

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED  
AIR/TSC/W/17  
3 June 1981  
Special Distribution

## Agreement on Trade in Civil Aircraft

### TECHNICAL SUB-COMMITTEE

Note by the Chairman  
(Mr. Ph. Douglas - Canada)

The Technical Sub-Committee met on 22 June 1981. It addressed the two points under its terms of reference.

#### Point 1

##### 1.1 Statistical reporting of trade data

1980 import statistics were submitted by six Signatories (documents AIR/TSC/W/6, 7, 10, 12, 13 and 16). The Technical Sub-Committee also had before it a secretariat note summarizing the statistical information available. In terms of degree of coverage and comparability some shortcomings were recognized:

- different tariff and statistical classification systems, with no available concordance between them;
- in two cases military products were included;
- in one case products extraneous to the Aircraft Annex were included;
- in two cases the statistics covered less than the products in the Annex; in one case some products in the Annex were grouped where imports were less than \$1 million.

To achieve comparability would require some changes in statistical collection systems, which could not be undertaken for 1980 figures. Signatories were invited to consider the feasibility of altering their systems to work towards comparability. The question would be reverted to at the next meeting, when the matter of preparing a report to the Committee would be examined.

##### 1.2 Tariff classification matters

The Chairman drew attention to a letter dated 29 May 1981 from the United States delegation which contained the outstanding replies to tariff classification questions raised in the context of the List of Selected

Products (AIR/TSC/2). The information was placed in the secretariat's informal tariff classification file.

The representative of France asked if the United States and Canada could supply an unofficial indicative list of aircraft products which would fall under TSUS 694.62 and its Canadian equivalent. The representative of the United States said that in order to be accurate such a list would require Customs rulings. The Chairman suggested that such matters should be pursued bilaterally.

#### 1.3 End-use systems

The Technical Sub-Committee would revert to this matter at its next meeting, after receipt of Signatories' notifications, due in July 1981, on problems encountered with other Signatories' end-use systems.

#### 1.4 National tariffs

Several Signatories drew attention to the way duty-free treatment under the Aircraft Agreement was reflected in certain national tariffs. They stressed the need for transparency and recalled the provisions of Article X of the General Agreement on the publication of trade regulations "in such a manner as to enable governments and traders to become acquainted with them." It was decided to revert to this question at the next meeting.

### Point 2

#### 2.1 Proposals for modification of product coverage

The Technical Sub-Committee took note that the Aircraft Committee, at its 18 June 1981 meeting, expressed interest in additional information on the products listed in document AIR/TSC/2, namely:

- (1) specific examples of parts of aircraft and related equipment, which would be included in the proposed product description;
- (2) relevant technical information (including drawings or illustrations, where available) regarding such products;
- (3) an indication of whether the product is likely to have an aircraft manufacturers' parts number;
- (4) problems brought to Signatories' attention concerning non-aircraft uses and trade diversion of products proposed;
- (5) to the extent possible, a rough estimate of trade for each such product;
- (6) recommended product nomenclature to be used in the Annex of the Agreement; and
- (7) an identification of those products which the Technical Sub-Committee considers to be rectifications rather than substantive changes to the Annex.

It was agreed that Signatories having priority items in the List of Selected Products (AIR/TSC/2) would endeavour to supply information on points

(1), (2) and (3) to the secretariat by the end of July 1981. The secretariat would, to the extent possible, incorporate this information in a draft revision of AIR/TSC/2 for examination at the next meeting. It was understood that any new proposals of products for priority inclusion in the Annex would include sufficient information to cover points (1) to (3) above. New proposals without priority would be included in the master list of products (AIR/W/15). It was up to each Signatory to decide how detailed submitted information should be.

Signatories primarily concerned with point (4) were invited to submit information. Points (5), (6) and (7) would be dealt with at the next meeting. The secretariat would prepare draft lists, based on AIR/TSC/2, showing (a) products on which there was general agreement; (b) products compatible with the headnote to the Annex; and (c) products the inclusion of which would require amending the headnote to the Annex.

Other

3. Date of next meeting

The Chairman would consult with interested parties to fix the exact date of the next meeting, the aim being to meet either in the week starting 14 September 1981, or in the week starting 21 September 1981.

A further meeting was scheduled for the week starting 26 October 1981.