

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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SOUTH AFRICAN IMPORT RESTRICTIONS

The Government of South Africa has submitted the following press statement issued by Dr. Diederichs, Minister of Economic Affairs, on 8 December 1966.

The Minister of Economic Affairs Dr. the Honourable N. Diederichs today announced that in pursuance of the Government's decision to curb the inflationary conditions, he had decided to authorize the further relaxation of import control.

Firstly higher permit allocations will be made for 1967 in respect of Group B consumer goods, namely 60 per cent of the assessment basis compared with the 55 per cent allocated for 1966. Whilst the initial allocation of 30 per cent has already been issued it is proposed to make two further allocations later namely 25 per cent followed by an additional 5 per cent.

As far as Group A goods are concerned it is proposed to issue permits equal to 110 per cent of 1964 imports of which the initial allocation will be 50 per cent. In addition a number of items in this group will be transferred to the free list and may in consequence be imported without an import permit.

The Minister said that whilst the conversion ratio of consumer goods permits for goods in the restricted list, viz. three for one, would remain unchanged, a considerable number of items in the restricted list would be deleted therefrom.

The Minister said that permits for raw materials required by industrialists would be granted freely to enable them to build up their stocks substantially. Similarly the permits granted to merchants for raw materials will be increased to 115 per cent of 1964 imports of which the first allocation will be 50 per cent. This compares with the 100 per cent granted for 1966.

Special provision is also being made for an increase in the import permits to be issued in respect of textile piece-goods. An increase of 15 per cent over the 1966 allocation is envisaged.

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As far as capital plant and equipment is concerned the present policy will be maintained but permits will be granted more freely in so far as it affects the requirements of existing industries.

The permits granted to merchant importers of capital plant and equipment will also be on a more liberal basis.

Merchant importers of machine tools will be allowed to maintain a stock level of six months based on current sales and the first allocation will be 50 per cent of 1964 imports.

The Minister concluded by remarking that these concessions represented a considerable relaxation of import control and that full details would be published as soon as possible.

