

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

RESTRICTED

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### THIRD ACP-EEC CONVENTION OF LOME

#### Questions and Replies

##### Addendum

The contracting parties were invited in GATT/AIR/2396 to submit questions in writing to the secretariat concerning the Third ACP-EEC Convention of Lomé. The comments received and the reply submitted by the parties to the Convention, were reproduced in L/6265. The present document sets forth other questions submitted by contracting parties. The replies to these questions appear in the report of the Working Party.

#### 1. Statistical Questions on Trade Coverage - ACP Exports to the EEC

- (A) What was the total value and percentage of imports into the EC of products originating in ACP States in each of the three most recent years for which statistics are available, in the following categories:
- (1) Total imports
  - (2) Industrial imports (excluding petrocarbons)
  - (3) Petrocarbons
  - (4) Agricultural imports
- (B) For each of the categories of imports into the EC from the ACP countries referred to in Question A above, what value and percentage in each of the three most recent years for which statistics are available:
- (1) Were eligible for duty-free treatment under MFN;
  - (2) Were eligible for duty-free treatment, preferential tariffs, or reduced tariffs under the GSP;
  - (3) Were subject to customs duties including levies having equivalent trade effect; and
  - (4) Were subject to quantitative restrictions.

2. Statistical questions on Trade Coverage  
- ACP Imports from the EEC

- (A) What was the total value and percentage of imports into ACP States of products originating in the EC in each of the three most recent years for which statistics are available, in the following categories:
- (1) Total imports
  - (2) Industrial imports
  - (3) Agricultural imports
- (B) What was the value (and percentage of total imports) in respect of the following categories of imports into the ACP States of products originating in the EC in each of the three most recent years for which statistics are available?
- (1) Imports of products on which customs duties and levies were not imposed on an MFN basis;
  - (2) Imports of products on which customs duties and levies were imposed on an MFN basis;
  - (3) Imports of products on which preferential treatment was granted on a non-MFN basis (while Article 136 does not require reciprocity, residual voluntary preferences remain in certain areas).

3. Other Questions

- A. Article 133 provides that the treatment applied to imports from the ACP States may not be more favourable than that applied to trade among the member States of the Community. However, since Lomé III, Spain and Portugal have joined the Community and are still in the process of phasing-out import duties on goods from other members of the Community. How has the provision of Article 133 been dealt with in this instance?
- B. Article 136 provides that the ACP States will accord Most-Favoured-Nation treatment to the Community, but also provides that the Most-Favoured-Nation treatment accorded the Community shall not be understood to apply between ACP States or between ACP States and other developing countries. Is this merely to confirm that ACP States need not grant each other, or other developing countries, MFN treatment?
- C. What safeguard measures, if any, did the Community find it necessary to take during the period of applicability of the Second Lomé Convention as per Articles 12, 13 and 24 of this Convention and carried forward into Articles 139 and 140 of the Third Lomé Convention?

- D. The transfers provided for in Title III of Part Three of Lomé III appear to go to the government of the ACP country receiving the transfer (Article 170). This article, along with Article 147, indicates that the transfer is to be allocated to the sector or sectors concerned, or other appropriate sectors. It is unclear what mechanism or appropriate sectors. It is unclear what mechanism or procedure is involved in accomplishing this objective. At what point and under what circumstances do the transfer funds enter the private sector to "maintain financial flows in the sector" (Article 147)?
- E. Under Title III (Financial and Technical Cooperation), Article 232 provides that funding provided by the Community to promote economic development under this title is not necessarily to be used exclusively for purchases of goods and services from the Community or the ACP States. However, it is not clear under what conditions such funds would be available for the purchase of goods and services from third countries. Could this point be elaborated on? Would a request to make such a purchase constitute a problem to be examined by the Council of Ministers as provided in Article 254?
- F. Article 3, paragraph 1(a) of Protocol 1 concerning the definition of "originating products" states that, except where the special provisions of List A in Annex II apply, a change in tariff heading under the Customs Cooperation Council Nomenclature is sufficient to confer origin. What changes in this definition are envisaged as a result of adoption of the Harmonized System?
- G. What are the differences between the definition of origin in Protocol 1 of Lomé III and the definition of origin applied by the Community to imports from non-ACP countries? To what extent is trade diverted by virtue of the definition of origin contained in Protocol 1 of Lomé III? Did the Community receive any complaints from third countries regarding prejudicial effects on their trade resulting from the definition of origin in Lomé II?
- H. In the GATT review of Lomé II, the EC responded that it had no plans "for the time being" to conclude other preferential trade arrangements. Are there at present any plans to conclude any such preferential agreements and, if so, with whom?
- I. Why has the Community not sought a waiver from Article XXV obligations for the Lomé Convention as the United States did for its Caribbean Basin Initiative?