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ACTION BY GOVERNMENTS RELEVANT TO THE PROVISIONS OF PART IV

Addendum

The following information has been received from the delegations of Czechoslovakia and New Zealand in connexion with the implementation of Part IV.

Czechoslovakia

The economic and trade relations of Czechoslovakia with developing countries continued to expand in 1970. The total volume of trade of Czechoslovakia with developing countries rose by 12.9 per cent in 1970 above the levels recorded a year earlier. The increase of exports amounted to 4.5 per cent while the imports of Czechoslovakia from developing countries advanced at a much faster pace, by 26.6 per cent.

The commodity structure and the geographical basis of Czechoslovak trade with developing countries has been further diversified in 1970, so that a growing number of developing countries have derived benefit from this trade.

In 1970 Czechoslovakia has continued its efforts to diversify and expand imports of manufactures and semi-manufactures from developing countries on a stable basis with the fundamental aim to stimulate the growth of real export income of developing countries. The total imports of manufactures from developing countries increased in value by 30 per cent between 1969 and 1970. From \$104.4 million in 1969 they rose to \$136.6 million in 1970. Efforts were also continued to enlarge and diversify imports of primary commodities. In 1970 developing countries reached a considerable share in total Czechoslovak imports of primary commodities.

With the view to achieving the above-mentioned results Czechoslovakia has taken different measures particularly in the area of bilateral long-term trade, economic and technical co-operation agreements, international commodity agreements, export development, multilateralization of payments, tariffs and other appropriate national measures.

In 1970 and in the period January/November 1971 new trade agreements were signed with Burma, Ecuador, Chile, Cuba and Yugoslavia and new agreements on economic co-operation concluded with Iraq and on technical co-operation with Ecuador, Peru, Colombia and Chile.

These agreements have assisted to diversify and increase Czechoslovak imports from developing countries, to promote the export capacities of developing countries, to further stability in trade and to secure for developing countries equitable and stable prices. In a number of cases the export capacity of developing countries has been stimulated through a scheme of credits specifying repayment in kind. Repayment is also effected by goods produced in factories built with the help of the credits.

Czechoslovakia also introduced further multilateralization of payments in her trade relations with developing countries like Uruguay and Brazil.

During the period covered by this report Czechoslovakia actively participated in a number of formal and informal commodity arrangements (coffee, sugar, tin, rubber etc.) with the aim to stimulate the growth of real export income of developing countries.

Efforts were continued to implement Part IV also through appropriate national measures. As stated in a previous notification Czechoslovakia had implemented concessions agreed in the Kennedy Round in advance in relation to developing countries which affected a considerable number of lines covering products of export interest to developing countries. During the period under review there were no increases in import duties, fiscal charges and internal taxes on products originating in developing countries. Czechoslovakia applied no quantitative restrictions affecting imports from developing countries.

Czechoslovakia, in conformity with her support for the principle of generalized preferences in favour of developing countries, will put into force as of 1 January 1972 a preferential tariff scheme in favour of developing countries. With the exception of a limited number of particularly sensitive products the preferential tariff treatment will be applied practically to all products originating in developing countries. The rate of duty will be reduced in a linear way by 50 per cent. Further reduction is envisaged in the light of experience gained during the implementation of the preferential scheme. The other principal characteristics of the Czechoslovak scheme will be notified in another document. It is expected that this action will enable developing countries to increase and further diversify their exports to Czechoslovakia on a stable and lasting basis.

During the period covered by this report Czechoslovakia has also given increasing attention to the problem of establishment of export-oriented industries in developing countries and the promotion of exports of manufactured products from the developing countries. In this field Czechoslovakia co-operated with the International Trade Centre namely in the area of product studies and in dissemination of information of possibilities of importing products of export interest to developing countries.

New Zealand

1. Since New Zealand's last report in September 1970 there have been a number of reductions in customs duties on products of export interest to developing countries, as a result of New Zealand's implementation of Kennedy Round reductions. The Government has made an exhaustive study of the scope for New Zealand to participate in the UNCTAD generalized preferences scheme and has prepared a list of manufactured, semi-manufactured and tropical product imports on which it intends to offer duty concessions to developing countries. The scheme will be implemented on 1 January 1972.
2. Fiscal duties and internal charges are not widely applied on goods of export interest to developing countries. No new duties or charges of this nature have been imposed since our last report.
3. Despite the vulnerability of New Zealand's balance of payments, the Government has continued its policy of import liberalization and has exempted further items from import licensing. The Government has instituted a major review of all items remaining under import control with the objective of removing quantitative restrictions within five years. At present it is estimated that between 60 per cent and 65 per cent of the total value of private imports into New Zealand are exempt from import licensing. This figure is expected to rise with the implementation of further exemptions. Recent exemptions include many items of interest to developing countries: e.g. universal steel plates, monofilament of man-made fibre materials, wood flour, unvulcanized rubber thread, live fish, tyre cord fabric, industrial sewing machines, coir and raffia yarn, scissors, zinc bars, rods and angles and flashlight cases.
4. There are no other non-tariff measures invoked against imports from developing countries.
5. There have been no increases in duties, fiscal charges, quantitative restrictions or other trade barriers affecting the exports of developing countries.
6. There is limited opportunity for the Government to maintain trade margins at "equitable" levels, since only a few commodities (largely of domestic origin) are subject to official price control.
7. (a) New Zealand's main efforts in this respect have been devoted to work on implementing the UNCTAD generalized preferences scheme for developing countries and the dismantling of the import licensing system.

(b) New Zealand has supported the work of the UNCTAD/GATT International Trade Centre by holding annual trade promotion courses for Government officials of developing countries. The five-week course is aimed at giving trainees the benefit of New Zealand experience in the export marketing of bulk primary products and manufactured goods from small industrial enterprises. Trainees have always come from member countries of ECAFE and for this reason from October 1971 onwards the courses will be held under the auspices of the ECAFE Trade Promotion Centre.

General

8. In the 1970/71 trading year imports from developing countries reached \$NZ 130 million, compared with \$NZ 111 million in the previous year.