

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## CUSTOMS UNION (INTERIM) AGREEMENT BETWEEN SOUTH AFRICA AND SOUTHERN RHODESIA

### First Progress Report 1949-1952 by the Governments of South Africa and Southern Rhodesia

In compliance with the undertaking given at the Third Session of the Contracting Parties and embodied in the Declaration of the Contracting Parties and embodied in the Declaration of the Contracting Parties of 18 May 1949 (Basic Document II page 29), the Governments of South Africa and Southern Rhodesia have submitted the Progress Report reproduced hereunder.

The discussion of this report will appear in the Agenda of the Seventh Session of the Contracting Parties.

Copies of the Third Annual Report of the Southern Africa Customs Union Council are being distributed separately to contracting parties.

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Progress Report submitted by the Governments of Southern Rhodesia and the Union of South Africa in terms of the Annecy Declaration concerning the Customs Union (Interim) Agreement between the two Governments

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#### A. INTRODUCTORY REMARKS

1. In terms of the Declaration attached to the Report of Working Party 4 on the South African - Southern Rhodesian Customs Union contained in Document GATT/CP.3/24 of 14 May 1949, the Governments of the Union of South Africa and Southern Rhodesia have undertaken to submit to the Contracting Parties not later than 1 July 1952, a report on the progress achieved towards the elimination of tariffs and other restrictive regulations of commerce between their territories and towards the application of the same tariffs and other regulations of commerce to the trade of the territories of other contracting parties.

2. In terms of that Declaration the two governments have also undertaken to furnish to the Contracting Parties not later than 1 July in each year copies of each Annual Report of the Southern Africa Customs Union Council, established in terms of Article 2 of the Customs Union (Interim) Agreement between the Union of South Africa and Southern Rhodesia. These Reports, of which three have thus far been submitted to the Contracting Parties, have embodied general reviews of the progress made in each year towards the realisation of the aims and objectives of the Customs Union (Interim) Agreement.

3. In elaboration of the information already furnished in the three Annual Reports of the Southern Africa Customs Union Council, the two governments desire to submit the following further information with respect to those matters on which they are required to report in terms of the relevant section of the Declaration referred to in paragraph 1 above.

B. ELIMINATION OF TARIFFS AND OTHER RESTRICTIVE REGULATIONS OF COMMERCE BETWEEN THE TWO TERRITORIES

4. On the entry into force of the Customs Union (Interim) Agreement on 1 April 1949, most of the import duties previously applicable to the trade between the two territories were removed.

5. Since that date the two governments have removed item No 286 from the list of commodities embodied in Annexure C on which Southern Rhodesia, in terms of Article 7 (a) of the Agreement, imposes duties when such commodities are imported from the Union of South Africa.

6. There has been regular consultation between the customs administrations of the two governments with a view to establishing similar regulations and practices in respect of the trade between the two territories. As a result of such consultation agreement has been reached on such questions as removals in bond, the return of unclaimed goods, trade and travellers' samples, goods entitled to enter under rebate, goods consigned to the two governments, values to be shown on customs union forms, treatment where interpretations of tariff are different, inclusion of agents' commission in declared values of goods, tourist traffic as regards railway passengers, false declarations of origin and fiscal payments on re-exports.

C. APPLICATION OF THE SAME TARIFFS AND OTHER REGULATIONS OF COMMERCE TO THE TRADE OF THE TERRITORIES OF OTHER CONTRACTING PARTIES

7. The application of substantially the same tariffs to the trade of the territories of the other contracting parties necessitates a considerable amount of preparatory research work by the two governments as well as by the Customs Union Council. This work has, throughout the period of operation of the Agreement, been given a high priority by the governments and by the

Council and has called for frequent consultations between officials as a result of which the governments have been able to reach agreement in terms of Article 13 of the Customs Union (Interim) Agreement on the alignment of a number of items and sub-items in the customs tariffs of the two countries. During the years 1949/50, 22 items and 3 sub-items of other items in the customs tariffs of the two countries were aligned with regard to both nomenclature and rates of duty. Since then further agreement has been reached between the two governments on :

- (i) the alignment of 22 items and 30 sub-items of other items with regard to both nomenclature and rates of duty; and
- (ii) the alignment of 15 items and 24 sub-items of other items with regard to nomenclature only.

8. It should be noted that the agreement reached by the two Customs Administrations on similar regulations and practices in respect of the trade between the two countries (vide paragraph 6 of this Report) affects in large measure their trade with the territories of the other contracting parties.