

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/585

12 November 1956

Limited Distribution

## FRENCH SPECIAL TEMPORARY COMPENSATION TAX ON IMPORTS

### Draft Decision proposed by the Chairman

HAVING FURTHER REVIEWED, pursuant to the final paragraph of the Decision of 30 November 1955, the present position regarding the French special temporary compensation tax on imports;

The CONTRACTING PARTIES

TAKE NOTE with satisfaction of the reductions and eliminations of the tax effected since the Tenth Session of the CONTRACTING PARTIES;

REGRET that it is necessary to repeat the expression of disappointment contained in the Decision of 30 November 1955;

REAFFIRM the Decision of 17 January 1955;

TAKE NOTE of the statement by the French Government that the exceptional expenditures it has currently incurred and, in addition, the severity of climatic conditions in the winter of 1955-56 have had a serious effect on the French economy and, accordingly, that further substantial progress in the reduction and elimination of the compensation tax cannot be expected until these special difficulties have been alleviated;

EXPRESS the hope that the French Government will proceed at as early a date as possible to a progressive and rapid reduction and elimination of the tax, and that, meanwhile, the French Government will reduce the rate of the tax on a number of items on which it has remained constant for more than twelve months, having regard to the fact that the volume of trade in these items is relatively small;

CALL UPON the French Government (i) to continue to report to the Intersessional Committee on developments in this matter, the first report to be communicated by 1 September 1957 to the Executive Secretary for circulation to all contracting parties, and (ii) to participate in any consultations which the Intersessional Committee may initiate at the request of any contracting party or contracting parties; and

DECIDE to review this matter again at their Twelfth Session.

