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GENERAL AGREEMENT ON TARIFFS AND TRADE

AGREEMENTS BETWEEN THE EUROPEAN COMMUNITIES AND ICELAND

Questions and Replies

1. The CONTRACTING PARTIES were invited (document GATT/AIR/972) to communicate to the secretariat any questions they might wish to put concerning the Agreements between the European Communities and Iceland[1]. In response to that request, a number of questions were received and were transmitted to the parties to the Agreements. The questions, and the replies from the parties, are reproduced below.

2. Where already available, replies to the questions of a statistical character are given in the annex. Pending the transmission of definitive statistical data, a table showing provisional global figures concerning trade between the Enlarged Community and Iceland[2] has been submitted by the Commission of the Communities.

3. The parties to the Agreements draw attention to the fact that, for the purposes of the examination of the Agreements under the provisions of Article XXIV, no evaluation of the statistical information can be carried out until all the relevant information has been completed.

I. GENERAL QUESTIONS

Question 1

Articles 1 and 2 state the objectives of the Agreements. Article 1 states that the aim is (a) to promote through the expansion of reciprocal trade the harmonious development of economic relations between the European Economic Community and the Republic of Iceland; (b) to provide fair conditions of competition for trade; (c) to contribute by the removal of trade barriers to the harmonious development and expansion of world trade. Article 2 states that the Agreement applies to those products originating in the EC or Iceland which fall within BTN Chapters 25 through 99, excluding the products listed in Annex I, and including those products specified in Protocols No. 2 (Processed Foodstuffs) and No. 6 (Fish Products).

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[1] L/3780/Add.1

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- Is it the intention of the Parties to these Agreements to achieve a free-trade area as defined in Article XXIV, paragraphs 5 through 9, of the General Agreement?

Reply

Yes, see in particular the second paragraph of the preamble of the Agreement.

Question 2

With regard to Article 1 what is likely expansion of world trade consequent upon the implementation of the agreements?

Reply

The creation of a free-trade area will have positive effects on the economic conditions of the two parties and will therefore stimulate their foreign trade in general. It is, however, impossible to make a quantitative forecast of the likely expansion of world trade consequent upon the implementation of the Free Trade Agreements between Iceland and the Communities.

Question 3

Can the parties to the agreements confirm that the provisions of these agreements, and in particular those of Article 12, will in no way hinder or restrict the process of liberalization of trade among the contracting parties to the General Agreement and the elimination of discrimination in international trade matters, and likewise the implementation of Article I of the General Agreement.

Reply

Yes. Furthermore, the two parties are determined to take an active part in the efforts aiming at a further liberalization of world trade.

Question 4

Article 3 provides for the progressive reduction of internal tariffs in five steps of 20 per cent each, to be completed by 1 July 1977, for most industrial items.

- Is the Agreement notified as an interim agreement necessary for the formation of a free-trade area consistent with GATT Article XXIV?

Reply

No. The objective of the Agreement is to establish a free-trade area. The Agreement states clearly the methods and the timetable for eliminating tariffs and other restrictions on essentially all the trade. The Agreement

therefore fulfils, with regard to its objective and its provisions, all the conditions of an agreement concluded for the establishment of a free-trade area under paragraph 5 of Article XXIV.

Question 5

For what reasons are the "plan and schedule" of the United Kingdom and Denmark not indicated in paragraph 2 of Article 3?

Reply

The reason for not including "plan and schedule" for the United Kingdom and Denmark in paragraph 2 of Article 3 is that, upon membership in EFTA, Iceland was granted duty free access for her exports to the other EFTA member States. This is being continued in the Agreement through the rule in paragraph 1 of Article 3, which prohibits the introduction of new customs duties in trade between the enlarged Community and Iceland.

Question 6

Taking into account the provisions of Article 2 of the agreements, how can one consider, for the purposes of the examination under Article XXIV of the General Agreement, that these agreements apply to "substantially all the trade" of the constituent territories of the free-trade area?

Reply

The Agreement provides for the elimination of duties and other restrictive regulations of commerce on substantially all trade.

Question 7

In the event of the situation described in Article 2, paragraph 2 of Protocol No. 6 of the agreement, concerning certain fish products, do the parties to the agreement consider that the provisions of Article XXIV:8(b) of the General Agreement concerning the coverage of products by the agreement will have been observed?

Reply

If the Communities' reservation has in fact to be applied and, as a result, the Communities' concessions under Protocol No. 6 are not introduced, the parties recognize that the Agreement could not be considered as fully complying with the provisions of paragraph 8 of Article XXIV.

Question 8

With regard to Article 8 (Protocol No. 1), what is the basis used to distinguish between the goods exempted from the provisions of the agreement (Article 2(1)) and those for which it appears to have been necessary to prolong the transitional period of adjustment (Article 8 Protocol No. 1)?

Reply

The two categories of products pose problems of a different nature, mainly due to the implications of the agricultural policies of the Parties to the Agreement.

Question 9

As regards the trade between the two parties, do they have the intention to abolish in the future customs duties and other restrictive regulations of commerce on products to which this agreement does not apply at present?

Reply

There is the possibility under the provisions of the Agreement of extending the product coverage.

Question 10

Will the member States neither raise the duties (including non-bound duties) nor make the regulations of commerce more restrictive with regard to the trade with third countries in the course of the formation of this free-trade area?

Reply

The establishment of the free-trade area does not require an increase in tariffs or the application of more restrictive trade regulations vis-à-vis third countries.

Question 11

Article 36 provides that the Agreement "shall apply, on the one hand, to the territories to which the Treaty establishing the European Economic Community applies upon the terms laid down in that Treaty and, on the other, to the territory of the Republic of Iceland".

- Will this agreement affect the trading relationships, legally or otherwise, between Iceland and other countries associated with the EC, such as Spain and Israel, and the Yaoundé countries?

Reply

No, the Agreement between Iceland and the EC in no way affects relations between Iceland and the countries associated with the EC.

II. TRADE COVERAGE OF THE AGREEMENTS

Question 12

Article 2 states that the Agreement applies to those products originating in the EC or Iceland which fall within BTN Chapters 25 through 99, excluding the products listed in Annex I, and including those products specified in Protocol No. 2 (Processed Foodstuffs) and No. 6 (Fish Products).

(a) What percentage of total trade between the signatories to the agreements is covered by Article 2 of the agreements?

(b) In the light of answer to question (a), do the signatories consider that the agreements meet the requirement of Article XXIV:8(b) of the GATT that "the restrictive regulations of commerce are eliminated on substantially all the trade between the constituent territories?"

(c) What was the total value of imports by the EC of Nine from Iceland for each of the three most recent years for which trade statistics are available? What are the comparable figures for imports of Iceland from the EC?

(d) What value and percentage of these imports are (1) industrial products and (2) agricultural products?

(e) What value and percentage of (1) imported industrial products and (2) imported agricultural products will: (i) be free to enter the EC from Iceland and free to enter Iceland from the EC without payment of duties or subject to other restrictive regulations of commerce; (ii) benefit from reduced customs duties and charges when entering the EC from Iceland and vice versa?

(f) What value and percentage of trade between the EC and Iceland will not be free from duties and other restrictive regulations of commerce under the provisions of the agreements?

(g) What value and percentage of trade remains subject to a variable levy or to a variable component?

(h) What products, by BTN tariff number, will not be free to enter the EC from Iceland without payment of duty or other restraint, including a variable levy, according to a definite, fixed schedule set forth in the agreements and related instruments? Give the value and the percentage of trade of these products.

(i) What products, by BTN tariff number, will not be permitted to enter Iceland from the EC, without payment of duty or other restraint, including a variable levy, according to a definite, fixed schedule set forth in the agreements and related instruments? Give the value and percentage of trade of these products.

Data in the "negative lists" referred to in questions (h) and (i) should include products hitherto traded between EC (of Nine) member States on the one hand and Iceland on the other which, by virtue of the special rules of origin set forth in the relevant agreement, will not be considered as originating in the exporting country for purposes of the agreement. These products should be separately identified by tariff item number.

(j) What value and percentage of total imports from EC to Iceland and from Iceland to EC are covered by Annex I (products excluded from free trade)?

(k) List up the products, if any, which are treated as exceptions to the provision of Article 13, paragraph 2, of this agreement, and give the value of the import of the products in question.

Reply

For (a), (c), (d), (e), (f), (j) and (k): See Annex.

For (b): See reply to question 6.

For (g): For the time being no goods are subject to a variable or fixed levy upon importation. However, introduction of a variable levy in order to compensate for differences in price of agricultural raw materials is being studied.

For (h) and (i): The global data on the products excluded from free trade or under a variable levy system are given in reply to other sub-headings of this question. It is felt that the preparation of trade statistics for every individual BTN item included in these global data would represent an unreasonably heavy amount of work. With regard to the footnote, it is impossible to provide data on "origin excluded" products, since there are no statistics of this kind. Furthermore, even if such data were available they would be irrelevant, since manufacturing patterns are liable to continuous change. Finally since no origin rules of any kind existed in 1969, 1970 and 1971 for trade between the EFTA countries and the original EEC members, no conclusions on the effects of the origin rules set out in Protocol No. 3 on such trade are possible.

Question 13

What is the value of trade between the European Communities and Iceland (in absolute terms and as a percentage of the total):

(a) For products listed in Annex I and mentioned in Article 2(i) of the free-trade agreement;

(b) For products included in the tables annexed to Protocols No. 2 and No. 6;

(c) For products falling within sub-heading 22.09C of the common customs tariff which, under Article 3 of Protocol No. 2, are to be subject to tariff reduction rules to be determined later by the Joint Committee;

(d) For products subject to the "customs duty of a fiscal nature" which may be replaced by an internal tax under Article 5 of the agreement;

(e) For products specified in Protocol No. 1 (sensitive products) and which are subject to quotas and/or excluded from the agreement;

(f) For petroleum products covered by the reservations in Article 14, which allows the parties to the agreement to modify the arrangements applicable to those products in the light of the events provided for in that article;

(g) For the agricultural products not included in the agreement (Article 15);

(h) For the agricultural products included in the agreement;

(i) For products specified in Protocol No. 4 which are subject to the quotas mentioned therein.

Reply

For (a) - (i): See Annex.

III. IMPORT AND EXPORT DUTIES

Question 14

Article 5 provides that customs duties of a fiscal nature shall also be abolished in accordance with the provisions of Article 3, but that the customs duty of a fiscal nature or the fiscal element of a customs duty may be replaced by an internal tax. Paragraph 2 specifically permits Iceland to retain temporarily duties of a fiscal nature on the products specified in Annex II.

(a) What are the customs duties containing a fiscal element in Iceland?

(b) Would Iceland submit a list of all customs duties containing a fiscal element and a list of all products on which a fiscal element applies?

(c) What is the value and percentage of total Iceland's imports from the EC of the products listed in Annex II for each of the three most recent years?

(d) On which products does Iceland intend to replace duties in their entirety by internal taxes and on which products will a portion be retained as a protective duty and, with respect to the latter, what portion will be retained?

(e) Can the parties to the agreement give the assurance that any internal tax introduced to replace a fiscal duty, under Article 5 of the Agreement, will be applied in a non-discriminatory fashion vis-à-vis contracting parties to the General Agreement which are not parties to the said agreement?

Reply

For (a), (b), (d): Iceland does not apply any import duties which contain both a protective and a fiscal element. As regards goods covered by the Agreement and not produced in Iceland, Article 5 of the Agreement permits Iceland to maintain revenue duties. There are no plans to convert the fiscal duties to internal taxes.

For (c): See Annex.

For (e): Yes.

Question 15

(a) What will the procedure followed for calculating the correspondence between the internal taxes (permitted under Article 5 of the agreement) and the "customs duty of a fiscal nature or the fiscal element of a customs duty" which they replace?

(b) What are the "customs duties of a fiscal nature" in Iceland?

(c) Does Iceland after starting production of goods listed in Annex II, envisage a reduction of customs duties of a fiscal nature also with respect to imports of these goods from third countries?

Reply

For (a): Not applicable.

For (b): The customs duties of a fiscal nature in Iceland are listed in Annex II to the Agreement.

For (c): Not automatically.

Question 16

How will the internal tax replacing a "customs duty of a fiscal nature or the fiscal element of a customs duty" be collected in each territory of the parties to the agreements?

Please specify whether this tax:

(a) Will be applicable only on products originating in the parties to the agreements

(b) Will be applicable to products regardless of origin, hence including products imported from third parties.

Reply

Not applicable.

Question 17

If the correct assumption is the one in question 16(a) above, how will the origin of the product be defined for the purpose of applying the internal tax where the product originates in one of the parties to the free-trade agreement?

Reply

The question is not relevant.

Question 18

List up the products on which "customs duty of a fiscal nature or the fiscal element of a customs duty" referred to in paragraph 2 of Article 4 are imposed in Denmark, the United Kingdom and Ireland. Give the value of the import of each product in question from Iceland into Denmark, the United Kingdom and Ireland for each of the three most recent years.

Reply

See Annex (Denmark does not apply any fiscal duties)

Question 19

Article 6 provides that no new charges having the effect of a customs duty on imports shall be introduced, and that such charges introduced on or after 1 January 1972 in trade between the Community and Iceland shall be abolished when the Agreement enters into force. These charges are not defined.

(a) What is the definition of "charges having an effect equivalent to customs duties"? How would the equivalence be calculated? Could examples be given?

(b) What are the charges having an effect equivalent to customs duties currently applied in EC/Icelandic trade which were introduced on or after 1 January 1972?

(c) What charges having an effect equivalent to customs duties are in effect and were introduced prior to 1 January 1972?

Reply

(a) The expression "charges having an effect equivalent to customs duties" is considered to fall within the provisions of paragraphs 1 and 2 of Article III of the General Agreement.

(b) None.

(c) None.

Question 20

With regard to Articles 6 and 7. Why does the time-table set out in Article 6(3) for progressive abolition of the "charges having an effect equivalent to a customs duty" differ from that set out for the abolition of customs duties in Article 3 (2)?

Reply

These provisions have been included in the Agreement as a precaution. In fact, these provisions, as well as the question regarding them, are not relevant since there are no charges having an effect equivalent to customs duties (see reply to Question 19(b).

Question 21

The formation of a free-trade area, does not imply any common regulations, whether direct or indirect, in respect of trade with third countries. Where there is a tariff disparity between the parties to the agreement vis-à-vis m.f.n. suppliers might not the introduction of a compensatory charge, as provided under Article 28, paragraph 3(b) of the agreement, in order to remedy the situation described in Article 25, encourage the party having the lower m.f.n. duty to increase the customs duties on imports of the products concerned from third countries?

Reply

The danger of deflections of trade being very limited, and the compensatory charge mentioned in paragraph 3(b) of Article 27 being by definition of a temporary nature, applicable only to trade between the parties to the Agreement and only in cases of serious difficulties, there is no risk of incentives to increase customs duties on goods from third countries.

Question 22

In view of the likelihood of tariff changes consequent upon forthcoming multilateral trade negotiations have the signatories considered the possibility of any adjustments to the provisions of Article 3(3)?

Reply

They have not foreseen this possibility at this stage.

IV. QUANTITATIVE RESTRICTIONS

Question 23

With regard to the trade with third countries, do the member States have the intention to eliminate, in accordance with the principle of non-discrimination as provided for in Article XIII of the General Agreement, quantitative restrictions which are to be abolished in the trade among the member countries.

Question 24

Will quantitative restrictions to be abolished on 1 January 1973 or measures of equivalent effect no later than 1 January 1975 (Article 13:2) be abolished on a most-favoured-nation basis?

Reply to questions 23 & 24

The abolition of quantitative restrictions, where they exist, is covered by the provisions of Article XXIV on the establishment of free-trade areas.

Question 25

What relationship is there between the provisions of Article 29 and the criteria of Article XIII of the General Agreement on Tariffs and Trade?

Reply

Article 29 governs the behaviour of the parties to the Agreement in their mutual relationship in case of difficulties or a serious threat of difficulties as regards their balance of payments. The parties to the Agreement remain, however, bound by the relevant provisions of GATT and by their other international obligations.

Question 26

(a) Does Iceland intend to eliminate quantitative restrictions on the products listed in Protocol No. 4 to the agreement?

(b) If so, at what date does Iceland intend to effect such elimination?

(c) What is the proportion of Iceland's imports from other parties to the agreement which is subject to these quantitative restrictions?

Reply

(a) and (b): There are no changes envisaged.

(c) See reply to Question 13(i)

V. AGRICULTURE

Question 27

In Article 15 of the agreements, the contracting parties declare their readiness to foster the harmonious development of trade in agricultural products. Having regard to the fact that the agreements are not applicable to those products, would the parties envisage that the measures to foster agricultural trade should be applied vis-à-vis all the contracting parties to the General Agreement?

Reply

In the frame of the Agreement, the parties intend to foster the harmonious development of trade in agricultural products, so far as their agricultural policies allow.

Question 28

In respect of certain products, Protocol No. 2 to the agreements provides either for the reduction of duties, or in the case of items subject to both fixed amounts and variable components, reduction/elimination of the former and retention of the latter. Since there is no indication that the fixed amounts or the variable components will eventually be eliminated, this Protocol appears to create new preferences. The signatories are requested to advise whether this is the case and if so, how they envisage bringing the Protocol into conformity with the relevant provisions of GATT.

Reply

Since the Agreement provides for the elimination of the industrial protection, there is in the case of Protocol No. 2 no question of creating new preferences but only of maintaining the element of agricultural protection of the import régime through either fixed amounts or variable components.

Question 29

Protocol No. 2 provides for the customs treatment of certain processed foodstuffs. Protective duties on the industrial element are to be removed by 1 July 1977, while the protection is to remain for the agricultural element.

(a) Which products in BTN Chapters 1 to 24 do the European Community and Iceland contemplate adding to Protocol Number 2 of the agreement?

(b) What was the total value of EC (nine members) imports from Iceland in 1970 and 1971 (or preferably for each of the three most recent years for which statistics are available) which are in BTN Chapters 1 to 24, which are not subject to agricultural regulations of the Community, and which might be added to Protocol Number 2 of the agreement?

(c) With respect to the items listed in Protocol Number 2 to the agreement which will continue to be subject to a variable import levy, will this levy be determined and applied in any way differently for imports from Iceland or from the European Community than for imports from third countries?

Reply

(a) None at this stage. See Article 3 of Protocol No. 2.

(b) Statistical data to be furnished.

(c) No.

Question 30

Is it correct that in addition to the undertakings reached in the agreements further exchanges of letters have taken place which provide for additional undertakings for trade in agricultural products?

Reply

No.

Question 31

If the answer to question 30 is in the affirmative,

(a) Could the signatories provide details of these?

(b) What are the views of the signatories as to the relationship of these agreements to the GATT?

Reply

Not applicable.

VI. RELATIONS WITH DEVELOPING COUNTRIES

Question 32

Do the parties to the agreement envisage taking action with a view to preserving the competitive position of third countries in their market, and in particular that of developing countries, whose position might be impaired as a result of the formation of the free-trade area?

Reply

According to Article 1, sub-paragraph C, the Agreement aims at contributing "to the harmonious development and expansion of world trade". The creation of a free-trade area between the Parties to the Agreement will have beneficial effects on the economies of the two Parties and will consequently stimulate their external trade in general, which will also benefit the developing countries.

VII. OTHER QUESTIONS CONCERNING THE AGREEMENTS

Question 33

What is the relationship between the obligations of the parties to the agreements having regard to the General Agreement on Tariffs and Trade and the exceptions to the concept of free-trade (Article XXIV of the GATT) as permitted under Article 24-27 and 29 (safeguards) of the bilateral agreements?

Reply

The provisions of Article 24 to 29 are justfied by the necessity to correct certain distortions of competition which might occur under the free-trade régime created by the Agreement. The use of safeguard measures in exceptional circumstances on a temporary basis and in the last resort does not affect the determination of the parties to apply the Agreement in conformity with Article XXIV and with their obligations under the General Agreement. As regards Article 29, see the reply to question 25.

Question 34

How are the practices defined by Article 24 of the agreements to be foreseen in principle? Although one may suppose that they would be the subject of an ad hoc definition, what specific indication could we obtain, for the moment, by way of implementing rules for the Article?

Reply

No rules concerning the inplementation of Article 24 have been laid down. The provisions of this Article will be interpreted by the parties in the light of the objectives of the Agreement.

Question 35

Although one may also assume that implementing rules for Articles 25 to 27 inclusive would be established after examination of each case, what specific indications can the parties to the Agreement give for the moment by way of implementing provisions?

Reply

Article 28 sets out the rules of procedure applicable in relation to Articles 25 to 27. It is not possible to foresee how the provisions will be implemented in cases which might arise.

Question 36

What parameter will be used as a basis for defining a situation of difficulties or serious threat of difficulties as regards the balance of payments, under Article 29 of the Agreements?

Reply

The parties to the Agreement have not defined any criteria for establishing cases that may fall under Article 29. Criteria defined a priori could not be applied to any such cases having an essentially specific character (see also reply to Question 25).

Question 37

In the event that one of the parties to the Agreement was faced with the difficulties described in Article 29 of the Agreement, do the parties to the said Agreement recognize the obligation under Article XII of the General Agreement to apply corrective measures in a non-discriminatory fashion?

Reply

The Agreements between the parties do not modify the obligations of the parties under the General Agreement.

Question 38

Protocol No. 3 sets forth the rules of origin applying to trade between the parties to the Agreement. The rules will go into force on 1 April 1973 when the first tariff cut between the Community and the "Five" EFTA countries will take place.

(a) Since the new origin rules are more restrictive than those existing under EFTA arrangements, what measures might be taken to prevent deflection of trade in parts and components away from third country suppliers?

(b) Since the highly complex criteria for rules of origin makes it difficult to see in advance what the impact will be on third country trade, what provision has been made for third country representations in the periodic reviews of the rules of origin?

(c) Will commercial consignments or samples of goods of small value require normal documentary evidence of origin?

(d) How may a product appear simultaneously on exceptions List A, which established more restrictive origin requirements than the general rules, and List B, which is more liberal? Item ex 84.41 for example, appears on both lists.

Reply

(a) The parties to the Agreement do not subscribe to the assumption that the rules of origin of Protocol No. 3 of their Agreement are more restrictive than those of the EFTA Convention.

(b) The parties to the Agreement will consider carefully any observations about possible damaging effects of the origin rules.

(c) On the presentation of form EUR 2, which is a declaration made by the exporter, postal consignments which contain only "originating products" and of which the value does not exceed 1,000 units of account per consignment benefit from the provisions of the Agreements.

(d) Because of the structure of the tariff nomenclature there are a number of cases where both List A and List B rules are necessary. A List A rule can therefore be required in the manufacture of a product to ensure that simple assembly from non-originating components with a small addition of value shall not result in an originating product. But there are also specialized parts of a finished product which fall under the same heading as the finished product. For that reason the same product can appear in List B too. Furthermore, there is a general tolerance rule in List B for the incorporation of non-originating components of the same tariff heading, up to 5 per cent of the final value for chapters 84 to 92 of the BN. However, when percentage rules appear in both List A and B the higher of these percentages determines the maximum permitted non-originating material.

Question 39

The agreement between Iceland and the EEC on products covered by the European Coal and Steel Community is concluded with separate member States of this Community and not with the Community as such as is different in this respect. from e.g. the one concluded between the Community and Sweden. Does it mean establishment of separate free-trade areas between Iceland and particular member States of the Community in these products?

Reply

The parties have notified to GATT the legal instruments establishing a free-trade area between Iceland and the European Communities. The situation in which two legal instruments are necessary in order to create a free-trade area results from the legal existence of separate Communities.

The fact that in respect of iron and steel products Iceland has concluded an Agreement only with the Member States of the ECSC, while Sweden has concluded an Agreement with the Member States and with the ECSC itself, results from the difference in the nature of the obligations undertaken.

Question 40

Will the Joint Committee referred to in Articles 30, 31, 32 be able to act independently of the signatories in initiating future proposals including any envisaged under Article 33, the so-called "evolutionary clause"?

Reply

No. The Joint Committee is by definition an organ for the administration of the Agreement. The two parties represented act under instructions from their competent authorities. If, under the procedure set out in Article 32, one or other of the parties desires that the possibility of co-operation in a field not covered by the Free Trade Agreement be examined, the party concerned can submit a request to this effect.

ANNEX

Icelandic Imports

TABLE I

C.i.f. value in US$ million

	Total			From EC (9 countries)		
	1969	1970	1971	1969	1970	1971
1. Goods with a tariff dismantlement period of 4 1/4 years	-	-	-	-	-	-
2. Goods with a tariff dismantlement period of 6 3/4 to 10 3/4 years[1]	106.9	137.3	199.6	54.0	76.9	99.2
3. Total (1+2) of which:						
(a) Goods covered by Protocol No. 2	2.9	3.6	3.9	2.0	2.3	2.7
(b) Goods with fiscal duties	79.0	101.4	161.3	37.6	52.3	73.7
4. Other goods						
(a) Agricultural goods (from chapters 1-24)	15.5	19.9	20.4	7.5	9.9	10.1
(b) Other goods (from chapters 25-99)	0.0	0.0	0.0	0.0	0.0	0.0

[1] Article 4 of the Iceland-EEC Agreement only stipulates a 6 3/4 years period for EEC imports to Iceland

TABLE II

In percentage of total

	Total			From EC (9 countries)		
	1969	1970	1971	1969	1970	1971
1. Goods with a tariff dismantlement period of 4 1/4 years	-	-	-	-	-	-
2. Goods with a tariff dismantlement period of 6 3/4 to 10 3/4 years	86.6	87.4	90.7	87.8	88.6	90.7
3. Total (1+2) of which:						
(a) Goods covered by Protocol No. 2	2.4	2.3	1.8	3.2	2.7	2.5
(b) Goods with fiscal duties	64.1	64.5	73.3	61.1	60.3	67.4
4. Other goods						
(a) Agricultural goods (from chapters 1-24)	13.3	12.6	9.3	12.2	11.4	9.2
(b) Other goods (from chapters 25-99)	0.0	0.0	0.0	0.0	0.0	0.0

TABLE III

Goods Covered by Protocol No. 4

BTN heading No.	Description	C.i.f. value in US$ million Total 1971	EC (9 countries) 1971
27.09	Petroleum oils and oils obtained from bituminous minerals, crude	-	-
ex 27.10	Partly refined petroleum including topped crudes	-	-
ex 27.10	Motor spirit, excluding aircraft motor spirit	1.9	0.0
ex 27.10	Gas oil, domestic fuel oil and light fuel oil	10.0	1.2
ex 27.10	Heavy fuel oil	1.7	-
ex 96.02	Brooms and brushes (excluding brushes of a kind used as parts of machines, paint rollers, squeegees, mops, artists' brushes and tooth brushes)	0.1	0.0

TABLE IV

Petroleum Products Covered by Article 14 of the Agreement

C.i.f. value in US$ million

BTN heading No.	Total 1971	EC (9 countries) 1971
27.10	17.1	4.5
27.11	0.1	0.1
27.12	0.0	0.0
ex 27.13	0.1	0.1
27.14	0.0	0.0

TABLE V

Alcoholic Beverages Falling under 22.06 and ex 22.09
According to Paragraph 3 of Article 2 of Protocol No. 2

BTN heading No.	Description	C.i.f. value in US$ million Total 1971	EC (9 countries) 1971
22.06	Vermouths, and other wines of fresh grapes flavoured with aromatic extracts	0.1	0.1
ex 22.09	Spirits (other than those of heading No. 22.08): Liqueurs and other spirituous beverages; compound alcoholic preparations (known as "concentrated extracts") for the manufacture of beverages: Spirits other than rum, arrack, tafia, gin, whisky, vodka with an ethyl alcohol content of 45.2 or less, and plum, pear or cherry brandy, containing eggs or egg yolk and/or sugar (sucrose or invert sugar)	0.5	0.3

UNITED KINGDOM - ANNEX TO REPLY TO QUESTION NO. 18

Revenue Duty Items - Value of Imports from Iceland

The only import over the years 1969, 1970 and 1971 was one under United Kingdom tariff heading 2710 (A) of £4,480,000 for 1970.

ANNEX TO REPLY - QUESTION NO. 18

Products on which Ireland levies a customs duty of a fiscal character:

Position BTN	
2203	Beer
2205) 2206) ex 2207)	Wine
2208) 2209)	Spirits
ex 2710	Certain hydrocarbon oils
2201	Table waters
ex 2207	Cider
ex 2207	Perry
2401) 2402)	Tobacco
3606	Matches
4011	Tyres and tubes for vehicles and certain machines
8702) 8703) 8704) 8705) 8706)	Certain motor vehicles parts and accessories

N.B.: This list will be supplemented later by statistical data regarding Irish imports of the products concerned from Iceland.

TRADE BETWEEN THE ENLARGED COMMUNITY AND ICELAND

On a provisional basis, and until the detailed statistical annexes can be furnished, in order to substantiate the validity of the replies given, the Community has made the following overall evaluation of the trade coverage of the Agreement.

Source: OECD

		Value: (million dollars)	
		1969	1970
I.	Total trade		
	(a) Imports by the enlarged Community from Iceland	43	63
	(b) Imports by Iceland from the enlarged Community	62	74
	TOTAL I	105	137
II.	Products covered by the Agreement		
	(a) Imports by the enlarged Community from Iceland	25	45
	(b) Imports by Iceland from the enlarged Community	54	57
	TOTAL II	79	102