

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.AG/W/68/Add.3/Suppl.1  
4 October 1971

Special Distribution

Agriculture Committee

## IMPORT MEASURES

### Annex 3: Variable Levies and other Special Charges

#### Supplement

#### UNITED KINGDOM

COM.AG/W/68/Add.3 summarized the system of minimum prices operated by the United Kingdom at the end of 1969. Several changes have occurred since that time. Minimum import price arrangements have operated since 31 March 1970 for eggs. The system of minimum import prices for the main cereals, cereal products and by-products was substantially modified on 1 July 1971. Minimum import prices and levy arrangements were also introduced in July 1971 in respect of beef and veal and certain milk products. The scope of these schemes is to be extended to include poultry meat with effect from 1 October 1971.

This paper gives the incidence of levies imposed during 1970 (as requested by the Committee in L/3472, paragraph 6 on page 24), it gives a summary description of the minimum import price schemes and levy arrangements at present in force and lists the products subject to them. The ad valorem incidence of levies applied under the new arrangements are not yet available.

#### 1. Incidence of levies imposed during 1970

<u>BTN</u>	<u>Subject to levy</u>	<u>Incidence 1970</u>
ex 04.05	1. Eggs in shell:	
	(a) Under 14 lb. per 120 eggs	6% <sup>1</sup>
	(b) Over 14 lb. but under 17 lb. per 120 eggs	6% <sup>1</sup>
	(c) Over 17 lb. per 120 eggs	1% <sup>1</sup>
	2. Dried whole egg	2% <sup>2</sup>
	3. Frozen and liquid whole egg	nil <sup>3</sup>

<sup>1</sup>No levy was in force for shell eggs from 24 November to 14 December 1970. Incidence is based on total value of imports from April-December 1970 inclusive.

<sup>2</sup>Levy in force from 10 November to 31 December 1970 only. Incidence is based on total value of imports for April-December 1970 inclusive.

<sup>3</sup>No levy in force during 1970.

<u>BTN</u>	<u>Subject to levy</u>	<u>Incidence</u> <u>1970</u>
ex 10.01	Wheat	(no levies)
10.03	Barley	2.347%
10.04	Oats	(no levies)
ex 10.05	Maize except sweet corn on the cob	(no levies)
ex 10.07	Grain sorghums	(no levies)
ex 11.01	Whole heading except flours of rice	0.726%
ex 11.02	Whole heading except pearled barley, groats meal and worked grain of rice	5.722%
ex 23.02	Whole heading except bran sharps and other residues from rice	(no levies)

## 2. Summary of arrangements at present in force

### Cereals

All imports of specified commodities may be subject to levies fixed in the light of relevant factors, including the amount by which the appropriate minimum import price exceeds representative market offering prices, assessed on a c.i.f. duty-paid basis, at which supplies of the commodity are available from any source. When a levy is applied to importations of a commodity having various quality grades the rate prescribed will be that required after taking account of the amount by which the minimum import price of any one quality exceeds the offering price, and that rate will apply to all imports of the commodity regardless of source or quality. In the case of specified commodities for which there is a recognized forward market, prospective rates of levy are announced at which forward contracts may be registered.

### Beef and veal

A levy is payable on imports of the specified commodities when the estimated average weekly market price of fat cattle in the United Kingdom falls below the target indicator price of fat cattle for that week. The levy on fat cattle is the difference between the weekly target indicator price (which is also the weekly minimum import price) and the average weekly market live-weight price. For beef and veal, the rate of levy for each of the specified categories is the amount by which the weekly minimum import price for that category exceeds the average live-weight market price when multiplied by the coefficient for that category. Suppliers from all sources except the Irish Republic, with which special arrangements have been agreed, are subject to the levy.

Certain milk products

General levies, reflecting the difference between the minimum import prices and the lowest representative offering prices of the products concerned, may be charged on imports of milk products other than butter or cheese, except imports of certain products from countries with whom special arrangements have been agreed.

Eggs

The intention of the scheme is to prevent United Kingdom market prices falling to excessively low price levels which would be against the interests of traditional suppliers and United Kingdom producers. The intention is not to raise prices generally by limiting supplies. The minimum import prices which are expressed in c.i.f. duty-paid terms are supported by a system of general levies subject to exemption in favour of countries which have undertaken to co-operate, so far as practicable in the maintenance of minimum import prices. Provision is made, however, for a country levy to be imposed should an offer price from a co-operating country fall below the minimum import price level. Exemption from levy is granted for imported eggs intended for hatching.

Poultry meat

Minimum import prices for poultry meat and arrangements for supporting them by general variable levies are to be introduced with effect from 1 October 1971.

Products which may be subject to levies	
BTN	Product
ex 01.02	Fat cattle
ex 02.01	Beef or veal, fresh, chilled and frozen
02.02	Poultry meat <sup>1</sup>
ex 02.03	Poultry liver <sup>1</sup>
ex 04.01	Cream, fresh
04.02	Milk and cream, preserved, concentrated or sweetened
ex 04.05	Eggs in shell and liquid, frozen and dried whole egg
ex 10.01	Wheat, other than wheat for use as seed and durum wheat
10.03	Barley
10.04	Oats
ex 10.05	Maize, other than sweet corn on the cob and maize for the manufacture of starch, glucose and spirituous beverages
ex 10.07	Grain sorghum
ex 11.01	Cereal flours, other than rice flour
ex 11.02	Cereal groats, etc., other than any products of rice and any blocked, pot and pearl barley
ex 18.06	Cocoa and milk mixtures, chocolate milk crumb
ex 23.02	Brán sharps etc., of cereals other than rice
ex 23.07	Sweetened forage containing milk solids

<sup>1</sup>From 1 October 1971