GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Multilateral Trade Negotiations

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GROUP 3(e) - BASIC DOCUMENTATION

Inventory of Measures and Mechanisms Influencing Exports

AUSTRIA

Revision

I. Export of goods produced of flour

- (a) The 1965 Mill Act, Federal Law Gazette No. 24, as amended by the federal acts Federal Law Gazette No. 410/1969 and 465/1972 contains provisions, according to which as of 1 January 1973 subsidies under section 4a, paragraph 6 leg.cit. are granted for grindings of wheat, provided that this flour is used for the domestic production of goods which are not traded in the domestic market but are exported.
- (b) Upon decision by the administrative commission of the Cereals Marketing Board on 5 December 1972, 12 October 1973, and 30 November 1973, the equalization levy (wheat levy) for export grindings was abolished on 1 January 1973 (see item (a)).
- (c) Pursuant to the decree of the Federal Ministry of Agriculture and Forestry, the difference between the prices for normal wheat and fodder wheat was paid out of federal funds as of 1 January 1973, if wheat was used for export grindings (see item (a)) and if certain requirements were met. The total wheat volume to be released for export grindings was limited to 1,000 tons per year.

The decree mentioned above was withdrawn by a decree of the Federal Ministry of Agriculture and Forestry of 22 October 1974 (Ref. 78-348-16/74). This measure was taken because of the substantial increase in international prices for cereals and milling products.

II. Export of products produced of sugar

- (a) The Sugar Promotion Act, F deral Law Gazette No. 494/1972, contains provisions according to which the Federation as a holder of private rights may grant allocations upon agreement to persons, who are licensed to produce goods for which sugar is usually used, provided that the sugar was used for the production of goods to be exported. The allocation per kg. of sugar cannot exceed the equalization levy for white sugar fixed according to the provisions of the Sugar Act, Federal Law Gazette No. 217/1967, reduced by a lump sum, less an amount of \$ 2.70.
- (b) According to the decree of the Federal Ministry of Agriculture and Forestry of 12 March 1973, at a future new fixing of the official sugar prices, the fixed costs and the research contribution paid by the sugar industry as well as fixed costs of beets would be added to the domestic price for white sugar. This measure was limited to a quantity of 30,000 tons of white sugar each in 1973 and 1974, as far as it was delivered at a reduced price to the processing industry for export purposes exclusively.

The regulation mentioned here ceased to apply by the end of 1974. No replacement was necessary because sugar prices rose on the world market far above the domestic price level in Austria.

(c) Under Regulation No. 133 of the Federal Ministry of Agriculture and Forestry of 15 January 1973 (published in the Official Gazette of the "Wiener Zeitung" on 27 January 1973) in 1973 and 1974 a restitution of actual freight costs from the sugar factory to the domestic processing plant was granted from funds out of the sugar price equalization (freight equalization from specific revenues) for domestic white sugar which had been stored in a bonded warehouse in conformity with the respective customs regulations and which had then been used for the domestic production of goods to be exported ("processed sugar for export purposes") up to a total amount of 30,000 tons per year. This compensation of freight costs was granted regardless the possibility of an allocation under the Sugar Promotion Act (see item (a)).

The decree mentioned (decree No. 133 of 15 January 1973) ceased to apply by the end of 1973 and was not replaced. No replacement was necessary because sugar prices rose on the world market far above the domestic price level in Austria.