 -1	Thermionic valves and tubes (rest of item)	1 October 1969

Subsidies and State trading

5. References to information on subsidies and State trading were last provided to the Committee in COM.TD/53, page 6. Since then governments have provided new notifications in pursuance of Articles XVI and XVII. These notifications have been circulated in documents L/3178 and Addenda 1-11 and L/3177 and Addenda 1-7 respectively. While there does not appear to be any outstanding changes in these fields over the past months, reference might be made to certain developments relating to State trading in the United Kingdom, and to subsidies in Denmark.

6. The United Kingdom has reported that following a review in 1968 on the arrangements governing State trading in jute and jute goods carried on by the Board of Trade Jute Control, it was decided that the Control be abolished. The Control ceased to trade on 30 April 1969 and all imports of jute goods then reverted to private trade. Jute goods of the type remaining subject to control since the last review in 1964 will however continue to be subject to quota restrictions, but only when intended for retention on the United Kingdom domestic market. These limitations will cover imports from all countries except the Irish Republic and the Eastern Area and yarn from EFTA sources. In the United Kingdom view the new arrangements constitute a considerable extension of liberalization of imports of jute goods and it is estimated that overseas suppliers will initially have opportunities of access to the British market for goods in the present jute control range for domestic use and re-export taken together of at least 25 per cent more than they had in 1967. The quota levels will be increased provided such increase is commensurate with the growth of the United Kingdom market for the types of jute goods in question and does not endanger the employment position in the Dundee area.

7. The Danish notification on subsidies mentions that the Acts governing present agricultural schemes in Denmark will be taken up for revision in the Parliamentary year 1969/70, and that the Danish Government has asked a panel of experts to examine conditions in the agricultural sector and to submit recommendations for a more long-range agricultural policy before the end of 1969.

IV. Other non-tariff measures

8. According to a notification submitted to the Committee on Industrial Products, certain proposals were made under Rule 36 of the rules and regulations promulgated under the Wool Products Labelling Act of 1939 by the Federal Trade Commission of the United States which, in the view of the notifying countries, would result in discrimination against importers, in that domestic manufacturers were not subjected to the same procedures and costs. It has been reported that the United States Department of Justice has appealed to the United States Supreme Court against a decision by the United States Court of Appeals that Rule 36 was invalid.