

GENERAL AGREEMENT ON

RESTRICTED

L/6450/Add.9

23 May 1989

TARIFFS AND TRADE

Limited Distribution

Original: English

SUBSIDIES

Notifications Pursuant to Article XVI:1

SOUTH AFRICA

The following amendments should be made to update the information contained in L/6111/Add.3 as amended by L/6297/Add.4.

1. Delete paragraph I as the subsidy on agricultural lime and gypsum has now been withdrawn.

2. Renumber paragraph II ("Foodstuffs") as paragraph I.

3. Replace the first sub-paragraph of paragraph I.1(a) (page 2) with the following:

"Subsidies which are paid on bread and maize are intended to reduce the costs of these products to the consumer".

4. In the last sentence of the second sub-paragraph of paragraph I.1(b)(i) (page 3) insert the word "standard" before "bread".

5. Replace the third sub-paragraph of paragraph I.1(b)(i) with the following:

"The bread subsidy is paid to bakers except in the case of brown and whole wheat meal in packages of 5 kg. and less, where the subsidy is paid to millers.

During 1988 the Government decided to phase out the subsidy over a three-year period. As from April 1991 the wheat industry will receive no subsidy payments".

6. Replace the statistical table of paragraph I.1(c) (page 4) with the following:

| Finance year ended 31 March | Million Rand | | |
|--------------------------------|--------------|-------|-------|
| | Bread | Maize | Total |
| 1983 | 193.5 | 69.9 | 263.4 |
| 1984 | 267.6 | 132.4 | 400.0 |
| 1985 | 194.3 | 215.0 | 409.3 |
| 1986 | 180.5 | 250.0 | 430.5 |
| 1987 | 147.0 | 151.0 | 298.0 |
| 1988 | 147.4 | 359.0 | 506.4 |

7. Replace paragraph I.1(d) (page 5) with the following:

"The average rates in respect of the financial year 1987/88 were as follows:

| | Subsidy Rate |
|-------------------|----------------------------|
| White bread | 2,1081 cents per 850 gram |
| Brown bread | 12,8426 cents per 850 gram |
| Whole wheat bread | 11,2051 cents per 850 gram |
| Maize | R 48.70 per ton" |

8. Replace the statistical table of paragraph I.2(b)(i) (page 5) with the following:

| Production and ₁ marketing year | Production | Consumption | 000 tons Imports | Exports |
|---|------------|-------------|---------------------|---------|
| 1983/84 | 1,786 | 2,086 | 6 | 128 |
| 1984/85 | 2,346 | 2,053 | 352 | 46 |
| 1985/86 | 1,691 | 2,092 | 120 | 64 |
| 1986/87 | 2,335 | 2,143 | 357 | 1 |
| 1987/88 | 3,154 | 2,645 | 132 | - |
| 1988/89 | 3,461 | ** | ** | ** |

9. Replace the statistical table of paragraph I.2(b)(ii) (page 6) with the following:

| Marketing year ² | Production | Consumption | 000 tons Imports | Exports |
|-----------------------------|------------|-------------|---------------------|---------|
| 1983/84 | 4,305 | 7,132 | 1,277 | 1,320 |
| 1984/85 | 4,747 | 5,724 | 2,674 | 15 |
| 1985/86 | 8,382 | 5,462 | 421 | 370 |
| 1986/87 | 8,600 | 5,050 | 209 | 1,769 |
| 1987/88 | 7,742 | 5,192 | 92 | 2,442 |
| 1988/89 | 7,683 | ** | ** | ** |

10. Renumber paragraph III ("Films") as paragraph II.
11. In the second sub-paragraph of paragraph II.1(b) (page 7) replace the words "two years" by the words "eighteen months".
12. Replace the statistical table in paragraph II.1(c) (page 7) with the following:

| Financial year | Total payments | Average subsidy per film | Number of films |
|-------------------|----------------|-----------------------------|--------------------|
| | Rand | Rand | |
| 1985/86 | 9,046,895 | 61,965 | 146 |
| 1986/87 | 9,751,290 | 65,781 | 148 |
| 1987/88 | 12,533,321 | 110,915 | 113 |
| 1988/89 | 13,000,000 | 92,858 | 140 |