

1947
NEW ZEALAND

GENERAL AGREEMENT ON TARIFFS AND TRADE

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UNITED NATIONS CONFERENCE ON
TRADE AND EMPLOYMENT

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GENERAL AGREEMENT ON TARIFFS AND TRADE

THE Governments of the Commonwealth of Australia, the Kingdom of Belgium, the United States of Brazil, Burma, Canada, Ceylon, the Republic of Chile, the Republic of China, the Republic of Cuba, the Czechoslovak Republic, the French Republic, India, Lebanon, the Grand Duchy of Luxemburg, the Kingdom of the Netherlands, New Zealand, the Kingdom of Norway, Pakistan, Southern Rhodesia, Syria, the Union of South Africa, the United Kingdom of Great Britain and Northern Ireland, and the United States of America :

Recognizing that their relations in the field of trade and economic endeavour should be conducted with a view to raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, developing the full use of the resources of the world and expanding the production and exchange of goods ;

Being desirous of contributing to these objectives by entering into reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international commerce ;

Have through their representatives agreed as follows :

PART I

ARTICLE I

General Most-favoured-nation Treatment

1. With respect to Customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports, and with respect to the method of levying such duties and charges, and with respect to all rules and formalities in connection with importation and exportation, and with respect to all matters referred to in paragraphs 1 and 2 of Article III, any advantage, favour, privilege, or immunity granted by any contracting party to any product originating in or destined for any other country shall be accorded immediately and unconditionally to the like product originating in or destined for the territories of all other contracting parties.

2. The provisions of paragraph 1 of this Article shall not require the elimination of any preferences in respect of import duties or charges which do not exceed the levels provided for in paragraph 3 of this Article and which fall within the following descriptions :—

- (a) Preferences in force exclusively between two or more of the territories listed in Annex A, subject to the conditions set forth therein :

- (b) Preferences in force exclusively between two or more territories which on July 1, 1939, were connected by common sovereignty or relations of protection or suzerainty and which are listed in Annexes B, C, and D, subject to the conditions set forth therein ;
- (c) Preferences in force exclusively between the United States of America and the Republic of Cuba :
- (d) Preferences in force exclusively between neighbouring countries listed in Annexes E and F.

3. The margin of preference on any product in respect of which a preference is permitted under paragraph 2 of this Article but is not specifically set forth as a maximum margin of preference in the appropriate Schedule annexed to this Agreement shall not exceed—

- (a) In respect of duties or charges on any product described in such Schedule, the difference between the most-favoured-nation and preferential rates provided for therein ; if no preferential rate is provided for, the preferential rate shall for the purposes of this paragraph be taken to be that in force on April 10, 1947, and, if no most-favoured-nation rate is provided for, the margin shall not exceed the difference between the most-favoured-nation and preferential rates existing on April 10, 1947 :
- (b) In respect of duties or charges on any product not described in the appropriate Schedule, the difference between the most-favoured-nation and preferential rates existing on April 10, 1947.

In the case of the contracting parties named in Annex G, the date of April 10, 1947, referred to in subparagraphs (a) and (b) of this paragraph shall be replaced by the respective dates set forth in that Annex.

ARTICLE II

Schedules of Concessions

1. (a) Each contracting party shall accord to the commerce of the other contracting parties treatment no less favourable than that provided for in the appropriate Part of the appropriate Schedule annexed to this Agreement.

(b) The products described in Part I of the Schedule relating to any contracting party, which are the products of territories of other contracting parties, shall, on their importation into the territory to which the Schedule relates, and subject to the terms, conditions, or qualifications set forth in that Schedule, be exempt from ordinary Customs duties in excess of those set forth and provided for therein. Such products shall also be exempt from all other duties or charges of any kind imposed on or in connection with importation in excess of those imposed on the date of this Agreement or those directly and mandatorily required to be imposed thereafter by legislation in force in the importing territory on that date.

(c) The products described in Part II of the Schedule relating to any contracting party, which are the products of territories entitled under Article I to receive preferential treatment upon importation into the territory to which the Schedule relates, shall, on their importation into such territory, and subject to the terms, conditions, or qualifications set forth in that Schedule, be exempt from ordinary Customs duties in excess of those set forth and provided for in Part II of that Schedule. Such products shall also be exempt from all other duties or charges of any kind imposed on or in connection with importation in excess of those imposed on the date of this Agreement or those directly and mandatorily required to be imposed thereafter by legislation in force in the importing territory on that date. Nothing in this Article shall prevent any contracting party from maintaining its requirements existing on the date of this Agreement as to the eligibility of goods for entry at preferential rates of duty.

2. Nothing in this Article shall prevent any contracting party from imposing at any time on the importation of any product—

(a) A charge equivalent to an internal tax imposed consistently with the provisions of paragraph 1 of Article III in respect of the like domestic product or in respect of an article from which the imported product has been manufactured or produced in whole or in part :

(b) Any anti-dumping or countervailing duty applied consistently with the provisions of Article VI :

(c) Fees or other charges commensurate with the cost of services rendered.

3. No contracting party shall alter its method of determining dutiable value or of converting currencies so as to impair the value of any of the concessions provided for in the appropriate Schedule annexed to this Agreement.

4. If any contracting party establishes, maintains, or authorizes, formally or in effect, a monopoly of the importation of any product described in the appropriate Schedule annexed to this Agreement, such monopoly shall not, except as provided for in that Schedule or as otherwise agreed between the parties which initially negotiated the concession, operate so as to afford protection on the average in excess of the amount of protection provided for in that Schedule. The provisions of this paragraph shall not limit the use by contracting parties of any form of assistance to domestic producers permitted by other provisions of this Agreement.

5. If any contracting party considers that a product is not receiving from another contracting party the treatment which the first contracting party believes to have been contemplated by a concession provided for in the appropriate Schedule annexed to this Agreement, it shall bring the matter directly to the attention of the other contracting party. If the latter agrees that the treatment contemplated was that claimed by the first contracting party, but declares that such treatment cannot be accorded because a Court or other proper authority has ruled to the effect that the product involved cannot be classified under the tariff laws of such contracting party so as to permit the treatment contemplated in this

Agreement, the two contracting parties, together with any other contracting parties substantially interested, shall enter promptly into further negotiations with a view to a compensatory adjustment of the matter.

6. (a) The specific duties and charges included in the Schedules relating to contracting parties members of the International Monetary Fund and margins of preference in specific duties and charges maintained by such contracting parties, are expressed in the appropriate currency at the par value accepted or provisionally recognized by the Fund at the date of this Agreement. Accordingly, in case this par value is reduced consistently with the Articles of Agreement of the International Monetary Fund by more than twenty per centum, such specific duties and charges and margins of preference may be adjusted to take account of such reduction :

Provided that the CONTRACTING PARTIES (*i.e.*, the contracting parties acting jointly as provided for in Article XXV) concur that such adjustments will not impair the value of the concessions provided for in the appropriate Schedule or elsewhere in this Agreement, due account being taken of all factors which may influence the need for, or urgency of, such adjustments.

(b) Similar provisions shall apply to any contracting party not a member of the Fund, as from the date on which such contracting party becomes a member of the Fund or enters into a special exchange agreement in pursuance of Article XV.

7. The Schedules annexed to this Agreement are hereby made an integral part of Part I of this Agreement.

PART II

ARTICLE III

National Treatment on Internal Taxation and Regulation

1. The products of the territory of any contracting party imported into the territory of any other contracting party shall be exempt from internal taxes and other internal charges of any kind in excess of those applied directly or indirectly to like products of national origin. Moreover, in cases in which there is no substantial domestic production of like products of national origin, no contracting party shall apply new or increased internal taxes on the products of the territories of other contracting parties for the purpose of affording protection to the production of directly competitive or substitutable products which are not similarly taxed; and existing internal taxes of this kind shall be subject to negotiation for their reduction or elimination.

2. The products of the territory of any contracting party imported into the territory of any other contracting party shall be accorded treatment no less favourable than that accorded to like products of national origin in respect of all laws, regulations, and requirements affecting their internal sale, offering for sale, purchase, transportation, distribution, or use. The provisions of this paragraph shall not prevent the application of differential transportation charges which are based exclusively on the economic operation of the means of transport and not on the nationality of the product.

3. In applying the principles of paragraph 2 of this Article to internal quantitative regulations relating to the mixture, processing, or use of products in specified amounts or proportions, the contracting parties shall observe the following provisions :—

- (a) No regulations shall be made which, formally or in effect, require that any specified amount or proportion of the product in respect of which such regulations are applied must be supplied from domestic sources :
- (b) No contracting party shall, formally or in effect, restrict the mixing, processing, or use of a product of which there is no substantial domestic production with a view to affording protection to the domestic production of a directly competitive or substitutable product.

4. The provisions of paragraph 3 of this Article shall not apply to—

- (a) Any measure of internal quantitative control in force in the territory of any contracting party on July 1, 1939, or April 10, 1947, at the option of that contracting party ; Provided that any such measure which would be in conflict with the provisions of paragraph 3 of this Article shall not be modified to the detriment of imports and shall be subject to negotiation for its limitation, liberalization, or elimination :
- (b) Any internal quantitative regulation relating to exposed cinematograph films and meeting the requirements of Article IV.

5. The provisions of this Article shall not apply to the procurement by governmental agencies of products purchased for governmental purposes and not for resale or use in the production of goods for sale, nor shall they prevent the payment to domestic producers only of subsidies provided for under Article XVI, including payments to domestic producers derived from the proceeds of internal taxes or charges and subsidies effected through governmental purchases of domestic products.

ARTICLE IV

Special Provisions relating to Cinematograph Films

If any contracting party establishes or maintains internal quantitative regulations relating to exposed cinematograph films, such regulations shall take the form of screen quotas which shall conform to the following requirements :—

- (a) Screen quotas may require the exhibition of cinematograph films of national origin during a specified minimum proportion of the total screen time actually utilized, over a specified period of not less than one year, in the commercial exhibition of all films of whatever origin, and shall be computed on the basis of screen time per theatre per year or the equivalent thereof :
- (b) With the exception of screen time reserved for films of national origin under a screen quota, screen time, including that released by administrative action from screen time reserved for films of national origin, shall not be allocated formally or in effect among sources of supply :

- (c) Notwithstanding the provisions of subparagraph (b) of this Article, any contracting party may maintain screen quotas conforming to the requirements of subparagraph (a) of this Article which reserve a minimum proportion of screen time for films of a specified origin other than that of the contracting party imposing such screen quotas : Provided that no such minimum proportion of screen time shall be increased above the level in effect on April 10, 1947 :
- (d) Screen quotas shall be subject to negotiation for their limitation, liberalization, or elimination.

ARTICLE V

Freedom of Transit

1. Goods (including baggage), and also vessels and other means of transport, shall be deemed to be in transit across the territory of a contracting party when the passage across such territory, with or without trans-shipment, warehousing, breaking bulk, or change in the mode of transport, is only a portion of a complete journey beginning and terminating beyond the frontier of the contracting party across whose territory the traffic passes. Traffic of this nature is termed in this Article "traffic in transit."

2. There shall be freedom of transit through the territory of each contracting party, via the routes most convenient for international transit, for traffic in transit to or from the territory of other contracting parties. No distinction shall be made which is based on the flag of vessels, the place of origin, departure, entry, exit, or destination, or on any circumstances relating to the ownership of goods, of vessels, or of other means of transport.

3. Any contracting party may require that traffic in transit through its territory be entered at the proper customhouse, but, except in cases of failure to comply with applicable Customs laws and regulations, such traffic coming from or going to the territory of other contracting parties shall not be subject to any unnecessary delays or restrictions and shall be exempt from Customs duties and from all transit duties or other charges imposed in respect of transit, except charges for transportation or those commensurate with administrative expenses entailed by transit or with the cost of services rendered.

4. All charges and regulations imposed by contracting parties on traffic in transit to or from the territories of other contracting parties shall be reasonable, having regard to the conditions of the traffic.

5. With respect to all charges, regulations, and formalities in connection with transit, each contracting party shall accord to traffic in transit to or from the territory of any other contracting party treatment no less favourable than the treatment accorded to traffic in transit to or from any third country.

6. Each contracting party shall accord to products which have been in transit through the territory of any other contracting party treatment no less favourable than that which would have been accorded to such products had they been transported from their place of origin to their destination without going through the

territory of such other contracting party. Any contracting party shall, however, be free to maintain its requirements of direct consignment existing on the date of this Agreement, in respect of any goods in regard to which such direct consignment is a requisite condition of eligibility for entry of the goods at preferential rates of duty or has relation to the contracting party's prescribed method of valuation for duty purposes.

7. The provisions of this Article shall not apply to the operation of aircraft in transit, but shall apply to air transit of goods (including baggage).

ARTICLE VI

Anti-dumping and Countervailing Duties

1. No anti-dumping duty shall be levied on any product of the territory of any contracting party imported into the territory of any other contracting party in excess of an amount equal to the margin of dumping under which such product is being imported. For the purposes of this Article, the margin of dumping shall be understood to mean the amount by which the price of the product exported from one country to another

(a) Is less than the comparable price, in the ordinary course of trade, for the like product when destined for consumption in the exporting country or

(b) In the absence of such domestic price, is less than either—

(i) The highest comparable price for the like product for export to any third country in the ordinary course of trade; or

(ii) The cost of production of the product in the country of origin plus a reasonable addition for selling cost and profit.

Due allowance shall be made in each case for differences in conditions and terms of sale, for differences in taxation, and for other differences affecting price comparability.

2. No countervailing duty shall be levied on any product of the territory of any contracting party imported into the territory of another contracting party in excess of an amount equal to the estimated bounty or subsidy determined to have been granted, directly or indirectly, on the manufacture, production, or export of such product in the country of origin or exportation, including any special subsidy to the transportation of a particular product. The term "countervailing duty" shall be understood to mean a special duty levied for the purpose of offsetting any bounty or subsidy bestowed, directly or indirectly, upon the manufacture, production or exportation of any merchandise.

3. No product of the territory of any contracting party imported into the territory of any other contracting party shall be subject to anti-dumping or countervailing duty by reason of the exemption of such product from duties or taxes borne by the like product when destined for consumption in the country of origin or exportation, or by reason of the refund of such duties or taxes.

4. No product of the territory of any contracting party imported into the territory of any other contracting party shall be subject to both anti-dumping and countervailing duties to compensate for the same situation of dumping or export subsidization.

5. No contracting party shall levy any anti-dumping or countervailing duty on the importation of any product of the territory of another contracting party unless it determines that the effect of the dumping or subsidization, as the case may be, is such as to cause or threaten material injury to an established domestic industry, or is such as to prevent or materially retard the establishment of a domestic industry. The CONTRACTING PARTIES may waive the requirements of this paragraph so as to permit a contracting party to levy an anti-dumping or countervailing duty on the importation of any product for the purpose of offsetting dumping or subsidization which causes or threatens material injury to an industry in the territory of another contracting party exporting the product concerned to the territory of the importing contracting party.

6. A system for the stabilization of the domestic price or of the return to domestic producers of a primary commodity, independently of the movements of export prices, which results at times in the sale of the product for export at a price lower than the comparable price charged for the like product to buyers in the domestic market, shall be considered not to result in material injury within the meaning of paragraph 5 of this Article, if it is determined by consultation among the contracting parties substantially interested in the product concerned—

- (a) That the system has also resulted in the sale of the product for export at a higher price than the comparable price charged for the like product to buyers in the domestic market; and
- (b) That the system is so operated, either because of the effective regulation of production or otherwise, as not to stimulate exports unduly or otherwise seriously prejudice the interests of other contracting parties.

7. No measures other than anti-dumping or countervailing duties shall be applied by any contracting party in respect of any product of the territory of any other contracting party for the purpose of offsetting dumping or subsidization.

ARTICLE VII

Valuation for Customs Purposes

1. The contracting parties recognize the validity of the general principles of valuation set forth in the following paragraphs of this Article, and they undertake to give effect to such principles, in respect of all products subject to duties or other charges or restrictions on importation and exportation based upon or regulated in any manner by value, at the earliest practicable date. Moreover, they shall, upon a request by another contracting party, review the operation of any of their laws or regulations relating to value for Customs purposes in the light of these principles. The CONTRACTING PARTIES may request from contracting parties reports on steps taken by them in pursuance of the provisions of this Article.

2. (a) The value for Customs purposes of imported merchandise should be based on the actual value of the imported merchandise on which duty is assessed, or of like merchandise, and should not be based on the value of merchandise of national origin or on arbitrary or fictitious values.

(b) "Actual value" should be the price at which, at a time and place determined by the legislation of the country of importation, and in the ordinary course of trade, such or like merchandise is sold or offered for sale under fully competitive conditions. To the extent to which the price of such or like merchandise is governed by the quantity in a particular transaction, the price to be considered should uniformly be related to either (i) comparable quantities, or (ii) quantities not less favourable to importers than those in which the greater volume of the merchandise is sold in the trade between the countries of exportation and importation.

(c) When the actual value is not ascertainable in accordance with subparagraph (b) of this paragraph, the value for Customs purposes should be based on the nearest ascertainable equivalent of such value.

3. The value for Customs purposes of any imported product should not include the amount of any internal tax, applicable within the country of origin or export, from which the imported product has been exempted or has been or will be relieved by means of refund.

4. (a) Except as otherwise provided for in this paragraph, where it is necessary for the purposes of paragraph 2 of this Article for a contracting party to convert into its own currency a price expressed in the currency of another country, the conversion rate of exchange to be used shall be based on the par values of the currencies involved as established pursuant to the Articles of Agreement of the International Monetary Fund or by special exchange agreements entered into pursuant to Article XV of this Agreement.

(b) Where no such par value has been established, the conversion rate shall reflect effectively the current value of such currency in commercial transactions.

(c) The CONTRACTING PARTIES, in agreement with the International Monetary Fund, shall formulate rules governing the conversion by contracting parties of any foreign currency in respect of which multiple rates of exchange are maintained consistently with the Articles of Agreement of the International Monetary Fund. Any contracting party may apply such rules in respect of such foreign currencies for the purposes of paragraph 2 of this Article as an alternative to the use of par values. Until such rules are adopted by the CONTRACTING PARTIES, any contracting party may employ, in respect of any such foreign currency, rules of conversion for the purposes of paragraph 2 of this Article which are designed to reflect effectively the value of such foreign currency in commercial transactions.

(d) Nothing in this paragraph shall be construed to require any contracting party to alter the method of converting currencies for Customs purposes which is applicable in its territory on the date of this Agreement, if such alteration would have the effect of increasing generally the amounts of duty payable.

5. The bases and methods for determining the value of products subject to duties or other charges or restrictions based upon or regulated in any manner by value should be stable and should be given sufficient publicity to enable traders to estimate, with a reasonable degree of certainty, the value for customs purposes.

ARTICLE VIII

Formalities connected with Importation and Exportation

1. The contracting parties recognize that fees and charges, other than duties, imposed by governmental authorities on or in connection with importation or exportation, should be limited in amount to the approximate cost of services rendered and should not represent an indirect protection to domestic products or a taxation of imports or exports for fiscal purposes. The contracting parties also recognize the need for reducing the number and diversity of such fees and charges, for minimizing the incidence and complexity of import and export formalities, and for decreasing and simplifying import and export documentation requirements.

2. The contracting parties shall take action in accordance with the principles and objectives of paragraph 1 of this Article at the earliest practicable date. Moreover, they shall, upon request by another contracting party, review the operation of any of their laws and regulations in the light of these principles.

3. No contracting party shall impose substantial penalties for minor breaches of Customs regulations or procedural requirements. In particular, no penalty in respect of any omission or mistake in Customs documentation which is easily rectifiable and obviously made without fraudulent intent or gross negligence shall be greater than necessary to serve merely as a warning.

4. The provisions of this Article shall extend to fees, charges, formalities, and requirements imposed by governmental authorities in connection with importation and exportation, including those relating to—

- (a) Consular transactions, such as consular invoices and certificates ;
- (b) Quantitative restrictions ;
- (c) Licensing ;
- (d) Exchange control ;
- (e) Statistical services ;
- (f) Documents, documentation and certification ;
- (g) Analysis and inspection ; and
- (h) Quarantine, sanitation, and fumigation.

ARTICLE IX

Marks of Origin

1. Each contracting party shall accord to the products of the territories of other contracting parties treatment with regard to marking requirements no less favourable than the treatment accorded to like products of any third country.

2. Whenever it is administratively practicable to do so, contracting parties should permit required marks of origin to be affixed at the time of importation.

3. The laws and regulations of contracting parties relating to the marking of imported products shall be such as to permit compliance without seriously damaging the products, or materially reducing their value, or unreasonably increasing their cost.

4. As a general rule no special duty or penalty should be imposed by any contracting party for failure to comply with marking requirements prior to importation unless corrective marking is unreasonably delayed or deceptive marks have been affixed or the required marking has been intentionally omitted.

5. The contracting parties shall co-operate with each other with a view to preventing the use of trade names in such manner as to misrepresent the true origin of a product, to the detriment of such distinctive regional or geographical names of products of the territory of a contracting party as are protected by its legislation. Each contracting party shall accord full and sympathetic consideration to such requests or representations as may be made by any other contracting party regarding the application of the undertaking set forth in the preceding sentence to names of products which have been communicated to it by the other contracting party.

ARTICLE X

Publication and Administration of Trade Regulations

1. Laws, regulations, judicial decisions, and administrative rulings of general application, made effective by any contracting party, pertaining to the classification or the valuation of products for Customs purposes, or to rates of duty, taxes or other charges, or to requirements, restrictions, or prohibitions on imports or exports or on the transfer of payments therefor, or affecting their sale, distribution, transportation, insurance, warehousing, inspection, exhibition, processing, mixing, or other use shall be published promptly in such a manner as to enable Governments and traders to become acquainted with them. Agreements affecting international trade policy which are in force between the Government or a governmental agency of any contracting party and the Government or governmental agency of any other contracting party shall also be published. The provisions of this paragraph shall not require any contracting party to disclose confidential information which would impede law enforcement or otherwise be contrary to the public interest or would prejudice the legitimate commercial interests of particular enterprises, public or private.

2. No measure of general application taken by any contracting party effecting an advance in a rate of duty or other charge on imports under an established and uniform practice, or imposing a new or more burdensome requirement, restriction, or prohibition on imports, or on the transfer of payments therefor, shall be enforced before such measure has been officially published.

3. (a) Each contracting party shall administer in a uniform, impartial, and reasonable manner all its laws, regulations, decisions, and rulings of the kind described in paragraph 1 of this Article.

(b) Each contracting party shall maintain, or institute as soon as practicable, judicial, arbitral, or administrative tribunals or procedures for the purpose, *inter alia* of the prompt review and correction of administrative action relating to Customs matters. Such tribunals or procedures shall be independent of the agencies entrusted with administrative enforcement and their decisions shall be implemented by, and shall govern the practice of, such agencies unless an appeal is lodged with a Court or tribunal of superior jurisdiction within the time prescribed for appeals to be lodged by importers: Provided that the central administration of such agency may take steps to obtain a review of the matter in another proceeding if there is good cause to believe that the decision is inconsistent with established principles of law or the actual facts.

(c) The provisions of subparagraph (b) of this paragraph shall not require the elimination or substitution of procedures in force in the territory of a contracting party on the date of this Agreement which in fact provide for an objective and impartial review of administrative action even though such procedures are not fully or formally independent of the agencies entrusted with administrative enforcement. Any contracting party employing such procedures shall, upon request, furnish the CONTRACTING PARTIES with full information thereon in order that they may determine whether such procedures conform to the requirements of this subparagraph.

ARTICLE XI

General Elimination of Quantitative Restrictions

1. No prohibitions or restrictions, other than duties, taxes, or other charges, whether made effective through quotas, import or export licences, or other measures, shall be instituted or maintained by any contracting party on the importation of any product of the territory of any other contracting party or on the exportation or sale for export of any product destined for the territory of any other contracting party.

2. The provisions of paragraph 1 of this Article shall not extend to the following:—

- (a) Export prohibitions or restrictions temporarily applied to prevent or relieve critical shortages of foodstuffs or other products essential to the exporting contracting party;
- (b) Import and export prohibitions or restrictions necessary to the application of standards or regulations for the classification, grading, or marketing of commodities in international trade;
- (c) Import restrictions on any agricultural or fisheries product, imported in any form, necessary to the enforcement of governmental measures which operate—
 - (i) To restrict the quantities of the like domestic product permitted to be marketed or produced, or, if there is no substantial domestic production of the like product, of a domestic product for which the imported product can be directly substituted; or

(ii) To remove a temporary surplus of the like domestic product, or, if there is no substantial domestic production of the like product, of a domestic product for which the imported product can be directly substituted, by making the surplus available to certain groups of domestic consumers free of charge or at prices below the current market level ; or

(iii) To restrict the quantities permitted to be produced of any animal product the production of which is directly dependent, wholly or mainly, on the imported commodity, if the domestic production of that commodity is relatively negligible.

Any contracting party applying restrictions on the importation of any product pursuant to subparagraph (c) of this paragraph shall give public notice of the total quantity or value of the product permitted to be imported during a specified future period and of any change in such quantity or value. Moreover, any restrictions applied under (i) above shall not be such as will reduce the total of imports relative to the total of domestic production, as compared with the proportion which might reasonably be expected to rule between the two in the absence of restrictions. In determining this proportion, the contracting party shall pay due regard to the proportion prevailing during a previous representative period and to any special factors which may have affected or may be affecting the trade in the product concerned.

3. Throughout Articles XI, XII, XIII, and XIV the terms "import restrictions" or "export restrictions" include restrictions made effective through State trading operations.

ARTICLE XII

Restrictions to Safeguard the Balance of Payments

1. Notwithstanding the provisions of paragraph 1 of Article XI, any contracting party, in order to safeguard its external financial position and balance of payments, may restrict the quantity or value of merchandise permitted to be imported, subject to the provisions of the following paragraphs of this Article.

2. (a) No contracting party shall institute, maintain, or intensify import restrictions under this Article except to the extent necessary—

(i) To forestall the imminent threat of, or to stop, a serious decline in its monetary reserves ; or

(ii) In the case of a contracting party with very low monetary reserves, to achieve a reasonable rate of increase in its reserves.

Due regard shall be paid in either case to any special factors which may be affecting the contracting party's reserves or need for reserves, including, when special external credits or other resources are available to it, the need to provide for the appropriate use of such credits or resources.

(b) Contracting parties applying restrictions under subparagraph (a) of this paragraph shall progressively relax them as such conditions improve, maintaining them only to the extent that the conditions specified in that subparagraph still

justify their application. They shall eliminate the restrictions when conditions would no longer justify their institution or maintenance under that subparagraph.

3. (a) The contracting parties recognize that during the next few years all of them will be confronted in varying degrees with problems of economic adjustment resulting from the war. During this period the CONTRACTING PARTIES shall, when required to take decisions under this Article or under Article XIV, take full account of the difficulties of post-war adjustment and of the need which a contracting party may have to use import restrictions as a step towards the restoration of equilibrium in its balance of payments on a sound and lasting basis.

(b) The contracting parties recognize that, as a result of domestic policies directed toward the achievement and maintenance of full and productive employment and large and steadily growing demand or toward the reconstruction or development of industrial and other economic resources and the raising of standards of productivity, such a contracting party may experience a high level of demand for imports. Accordingly,—

- (i) Notwithstanding the provisions of paragraph 2 of this Article, no contracting party shall be required to withdraw or modify restrictions on the ground that a change in the policies referred to above would render unnecessary the restrictions which it is applying under this Article :
 - (ii) Any contracting party applying import restrictions under this Article may determine the incidence of the restrictions on imports of different products or classes of products in such a way as to give priority to the importation of those products which are more essential in the light of such policies.
- (c) Contracting parties undertake, in carrying out their domestic policies—
- (i) To pay due regard to the need for restoring equilibrium in their balance of payments on a sound and lasting basis and to the desirability of assuring an economic employment of productive resources ;
 - (ii) Not to apply restrictions so as to prevent unreasonably the importation of any description of goods in minimum commercial quantities, the exclusion of which would impair regular channels of trade, or restrictions which would prevent the importation of commercial samples, or prevent compliance with patent, trade-mark, copyright, or similar procedures ; and
 - (iii) To apply restrictions under this Article in such a way as to avoid unnecessary damage to the commercial or economic interests of any other contracting party.

4. (a) Any contracting party which is not applying restrictions under this Article, but is considering the need to do so, shall, before instituting such restrictions (or, in circumstances in which prior consultation is impracticable, immediately after doing so), consult with the CONTRACTING PARTIES as to the nature of its balance-of-payments difficulties, alternative corrective measures which may

be available, and the possible effect of such measures on the economies of other contracting parties. No contracting party shall be required in the course of consultations under this subparagraph to indicate in advance the choice or timing of any particular measures which it may ultimately determine to adopt.

(b) The CONTRACTING PARTIES may at any time invite any contracting party which is applying import restrictions under this Article to enter into such consultations with them, and shall invite any contracting party substantially intensifying such restrictions to consult within thirty days. A contracting party thus invited shall participate in such discussions. The CONTRACTING PARTIES may invite any other contracting party to take part in these discussions. Not later than January 1, 1951, the CONTRACTING PARTIES shall review all restrictions existing on that day and still applied under this Article at the time of the review.

(c) Any contracting party may consult with the CONTRACTING PARTIES with a view to obtaining their prior approval for restrictions which the contracting party proposes, under this Article, to maintain, intensify, or institute, or for the maintenance, intensification, or institution of restrictions under specified future conditions. As a result of such consultations, the CONTRACTING PARTIES may approve in advance the maintenance, intensification, or institution of restrictions by the contracting party in question in so far as the general extent, degree of intensity, and duration of the restrictions are concerned. To the extent to which such approval has been given, the requirements of subparagraph (a) of this paragraph shall be deemed to have been fulfilled, and the action of the contracting party applying the restrictions shall not be open to challenge under subparagraph (d) of this paragraph on the ground that such action is inconsistent with the provisions of paragraph 2 of this Article.

(d) Any contracting party which considers that another contracting party is applying restrictions under this Article inconsistently with the provisions of paragraphs 2 or 3 of this Article or with those of Article XIII (subject to the provisions of Article XIV) may bring the matter for discussion to the CONTRACTING PARTIES; and the contracting party applying the restrictions shall participate in the discussion. The CONTRACTING PARTIES, if they are satisfied that there is a *prima facie* case that the trade of the contracting party initiating the procedure is adversely affected, shall submit their views to the parties with the aim of achieving a settlement of the matter in question which is satisfactory to the parties and to the CONTRACTING PARTIES. If no such settlement is reached and if the CONTRACTING PARTIES determine that the restrictions are being applied inconsistently with the provisions of paragraphs 2 or 3 of this Article or with those of Article XIII (subject to the provisions of Article XIV), they shall recommend the withdrawal or modification of the restrictions. If the restrictions are not withdrawn or modified in accordance with the recommendation of the CONTRACTING PARTIES within sixty days, they may release any contracting party from specified obligations under this Agreement towards the contracting party applying the restrictions.

(c) It is recognized that premature disclosure of the prospective application, withdrawal, or modification of any restriction under this Article might stimulate speculative trade and financial movements which would tend to defeat the purposes of this Article. Accordingly, the CONTRACTING PARTIES shall make provision for the observance of the utmost secrecy in the conduct of any consultation.

5. If there is a persistent and widespread application of import restrictions under this Article, indicating the existence of a general disequilibrium which is restricting international trade, the CONTRACTING PARTIES shall initiate discussions to consider whether other measures might be taken, either by those contracting parties whose balances of payments are under pressure or by those whose balances of payments are tending to be exceptionally favourable, or by any appropriate inter-governmental organization, to remove the underlying causes of the disequilibrium. On the invitation of the CONTRACTING PARTIES, contracting parties shall participate in such discussions.

ARTICLE XIII

Non-discriminatory Administration of Quantitative Restrictions

1. No prohibition or restriction shall be applied by any contracting party on the importation of any product of the territory of any other contracting party or on the exportation of any product destined for the territory of any other contracting party, unless the importation of the like product of all third countries or the exportation of the like product to all third countries is similarly prohibited or restricted.

2. In applying import restrictions to any product, contracting parties shall aim at a distribution of trade in such product approaching as closely as possible to the shares which the various contracting parties might be expected to obtain in the absence of such restrictions, and to this end shall observe the following provisions :—

- (a) Wherever practicable, quotas representing the total amount of permitted imports (whether allocated among supplying countries or not) shall be fixed, and notice given of their amount in accordance with paragraph 3 (b) of this Article :
- (b) In cases in which quotas are not practicable, the restrictions may be applied by means of import licences or permits without a quota :
- (c) Contracting parties shall not, except for purposes of operating quotas allocated in accordance with subparagraph (d) of this paragraph, require that import licences or permits be utilized for the importation of the product concerned from a particular country or source :
- (d) In cases in which a quota is allocated among supplying countries, the contracting party applying the restrictions may seek agreement with respect to the allocation of shares in the quota with all other contracting parties having a substantial interest in supplying the product concerned. In cases in which this method is not reasonably practicable,

the contracting party concerned shall allot to contracting parties having a substantial interest in supplying the product shares based upon the proportions, supplied by such contracting parties during a previous representative period, of the total quantity or value of imports of the product, due account being taken of any special factors which may have affected or may be affecting the trade in the product. No conditions or formalities shall be imposed which would prevent any contracting party from utilizing fully the share of any such total quantity or value which has been allotted to it, subject to importation being made within any prescribed period to which the quota may relate.

3. (a) In cases in which import licences are issued in connection with import restrictions, the contracting party applying the restrictions shall provide, upon the request of any contracting party having an interest in the trade in the product concerned, all relevant information concerning the administration of the restrictions, the import licences granted over a recent period, and the distribution of such licences among supplying countries: Provided that there shall be no obligation to supply information as to the names of importing or supplying enterprises.

(b) In the case of import restrictions involving the fixing of quotas, the contracting party applying the restrictions shall give public notice of the total quantity or value of the product or products which will be permitted to be imported during a specified future period and of any change in such quantity or value. Any supplies of the product in question which were *en route* at the time at which public notice was given shall not be excluded from entry; provided that they may be counted, so far as practicable, against the quantity permitted to be imported in the period in question, and also, where necessary, against the quantities permitted to be imported in the next following period or periods; and provided further that if any contracting party customarily exempts from such restrictions products entered for consumption or withdrawn from warehouse for consumption during a period of thirty days after the day of such public notice, such practice shall be considered full compliance with this subparagraph.

(c) In the case of quotas allocated among supplying countries, the contracting party applying the restrictions shall promptly inform all other contracting parties having an interest in supplying the product concerned of the shares in the quota currently allocated, by quantity or value, to the various supplying countries and shall give public notice thereof.

4. With regard to restrictions applied in accordance with paragraph 2 (d) of this Article or under paragraph 2 (c) of Article XI, the selection of a representative period for any product and the appraisal of any special factors affecting the trade in the product shall be made initially by the contracting party applying the restriction: Provided that such contracting party shall, upon the request of any other contracting party having a substantial interest in supplying that product or upon the request of the CONTRACTING PARTIES, consult promptly with the other contracting party or the CONTRACTING PARTIES regarding the need for an adjustment of the proportion determined or of the base period selected, or

for the reappraisal of the special factors involved, or for the elimination of conditions, formalities, or any other provisions established unilaterally relating to the allocation of an adequate quota or its unrestricted utilization.

5. The provisions of this Article shall apply to any tariff quota instituted or maintained by any contracting party, and, in so far as applicable, the principles of this Article shall also extend to export restrictions and to any internal regulation or requirement under paragraphs 3 and 4 of Article III.

ARTICLE XIV

Exceptions to the Rule of Non-discrimination

1. (a) The contracting parties recognize that when a substantial and widespread disequilibrium prevails in international trade and payments a contracting party applying restrictions under Article XII may be able to increase its imports from certain sources without unduly depleting its monetary reserves, if permitted to depart from the provisions of Article XIII. The contracting parties also recognize the need for close limitation of such departures so as not to handicap achievement of multilateral international trade.

(b) Accordingly, when a substantial and widespread disequilibrium prevails in international trade and payments, a contracting party applying import restrictions under Article XII may relax such restrictions in a manner which departs from the provisions of Article XIII to the extent necessary to obtain additional imports above the maximum total of imports which it could afford in the light of the requirements of paragraph 2 of Article XII if its restrictions were fully consistent with the provisions of Article XIII, provided that—

- (i) Levels of delivered prices for products so imported are not established substantially higher than those ruling for comparable goods regularly available from other contracting parties, and that any excess of such price levels for products so imported is progressively reduced over a reasonable period ;
- (ii) The contracting party taking such action does not do so as part of any arrangement by which the gold or convertible currency which the contracting party currently receives, directly or indirectly, from its exports to other contracting parties not party to the arrangement is appreciably reduced below the level it could otherwise have been reasonably expected to attain ;
- (iii) Such action does not cause unnecessary damage to the commercial or economic interests of any other contracting party.

(c) Any contracting party taking action under this paragraph shall observe the principles of subparagraph (b) of this paragraph. A contracting party shall desist from transactions which prove to be inconsistent with that subparagraph, but the contracting party shall not be required to satisfy itself, when it is not practicable to do so, that the requirements of that subparagraph are fulfilled in respect of individual transactions.

(d) Contracting parties undertake, in framing and carrying out any programme for additional imports under this paragraph, to have due regard to the need to facilitate the termination of any exchange arrangements which deviate from the obligations of Sections 2, 3, and 4 of Article VIII of the Articles of Agreement of the International Monetary Fund and to the need to restore equilibrium in their balances of payments on a sound and lasting basis.

2. Any contracting party taking action under paragraph 1 of this Article shall keep the CONTRACTING PARTIES regularly informed regarding such action and shall provide such available relevant information as they may request.

3. (a) Not later than March 1, 1952 (five years after the date on which the International Monetary Fund began operations), and in each year thereafter, any contracting party maintaining or proposing to institute action under paragraph 1 of this Article shall seek the approval of the CONTRACTING PARTIES, which shall thereupon determine whether the circumstances of the contracting party justify the maintenance or institution of action by it under paragraph 1 of this Article. After March 1, 1952, no contracting party shall maintain or institute such action without determination by the CONTRACTING PARTIES that the contracting party's circumstances justify the maintenance or institution of such action, as the case may be, and the subsequent maintenance or institution of such action by the contracting party shall be subject to any limitations which the CONTRACTING PARTIES may prescribe for the purpose of ensuring compliance with the provisions of paragraph 1 of this Article; Provided that the CONTRACTING PARTIES shall not require that prior approval be obtained for individual transactions.

(b) If at any time the CONTRACTING PARTIES find that import restrictions are being applied by a contracting party in a discriminatory manner inconsistent with the exceptions provided for under paragraph 1 of this Article, the contracting party shall, within sixty days, remove the discrimination or modify it as specified by the CONTRACTING PARTIES: Provided that any action under paragraph 1 of this Article, to the extent that it has been approved by the CONTRACTING PARTIES under subparagraph (a) of this paragraph or to the extent that it has been approved by them at the request of a contracting party under a procedure analogous to that of paragraph 4 (c) of Article XII, shall not be open to challenge under this subparagraph or under paragraph 4 (d) of Article XII on the ground that it is inconsistent with the provisions of Article XIII.

(c) Not later than March 1, 1950, and in each year thereafter so long as any contracting parties are taking action under paragraph 1 of this Article, the CONTRACTING PARTIES shall report on the action still taken by contracting parties under that paragraph. On or about March 1, 1952, and in each year thereafter so long as any contracting parties are taking action under paragraph 1 of this Article, and at such times thereafter as they may decide, the CONTRACTING PARTIES shall review the question whether there then exists such a substantial and widespread disequilibrium in international trade and payments as to justify resort to paragraph 1 of this Article by contracting parties. If it appears at any date prior to March 1, 1952, that there has been a substantial and general improvement in international trade and payments, the CONTRACTING PARTIES may

review the situation at that date. If, as a result of any such review, the CONTRACTING PARTIES determine that no such disequilibrium exists, the provisions of paragraph 1 of this Article shall be suspended, and all actions authorized hereunder shall cease six months after such determination.

4. The provisions of Article XIII shall not preclude restrictions in accordance with Article XII which either—

- (a) Are applied against imports from other countries, but not as among themselves, by a group of territories having a common quota in the International Monetary Fund, on condition that such restrictions are in all other respects consistent with the provisions of Article XIII; or
- (b) Assist, in the period up to December 31, 1951, by measures not involving substantial departure from the provisions of Article XIII, another country whose economy has been disrupted by war.

5. The provisions of this Agreement shall not preclude—

- (a) Restrictions with equivalent effect to exchange restrictions authorized under Section 3 (b) of Article VII of the Articles of Agreement of the International Monetary Fund; or
- (b) Restrictions under the preferential arrangements provided for in Annex A of this Agreement, subject to the conditions set forth therein.

6. (a) The provisions of Article XIII shall not enter into force in respect of import restrictions applied by any contracting party pursuant to Article XII in order to safeguard its external financial position and balance of payments, and the provisions of paragraph 1 of Article XI and Article XIII shall not enter into force in respect of export restrictions applied by any contracting party for the same reason, until January 1, 1949: Provided that this period may, with the concurrence of the CONTRACTING PARTIES, be extended for such further periods as they may specify in respect of any contracting party whose supply of convertible currencies is inadequate to enable it to apply the above mentioned provisions.

(b) If a measure taken by a contracting party in the circumstances referred to in subparagraph (a) of this paragraph affects the commerce of another contracting party to such an extent as to cause the latter to consider the need of having recourse to the provisions of Article XII, the contracting party having taken that measure shall, if the affected contracting party so requests, enter into immediate consultation with a view to arrangements enabling the affected contracting party to avoid having such recourse, and, if special circumstances are put forward to justify such action, shall temporarily suspend application of the measure for a period of fifteen days.

ARTICLE XV

Exchange Arrangements

1. The CONTRACTING PARTIES shall seek co-operation with the International Monetary Fund to the end that the CONTRACTING PARTIES and the Fund may pursue a co-ordinated policy with regard to exchange questions within the jurisdiction of the Fund and questions of quantitative restrictions and other trade measures within the jurisdiction of the CONTRACTING PARTIES.

2. In all cases in which the CONTRACTING PARTIES are called upon to consider or deal with problems concerning monetary reserves, balances of payments or foreign exchange arrangements, they shall consult fully with the International Monetary Fund. In such consultation, the CONTRACTING PARTIES shall accept all findings of statistical and other facts presented by the Fund relating to foreign exchange, monetary reserves, and balances of payments, and shall accept the determination of the Fund as to whether action by a contracting party in exchange matters is in accordance with the Articles of Agreement of the International Monetary Fund, or with the terms of a special exchange agreement between that contracting party and the CONTRACTING PARTIES. The CONTRACTING PARTIES, in reaching their final decision in cases involving the criteria set forth in paragraph 2 (a) of Article XII, shall accept the determination of the Fund as to what constitutes a serious decline in the contracting party's monetary reserves, a very low level of its monetary reserves or a reasonable rate of increase in its monetary reserves, and as to the financial aspects of other matters covered in consultation in such cases.

3. The CONTRACTING PARTIES shall seek agreement with the Fund regarding procedures for consultation under paragraph 2 of this Article.

4. Contracting parties shall not, by exchange action, frustrate the intent of the provisions of this Agreement, nor, by trade action, the intent of the provisions of the Articles of Agreement of the International Monetary Fund.

5. If the CONTRACTING PARTIES consider, at any time, that exchange restrictions on payments and transfers in connection with imports are being applied by a contracting party in a manner inconsistent with the exceptions provided for in this Agreement for quantitative restrictions, they shall report thereon to the Fund.

6. Any contracting party which is not a member of the Fund shall, within a time to be determined by the CONTRACTING PARTIES after consultation with the Fund, become a member of the Fund, or, failing that, enter into a special exchange agreement with the CONTRACTING PARTIES. A contracting party which ceases to be a member of the Fund shall forthwith enter into a special exchange agreement with the CONTRACTING PARTIES. Any special exchange agreement entered into by a contracting party under this paragraph shall thereupon become part of its obligations under this Agreement.

7. (a) A special exchange agreement between a contracting party and the CONTRACTING PARTIES under paragraph 6 of this Article shall provide to the satisfaction of the CONTRACTING PARTIES that the objectives of this Agreement will not be frustrated as a result of action in exchange matters by the contracting party in question.

(b) The terms of any such agreement shall not impose obligations on the contracting party in exchange matters generally more restrictive than those imposed by the Articles of Agreement of the International Monetary Fund on members of the Fund.

8. A contracting party which is not a member of the Fund shall furnish such information within the general scope of Section 5 of Article VIII of the Articles of Agreement of the International Monetary Fund as the CONTRACTING PARTIES may require in order to carry out their functions under this Agreement.

9. Subject to the provisions of paragraph 4 of this Article, nothing in this Agreement shall preclude—

- (a) The use by a contracting party of exchange controls or exchange restrictions in accordance with the Articles of Agreement of the International Monetary Fund or with that contracting party's special exchange agreement with the CONTRACTING PARTIES ; or
- (b) The use by a contracting party of restrictions or controls on imports or exports, the sole effect of which, additional to the effects permitted under Articles XI, XII, XIII, and XIV, is to make effective such exchange controls or exchange restrictions.

ARTICLE XVI

Subsidies

If any contracting party grants or maintains any subsidy, including any form of income or price support, which operates directly or indirectly to increase exports of any product from, or to reduce imports of any product into, its territory, it shall notify the CONTRACTING PARTIES in writing of the extent and nature of the subsidization, of the estimated effect of the subsidization on the quantity of the affected product or products imported into or exported from its territory and of the circumstances making the subsidization necessary. In any case in which it is determined that serious prejudice to the interests of any other contracting party is caused or threatened by any such subsidization, the contracting party granting the subsidy shall, upon request, discuss with the other contracting party or parties concerned, or with the CONTRACTING PARTIES, the possibility of limiting the subsidization.

ARTICLE XVII

Non-discriminatory Treatment on the Part of State Trading Enterprises

1. (a) Each contracting party undertakes that if it establishes or maintains a State enterprise, wherever located, or grants to any enterprise, formally or in effect, exclusive or special privileges, such enterprise shall, in its purchases or sales involving either imports or exports, act in a manner consistent with the general principles of non-discriminatory treatment prescribed in this Agreement for governmental measures affecting imports or exports by private traders.

(b) The provisions of subparagraph (a) of this paragraph shall be understood to require that such enterprises shall, having due regard to the other provisions of this Agreement, make any such purchases or sales solely in accordance with commercial considerations, including price, quality, availability, marketability, transportation, and other conditions of purchase or sale, and shall afford the enterprises of the other contracting parties adequate opportunity, in accordance with customary business practice, to compete for participation in such purchases or sales.

(c) No contracting party shall prevent any enterprise (whether or not an enterprise described in subparagraph (a) of this paragraph) under its jurisdiction from acting in accordance with the principles of subparagraphs (a) and (b) of this paragraph.

2. The provisions of paragraph 1 of this Article shall not apply to imports of products for immediate or ultimate consumption in governmental use and not otherwise for resale or for use in the production of goods for sale. With respect to such imports, each contracting party shall accord to the trade of the other contracting parties fair and equitable treatment.

ARTICLE XVIII

Adjustments in connection with Economic Development

1. The contracting parties recognize that special governmental assistance may be required to promote the establishment, development, or reconstruction of particular industries or particular branches of agriculture, and that in appropriate circumstances the grant of such assistance in the form of protective measures is justified. At the same time they recognize that an unwise use of such measures would impose undue burdens on their own economies and unwarranted restrictions on international trade, and might increase unnecessarily the difficulties of adjustment for the economies of other countries.

2. (a) If a contracting party, in the interest of its programme of economic development or reconstruction, considers it desirable to adopt any non-discriminatory measure which would conflict with any obligation which it has assumed under Article II, or with any other provision of this Agreement, such applicant contracting party shall so notify the CONTRACTING PARTIES and shall transmit to them a written statement of the considerations in support of the adoption of the proposed measure.

(b) The CONTRACTING PARTIES shall promptly transmit such statement to all other contracting parties, and any contracting party which considers that its trade would be substantially affected by the proposed measure shall transmit its views to the CONTRACTING PARTIES within such period as shall be prescribed by them.

(c) The CONTRACTING PARTIES shall then promptly examine the proposed measure to determine whether they concur in it, with or without modification, and shall in their examination have regard to the provisions of this Agreement, to the considerations presented by the applicant contracting party and its stage of economic development or reconstruction, to the views presented by contracting parties which may be substantially affected, and to the effect which the proposed measure, with or without modification, is likely to have on international trade.

3. (a) If, as a result of their examination pursuant to paragraph 2 (c) of this Article, the CONTRACTING PARTIES concur in principle in any proposed measure, with or without modification, which would be inconsistent with any

obligation that the applicant contracting party has assumed under Article II, or which would tend to nullify or impair the benefit to any other contracting party or parties of any such obligation, the CONTRACTING PARTIES shall sponsor and assist in negotiations between the applicant contracting party and the other contracting party or parties which would be substantially affected with a view to obtaining substantial agreement. The CONTRACTING PARTIES shall establish and communicate to the contracting parties concerned a time schedule for such negotiations.

(b) Contracting parties shall commence the negotiations provided for in subparagraph (a) of this paragraph within such period as the CONTRACTING PARTIES may prescribe and shall thereafter, unless the CONTRACTING PARTIES decide otherwise, proceed continuously with such negotiations with a view to reaching substantial agreement in accordance with the time schedule laid down by the CONTRACTING PARTIES.

(c) Upon substantial agreement being reached, the CONTRACTING PARTIES may release the applicant contracting party from the obligation referred to in subparagraph (a) of this paragraph or from any other relevant obligation under this agreement, subject to such limitations as may have been agreed upon in the negotiations between the contracting parties concerned.

4. (a) If, as a result of their examination pursuant to paragraph 2 (c) of this Article, the CONTRACTING PARTIES concur in any proposed measure, with or without modification, other than a measure referred to in paragraph 3 (a) of this Article, which would be inconsistent with any provision of this Agreement, the CONTRACTING PARTIES may release the applicant contracting party from any obligation under such provision, subject to such limitations as they may impose.

(b) If, having regard to the provisions of paragraph 2 (c) of this Article, it is established in the course of such examination that such measure is unlikely to be more restrictive of international trade than any other practicable and reasonable measure permitted under this Agreement which could be imposed without undue difficulty and that it is the one most suitable for the purpose having regard to the economics of the industry or the branch of agriculture concerned and to the current economic condition of the applicant contracting party, the CONTRACTING PARTIES shall concur in such measure and grant such release as may be required to enable such measure to be made effective.

(c) If in anticipation of the concurrence of the CONTRACTING PARTIES in the adoption of a measure concerning which notice has been given under paragraph 2 of this Article, other than a measure referred to in paragraph 3 (a) of this Article, there should be an increase or threatened increase in the importations of the product or products concerned, including products which can be directly substituted therefor, so substantial as to jeopardize the plans of the applicant contracting party for the establishment, development, or reconstruction of the industry or industries or branches of agriculture concerned, and if no preventive measures consistent with

this Agreement can be found which seem likely to prove effective, the applicant contracting party may, after informing, and when practicable consulting with, the CONTRACTING PARTIES, adopt such other measures as the situation may require pending a determination by the CONTRACTING PARTIES, provided that such measures do not reduce imports below the level obtaining in the most recent representative period preceding the date on which the contracting party's original notification was made under paragraph 2 of this Article.

5. (a) In the case of measures referred to in paragraph 3 of this Article, the CONTRACTING PARTIES shall, at the earliest opportunity but ordinarily within fifteen days after receipt of the statement referred to in paragraph 2 (a) of this Article, advise the applicant contracting party of the date by which they will notify it whether or not they concur in principle in the proposed measure, with or without modification.

(b) In the case of measures referred to in paragraph 4 of this Article, the CONTRACTING PARTIES shall, as in sub-paragraph (a) of this paragraph, advise the applicant contracting party of the date by which they will notify it whether or not it is released from such obligation or obligations as may be relevant: Provided that, if the applicant contracting party does not receive a final reply by the date fixed by the CONTRACTING PARTIES, it may, after communicating with the CONTRACTING PARTIES, institute the proposed measure upon the expiration of a further thirty days from such date.

6. Any contracting party may maintain any non-discriminatory measure, in force on September 1, 1947, which has been imposed for the establishment, development, or reconstruction of particular industries or particular branches of agriculture and which is not otherwise permitted by this Agreement: Provided that any such contracting party shall have notified the other contracting parties, not later than October 10, 1947, of each product on which any such existing measure is to be maintained and of the nature and purpose of such measure. Any contracting party maintaining any such measure shall, within sixty days of becoming a contracting party, notify the CONTRACTING PARTIES of the measure concerned, the considerations in support of its maintenance and the period for which it wishes to maintain the measure. The CONTRACTING PARTIES shall, as soon as possible, but in any case within twelve months from the day on which such contracting party becomes a contracting party, examine and give a decision concerning the measure as if it had been submitted to the CONTRACTING PARTIES for their concurrence under the provisions of the preceding paragraphs of this Article. The CONTRACTING PARTIES, in making a decision under this paragraph specifying a date by which any modification in or withdrawal of the measure is to be made, shall have regard to the possible need of a contracting party for a suitable period of time in which to make such modification or withdrawal.

7. The provisions of paragraph 6 of this Article shall not apply, in respect of any contracting party, to any product described in the appropriate Schedule annexed to this Agreement.

ARTICLE XIX

Emergency Action on Imports of Particular Products

1. (a) If, as a result of unforeseen developments and of the effect of the obligations incurred by a contracting party under this Agreement, including tariff concessions, any product is being imported into the territory of that contracting party in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers in that territory of like or directly competitive products, the contracting party shall be free, in respect of such product, and to the extent and for such time as may be necessary to prevent or remedy such injury, to suspend the obligation in whole or in part or to withdraw or modify the concession.

(b) If any product, which is the subject of a concession with respect to a preference, is being imported into the territory of a contracting party in the circumstances set forth in subparagraph (a) of this paragraph, so as to cause or threaten serious injury to domestic producers of like or directly competitive products in the territory of a contracting party which receives or received such preference, the importing contracting party shall be free, if that other contracting party so requests, to suspend the relevant obligation in whole or in part or to withdraw or modify the concession in respect of the product, to the extent and for such time as may be necessary to prevent or remedy such injury.

2. Before any contracting party shall take action pursuant to the provisions of paragraph 1 of this Article, it shall give notice in writing to the CONTRACTING PARTIES as far in advance as may be practicable and shall afford the CONTRACTING PARTIES and those contracting parties having a substantial interest as exporters of the product concerned an opportunity to consult with it in respect of the proposed action. When such notice is given in relation to a concession with respect to a preference, the notice shall name the contracting party which has requested the action. In critical circumstances, where delay would cause damage which it would be difficult to repair, action under paragraph 1 of this Article may be taken provisionally without prior consultation, on the condition that consultation shall be effected immediately after taking such action.

3. (a) If agreement among the interested contracting parties with respect to the action is not reached, the contracting party which proposes to take or continue the action shall, nevertheless, be free to do so, and if such action is taken or continued, the affected contracting parties shall then be free, not later than ninety days after such action is taken, to suspend, upon the expiration of thirty days from the day on which written notice of such suspension is received by the CONTRACTING PARTIES, the application to the trade of the contracting party taking such action, or, in the case envisaged in paragraph 1 (b) of this Article, to the trade of the contracting party requesting such action, of such substantially equivalent obligations or concessions under this Agreement the suspension of which the CONTRACTING PARTIES do not disapprove.

(b) Notwithstanding the provisions of subparagraph (a) of this paragraph, where action is taken under paragraph 2 of this Article without prior consultation and causes or threatens serious injury in the territory of a contracting party to the domestic producers of products affected by the action, that contracting party shall,

where delay would cause damage difficult to repair, be free to suspend, upon the taking of the action and throughout the period of consultation, such obligations or concessions as may be necessary to prevent or remedy the injury.

ARTICLE XX

General Exceptions

Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade, nothing in this Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures :—

- I. (a) Necessary to protect public morals ;
 - (b) Necessary to protect human, animal, or plant life or health ;
 - (c) Relating to the importation or exportation of gold or silver ;
 - (d) Necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement, including those relating to Customs enforcement, the enforcement of monopolies operated under paragraph 4 of Article II and Article XVII, the protection of patents, trade-marks, and copy-rights, and the prevention of deceptive practices ;
 - (e) Relating to the products of prison labour ;
 - (f) Imposed for the protection of national treasures of artistic, historic, or archæological value ;
 - (g) Relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption ;
 - (h) Undertaken in pursuance of obligations under inter-governmental commodity agreements, conforming to the principles approved by the Economic and Social Council of the United Nations in its Resolution of March 28, 1947, establishing an Interim Co-ordinating Committee for International Commodity Arrangements ; or
 - (i) Involving restrictions on exports of domestic materials necessary to assure essential quantities of such materials to a domestic processing industry during periods when the domestic price of such materials is held below the world price as part of a governmental stabilization plan : Provided that such restrictions shall not operate to increase the exports of or the protection afforded to such domestic industry, and shall not depart from the provisions of this Agreement relating to non-discrimination ;
- II. (a) Essential to the acquisition or distribution of products in general or local short supply : Provided that any such measures shall be consistent with any multilateral arrangements directed to an equitable international distribution of such products or, in the absence of such arrangements, with the principle that all contracting parties are entitled to an equitable share of the international supply of such products ;
 - (b) Essential to the control of prices by a contracting party undergoing shortages subsequent to the war ; or

- (c) Essential to the orderly liquidation of temporary surpluses of stocks owned or controlled by the government of any contracting party or of industries developed in the territory of any contracting party owing to the exigencies of the war which it would be uneconomic to maintain in normal conditions : Provided that such measures shall not be instituted by any contracting party except after consultation with other interested contracting parties with a view to appropriate international action.

Measures instituted or maintained under Part II of this Article which are inconsistent with the other provisions of this Agreement shall be removed as soon as the conditions giving rise to them have ceased, and in any event not later than January 1, 1951 : Provided that this period may, with the concurrence of the CONTRACTING PARTIES, be extended in respect of the application of any particular measure to any particular product by any particular contracting party for such further periods as the CONTRACTING PARTIES may specify.

ARTICLE XXI

Security Exceptions

Nothing in this Agreement shall be construed—

- (a) To require any contracting party to furnish any information the disclosure of which it considers contrary to its essential security interests ; or
- (b) To prevent any contracting party from taking any action which it considers necessary for the protection of its essential security interests—
- (i) Relating to fissionable materials or the materials from which they are derived ;
 - (ii) Relating to the traffic in arms, ammunition, and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment ;
 - (iii) Taken in time of war or other emergency in international relations ; or
- (c) To prevent any contracting party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

ARTICLE XXII

Consultation

Each contracting party shall accord sympathetic consideration to, and shall afford adequate opportunity for consultation regarding, such representations as may be made by any other contracting party with respect to the operation of Customs regulations and formalities, anti-dumping and countervailing duties, quantitative and exchange regulations, subsidies, State trading operations; sanitary laws and regulations for the protection of human, animal, or plant life or health, and generally all matters affecting the operation of this Agreement.

ARTICLE XXIII

Nullification or Impairment

1. If any contracting party should consider that any benefit accruing to it directly or indirectly under this Agreement is being nullified or impaired or that the attainment of any objective of the Agreement is being impeded as the result of (a) the failure of another contracting party to carry out its obligations under this Agreement, or (b) the application by another contracting party of any measure, whether or not it conflicts with the provisions of this Agreement, or (c) the existence of any other situation, the contracting party may, with a view to the satisfactory adjustment of the matter, make written representations or proposals to the other contracting party or parties which it considers to be concerned. Any contracting party thus approached shall give sympathetic consideration to the representations or proposals made to it.

2. If no satisfactory adjustment is effected between the contracting parties concerned within a reasonable time, or if the difficulty is of the type described in paragraph 1 (c) of this Article, the matter may be referred to the CONTRACTING PARTIES. The CONTRACTING PARTIES shall promptly investigate any matter so referred to them and shall make appropriate recommendations to the contracting parties which they consider to be concerned, or give a ruling on the matter, as appropriate. The CONTRACTING PARTIES may consult with contracting parties, with the Economic and Social Council of the United Nations, and with any appropriate inter-governmental organization in cases where they consider such consultation necessary. If the CONTRACTING PARTIES consider that the circumstances are serious enough to justify such action, they may authorize a contracting party or parties to suspend the application to any other contracting party or parties of such obligations or concessions under this Agreement as they determine to be appropriate in the circumstances. If the application to any contracting party of any obligation or concession is in fact suspended, that contracting party shall then be free, not later than sixty days after such action is taken, to advise the Secretary-General of the United Nations in writing of its intention to withdraw from this Agreement, and such withdrawal shall take effect upon the expiration of sixty days from the day on which written notice of such withdrawal is received by him.

PART III

ARTICLE XXIV

Territorial Application—Frontier Traffic—Customs Unions

1. The rights and obligations arising under this agreement shall be deemed to be in force between each and every territory which is a separate Customs territory and in respect of which this Agreement has been accepted under Article XXVI or is being applied under the Protocol of Provisional Application.

2. The provisions of this Agreement shall not be construed to prevent—

(a) Advantages accorded by any contracting party to adjacent countries in order to facilitate frontier traffic :

(b) The formation of a Customs union or the adoption of an interim agreement necessary for the attainment of a Customs union : Provided that the duties and other regulations of commerce imposed by, or any margin of preference maintained by, any such union or agreement in respect of trade with other contracting parties shall not on the whole be higher or more stringent than the average level of the duties and regulations of commerce or margins of preference applicable in the constituent territories prior to the formation of such union or the adoption of such agreement ; and provided further that any such interim agreement shall include a definite plan and schedule for the attainment of such a customs union within a reasonable length of time.

3. (a) Any contracting party proposing to enter into a Customs union shall consult with the CONTRACTING PARTIES and shall make available to them such information regarding the proposed union as will enable them to make such reports and recommendations to contracting parties as may be deemed appropriate.

(b) No contracting party shall institute or maintain any interim agreement under the provisions of paragraph 2 (b) of this Article if, after a study of the plan and schedule proposed in such agreement, the CONTRACTING PARTIES find that such agreement is not likely to result in such a Customs union within a reasonable length of time.

(c) The plan or schedule shall not be substantially altered without consultation with the CONTRACTING PARTIES.

4. For the purposes of this Article a Customs territory shall be understood to mean any territory with respect to which separate tariffs or other regulations of commerce are maintained for a substantial part of the trade of such territory with other territories. A Customs union shall be understood to mean the substitution of a single Customs territory for two or more Customs territories, so that all tariffs and other restrictive regulations of commerce as between the territories of members of the union are substantially eliminated and substantially the same tariffs and other regulations of commerce are applied by each of the members of the union to the trade of territories not included in the union.

5. Taking into account the exceptional circumstances arising out of the establishment of India and Pakistan as independent States and recognizing the fact that they have long constituted an economic unit, the contracting parties agree that the provisions of this Agreement shall not prevent the two countries from entering into special arrangements with respect to the trade between them, pending the establishment of their mutual trade relations on a definitive basis.

6. Each contracting party shall take such reasonable measures as may be available to it to assure observance of the provisions of this Agreement by the regional and local governments and authorities within its territory.

ARTICLE XXV

Joint Action by the Contracting Parties

1. Representatives of the contracting parties shall meet from time to time for the purpose of giving effect to those provisions of this Agreement which involve joint action and, generally, with a view to facilitating the operation and furthering the objectives of this Agreement. Wherever reference is made in this Agreement to the contracting parties acting jointly they are designated as the CONTRACTING PARTIES.

2. The Secretary-General of the United Nations is requested to convene the first meeting of the CONTRACTING PARTIES, which shall take place not later than March 1, 1948.

3. Each contracting party shall be entitled to have one vote at all meetings of the CONTRACTING PARTIES.

4. Except as otherwise provided for in this Agreement, decisions of the CONTRACTING PARTIES shall be taken by a majority of the votes cast.

5. In exceptional circumstances not elsewhere provided for in this Agreement, the CONTRACTING PARTIES may waive an obligation imposed upon a contracting party by this Agreement: Provided that any such decision shall be approved by a two-thirds majority of the votes cast and that such majority shall comprise more than half of the contracting parties. The CONTRACTING PARTIES may also by such a vote—

- (a) Define certain categories of exceptional circumstances to which other voting requirements shall apply for the waiver of obligations; and
- (b) Prescribe such criteria as may be necessary for the application of this paragraph.

ARTICLE XXVI

Acceptance, Entry into Force, and Registration

1. The present Agreement shall bear the date of the signature of the Final Act adopted at the conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment and shall be open to acceptance by any Government signatory to the Final Act.

2. This Agreement, done in a single English original and in a single French original, both texts authentic, shall be deposited with the Secretary-General of the United Nations, who shall furnish certified copies thereof to all interested governments.

3. Each Government accepting this Agreement shall deposit an instrument of acceptance with the Secretary-General of the United Nations, who will inform all interested Governments of the date of deposit of each instrument of acceptance and of the day on which this Agreement enters into force under paragraph 5 of this Article.

4. Each Government accepting this Agreement does so in respect of its metropolitan territory and of the other territories for which it has international responsibility: Provided that it may at the time of acceptance declare that any

separate Customs territory for which it has international responsibility possesses full autonomy in the conduct of its external commercial relations and of the other matters provided for in this Agreement, and that its acceptance does not relate to such territory ; and provided further that if any of the Customs territories on behalf of which a contracting party has accepted this Agreement possesses or acquires full autonomy in the conduct of its external commercial relations and of the other matters provided for in this Agreement, such territory shall, upon sponsorship through a declaration by the responsible contracting party establishing the abovementioned fact, be deemed to be a contracting party.

5. (a) This Agreement shall enter into force, as among the Governments which have accepted it, on the thirtieth day following the day on which instruments of acceptance have been deposited with the Secretary-General of the United Nations on behalf of Governments signatory to the Final Act the territories of which account for eighty-five per centum of the total external trade of the territories of the signatories to the Final Act adopted at the conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment. Such percentage shall be determined in accordance with the table set forth in Annex H. The instrument of acceptance of each other Government signatory to the Final Act shall take effect on the thirtieth day following the day on which such instrument is deposited.

(b) Notwithstanding the provisions of subparagraph (a) of this paragraph, this Agreement shall not enter into force under this paragraph until any agreement necessary under the provisions of paragraph 2 (a) of Article XXIX has been reached.

6. The United Nations is authorized to effect registration of this Agreement as soon as it enters into force.

ARTICLE XXVII

Withholding or Withdrawal of Concessions

Any contracting party shall at any time be free to withhold or to withdraw in whole or in part any concession, provided for in the appropriate Schedule annexed to this Agreement, in respect of which such contracting party determines that it was initially negotiated with a Government which has not become, or has ceased to be, a contracting party. The contracting party taking such action shall give notice to all other contracting parties and, upon request, consult with the contracting parties which have a substantial interest in the product concerned.

ARTICLE XXVIII

Modification of Schedules

1. On or after January 1, 1951, any contracting party may, by negotiation and agreement with any other contracting party with which such treatment was initially negotiated, and subject to consultation with such other contracting parties as the CONTRACTING PARTIES determine to have a substantial interest in such treatment, modify, or cease to apply, the treatment which it has agreed to accord under Article II to any product described in the appropriate Schedule annexed to

this agreement. In such negotiations and agreement, which may include provision for compensatory adjustment with respect to other products, the contracting parties concerned shall endeavour to maintain a general level of reciprocal and mutually advantageous concessions not less favourable to trade than that provided for in the present Agreement.

2. (a) If agreement between the contracting parties primarily concerned cannot be reached, the contracting party which proposes to modify or cease to apply such treatment shall, nevertheless, be free to do so, and if such action is taken the contracting party with which such treatment was initially negotiated, and the other contracting parties determined under paragraph 1 of this Article to have a substantial interest, shall then be free, not later than six months after such action is taken, to withdraw, upon the expiration of thirty days from the day on which written notice of such withdrawal is received by the CONTRACTING PARTIES, substantially equivalent concessions initially negotiated with the contracting party taking such action.

(b) If agreement between the contracting parties primarily concerned is reached but any other contracting party determined under paragraph 1 of this Article to have a substantial interest is not satisfied, such other contracting party shall be free, not later than six months after action under such agreement is taken, to withdraw, upon the expiration of thirty days from the day on which written notice of such withdrawal is received by the CONTRACTING PARTIES, substantially equivalent concessions initially negotiated with a contracting party taking action under such agreement.

ARTICLE XXIX

Relation of this Agreement to the Charter for an International Trade Organization

1. The contracting parties, recognizing that the objectives set forth in the preamble of this Agreement can best be attained through the adoption, by the United Nations Conference on Trade and Employment, of a Charter leading to the creation of an International Trade Organization, undertake, pending their acceptance of such a Charter in accordance with their constitutional procedures, to observe to the fullest extent of their executive authority the general principles of the Draft Charter submitted to the Conference by the Preparatory Committee.

2. (a) On the day on which the Charter of the International Trade Organization enters into force, Article I and Part II of this Agreement shall be suspended and superseded by the corresponding provisions of the Charter: Provided that within sixty days of the closing of the United Nations Conference on Trade and Employment any contracting party may lodge with the other contracting parties an objection to any provision or provisions of this Agreement being so suspended and superseded; in such case the contracting parties shall, within sixty days after the final date for the lodging of objections, confer to consider the objection in order to agree whether the provisions of the Charter to which objection has been lodged, or the corresponding provisions of this Agreement in its existing form or any amended form, shall apply.

(b) The contracting parties will also agree concerning the transfer to the International Trade Organization of their functions under Article XXV.

3. If any contracting party has not accepted the Charter when it has entered into force, the contracting parties shall confer to agree whether, and if so in what way, this Agreement, in so far as it affects relations between the contracting party which has not accepted the Charter and other contracting parties, shall be supplemented or amended.

4. During the month of January, 1949, should the Charter not have entered into force, or at such earlier time as may be agreed if it is known that the Charter will not enter into force, or at such later time as may be agreed if the Charter ceases to be in force, the contracting parties shall meet to agree whether this Agreement shall be amended, supplemented or maintained.

5. The signatories of the Final Act which are not at the time contracting parties shall be informed of any objection lodged by a contracting party under the provisions of paragraph 2 of this Article and also of any agreement which may be reached between the contracting parties under paragraphs 2, 3, or 4 of this Article.

ARTICLE XXX

Amendments

1. Except where provision for modification is made elsewhere in this Agreement, amendments to the provisions of Part I of this Agreement or to the provisions of Article XXIX or of this Article shall become effective upon acceptance by all the contracting parties, and other amendments to this Agreement shall become effective, in respect of those contracting parties which accept them, upon acceptance by two-thirds of the contracting parties and thereafter for each other contracting party upon acceptance by it.

2. Any contracting party accepting an amendment to this Agreement shall deposit an instrument of acceptance with the Secretary-General of the United Nations within such period as the CONTRACTING PARTIES may specify. The CONTRACTING PARTIES may decide that any amendment made effective under this Article is of such a nature that any contracting party which has not accepted it within a period specified by the CONTRACTING PARTIES shall be free to withdraw from this Agreement, or to remain a contracting party with the consent of the CONTRACTING PARTIES.

ARTICLE XXXI

Withdrawal

Without prejudice to the provisions of Article XXIII or of paragraph 2 of Article XXX, any contracting party may, on or after January 1, 1951, withdraw from this Agreement, or may separately withdraw on behalf of any of the separate Customs territories for which it has international responsibility and which at the time possesses full autonomy in the conduct of its external commercial relations and of the other matters provided for in this Agreement. The withdrawal shall take effect on or after January 1, 1951, upon the expiration of six months from the day on which written notice of withdrawal is received by the Secretary-General of the United Nations.

ARTICLE XXXII

Contracting Parties

1. The contracting parties to this Agreement shall be understood to mean those Governments which are applying the provisions of this Agreement under Article XXVI or pursuant to the Protocol of Provisional Application.

2. At any time after the entry into force of this Agreement pursuant to paragraph 5 of Article XXVI, those contracting parties which have accepted this Agreement pursuant to paragraph 3 of Article XXVI may decide that any contracting party which has not so accepted it shall cease to be a contracting party.

ARTICLE XXXIII

Accession

A Government not party to this Agreement, or a Government acting on behalf of a separate Customs territory possessing full autonomy in the conduct of its external commercial relations and of the other matters provided for in this Agreement, may accede to this Agreement, on its own behalf or on behalf of that territory, on terms to be agreed between such government and the contracting parties.

ARTICLE XXXIV

Annexes

The annexes to this Agreement are hereby made an integral part of this Agreement.

ANNEX A

LIST OF TERRITORIES REFERRED TO IN PARAGRAPH 2 (a) OF ARTICLE I

United Kingdom of Great Britain and Northern Ireland.
Dependent territories of the United Kingdom of Great Britain and Northern Ireland.
Canada.
Commonwealth of Australia.
Dependent territories of the Commonwealth of Australia.
New Zealand.
Dependent territories of New Zealand.
Union of South Africa including South West Africa.
Ireland.
India (as on April 10, 1947).
Newfoundland.
Southern Rhodesia.
Burma.
Ceylon.

Certain of the territories listed above have two or more preferential rates in force for certain products. Any such territory may, by agreement with the other contracting parties which are principal suppliers of such products at the most-favoured-nation rate, substitute for such preferential rates a single preferential rate which shall not on the whole be less favourable to suppliers at the most-favoured-nation rate than the preferences in force prior to such substitution.

The imposition of an equivalent margin of tariff preference to replace a margin of preference in an internal tax existing on April 10, 1947, exclusively between two or more of the territories listed in this Annex or to replace the preferential quantitative arrangements described in the following paragraph, shall not be deemed to constitute an increase in a margin of tariff preference.

The preferential arrangements referred to in paragraph 5 (b) of Article XIV are those existing in the United Kingdom on April 10, 1947, under contractual agreements with the Governments of Canada, Australia, and New Zealand, in respect of chilled and frozen beef and veal, frozen mutton and lamb, chilled and frozen pork, and bacon. It is the intention, without prejudice to any action taken under Part I (b) of Article XX, that these arrangements shall be eliminated or replaced by tariff preferences, and that negotiations to this end shall take place as soon as practicable among the countries substantially concerned or involved.

The film hire tax in force in New Zealand on April 10, 1947, shall, for the purposes of this Agreement, be treated as a Customs duty under Article I. The renters' film quota in force in New Zealand on April 10, 1947, shall, for the purposes of this Agreement, be treated as a screen quota under Article IV.

ANNEX B

LIST OF TERRITORIES OF THE FRENCH UNION REFERRED TO IN PARAGRAPH 2 (b) OF ARTICLE I

France.
French Equatorial Africa (Treaty Basin of the Congo* and other territories).
French West Africa.
Cameroons under French Mandate.*
French Somali Coast and Dependencies.
French Establishments in India.*
French Establishments in Oceania.
French Establishments in the Condominium of the New Hebrides.*
Guadeloupe and Dependencies.
French Guiana.
Indo-China.
Madagascar and Dependencies.
Morocco (French Zone).*
Martinique.
New Caledonia and Dependencies.
Reunion.
Saint-Pierre and Miquelon.
Togo under French Mandate.*
Tunisia.

* For imports into Metropolitan France.

ANNEX C

LIST OF TERRITORIES OF THE CUSTOMS UNION OF BELGIUM, LUXEMBURG, AND THE NETHERLANDS REFERRED TO IN PARAGRAPH 2 (b) OF ARTICLE I

The Economic Union of Belgium and Luxemburg.
Belgian Congo.
Ruanda Urundi.
Netherlands.
Netherlands Indies.
Surinam.
Curaçao.

For imports into the metropolitan territories constituting the Customs Union.

ANNEX D

LIST OF TERRITORIES REFERRED TO IN PARAGRAPH 2 (b) OF ARTICLE I AS RESPECTS THE UNITED STATES OF AMERICA

United States of America (Customs territory).
Dependent territories of the United States of America.
Republic of the Philippines.

The imposition of an equivalent margin of tariff preference to replace a margin of preference in an internal tax existing on April 10, 1947, exclusively between two or more of the territories listed in this Annex shall not be deemed to constitute an increase in a margin of tariff preference.

ANNEX E

LIST OF TERRITORIES COVERED BY PREFERENTIAL ARRANGEMENTS BETWEEN CHILE AND NEIGHBOURING COUNTRIES REFERRED TO IN PARAGRAPH 2 (d) OF ARTICLE I

Preference in force exclusively between Chile, on the one hand, and

1. Argentina,
2. Bolivia,
3. Peru,

on the other hand.

ANNEX F

LIST OF TERRITORIES COVERED BY PREFERENTIAL ARRANGEMENTS BETWEEN LEBANON AND SYRIA AND NEIGHBOURING COUNTRIES REFERRED TO IN PARAGRAPH 2 (d) OF ARTICLE I

Preferences in force exclusively between the Lebano-Syrian Customs Union, on the one hand, and

1. Palestine,
2. Transjordan,

on the other hand.

ANNEX G

DATES ESTABLISHING MAXIMUM MARGINS OF PREFERENCE REFERRED TO IN PARAGRAPH 3 OF ARTICLE I

Australia	..	..	..	..	..	..	October 15, 1946.
Canada	..	..	..	..	..	..	July 1, 1939.
France	..	..	..	..	..	..	January 1, 1939.
Lebano-Syrian Customs Union	..	..	..	..	..	..	November 30, 1939.
Union of South Africa	..	..	..	..	..	..	July, 1 1938.
Southern Rhodesia	..	..	..	..	..	..	May 1, 1941.

ANNEX H

PERCENTAGE SHARES OF TOTAL EXTERNAL TRADE TO BE USED FOR THE PURPOSE OF MAKING THE DETERMINATION REFERRED TO IN ARTICLE XXVI

(Based on the average of 1938 and the latest twelve months for which figures are available)

	Percentage.
Australia	3.2
Belgium-Luxemburg-Netherlands	10.9
Brazil	2.8
Burma	0.7
Canada	7.2
Ceylon	0.6
Chile	0.6
China	2.7
Cuba	0.9
Czechoslovakia	1.4
French Union	9.4
India	} 3.3*
Pakistan	
New Zealand	1.2
Norway	1.5
Southern Rhodesia	0.3
Lebano-Syrian Customs Union	0.1
Union of South Africa	2.3
United Kingdom of Great Britain and Northern Ireland	25.7
United States of America	25.2
	100.0

NOTE.—These percentages have been determined taking into account the trade of all territories for which countries mentioned above have international responsibility and which are not self-governing in matters dealt with in the General Agreement on Tariffs and Trade.

* The allocation of this percentage will be made by agreement between the Governments of India and Pakistan and will be communicated as soon as possible to the Secretary-General of the United Nations.

ANNEX I

INTERPRETATIVE NOTES

ad Article I

Paragraph 1

The obligations incorporated in paragraph 1 of Article I by reference to paragraphs 1 and 2 of Article III and those incorporated in paragraph 2 (b) of Article II by reference to Article VI shall be considered as falling within Part II for the purposes of the Protocol of Provisional Application.

Paragraph 3

The term "margin of preference" means the absolute difference between the most-favoured-nation rate of duty and the preferential rate of duty for the like product, and not the proportionate relation between those rates. As examples—

- (1) If the most-favoured-nation rate were 36 per cent. *ad valorem* and the preferential rate were 24 per cent. *ad valorem*, the margin of preference would be 12 per cent. *ad valorem*, and not one-third of the most-favoured-nation rate:

- (2) If the most-favoured-nation rate were 36 per cent. *ad valorem* and the preferential rate were expressed as two-thirds of the most-favoured-nation rate, the margin of preference would be 12 per cent. *ad valorem* :
- (3) If the most-favoured-nation rate were 2 francs per kilogram and the preferential rate were 1.50 francs per kilogram, the margin of preference would be 0.50 francs per kilogram.

The following kinds of Customs action, taken in accordance with established uniform procedures, would not be contrary to a general binding of margins of preference :—

- (i) The re-application to an imported product of a tariff classification or rate of duty, properly applicable to such product, in cases in which the application of such classification or rate to such product was temporarily suspended or inoperative on April 10, 1947 ; and
- (ii) The classification of a particular product under a tariff item other than that under which importations of that product were classified on April 10, 1947; in cases in which the tariff law clearly contemplates that such product may be classified under more than one tariff item.

ad Article II

Paragraph 2 (b)

See the note relating to paragraph 1 of Article I.

Paragraph 4

Except where otherwise specifically agreed between the contracting parties which initially negotiated the concession, the provisions of this paragraph will be applied in the light of the provisions of Article 31 of the Draft Charter referred to in Article XXIX of this Agreement.

ad Article V

Paragraph 5

With regard to transportation charges, the principle laid down in paragraph 5 refers to like products being transported on the same route under like conditions.

ad Article VI

Paragraph 1

Hidden dumping by associated houses (that is, a sale by an importer at a price below that corresponding to the price invoiced by an exporter with whom the importer is associated, and also below the price in the exporting country) constitutes a form of price dumping.

Paragraph 2

Multiple currency practices can in certain circumstances constitute a subsidy to exports which may be met by countervailing duties under paragraph 2 or can constitute a form of dumping by means of a partial depreciation of a country's currency which may be met by action under paragraph 1 of this Article. By "multiple currency practices" is meant practices by Governments or sanctioned by Governments.

Paragraph 7

The obligations set forth in paragraph 7, as in the case of other obligations under this Agreement, are subject to the provisions of Article XIX.

ad Article VII

Paragraph 1

Consideration was given to the desirability of replacing the words "at the earliest practicable date" by a definite date or, alternatively, by a provision for a specified limited period to be fixed later. It was appreciated that it would not be possible for all contracting parties to give effect to these principles by a fixed time, but it was nevertheless understood that a majority of the contracting parties would give effect to them at the time the Agreement enters into force.

Paragraph 2

It would be in conformity with Article VII to presume that "actual value" may be represented by the invoice price, plus any non-included charges for legitimate costs which are proper elements of "actual value" and plus any abnormal discount or other reduction from the ordinary competitive price.

It would be in conformity with Article VII, paragraph 2 (b), for a contracting party to construe the phrase "in the ordinary course of trade," read in conjunction with "under fully competitive conditions," as excluding any transaction wherein the buyer and seller are not independent of each other and price is not the sole consideration.

The prescribed standard of "fully competitive conditions" permits contracting parties to exclude from consideration distributors' prices which involve special discounts limited to exclusive agents.

The wording of subparagraphs (a) and (b) permits a contracting party to assess duty uniformly either (1) on the basis of a particular exporter's prices of the imported merchandise, or (2) on the basis of the general price level of like merchandise.

ad Article VIII

While Article VIII does not cover the use of multiple rates of exchange as such, paragraphs 1 and 4 condemn the use of exchange taxes or fees as a device for implementing multiple currency practices; if, however, a contracting party is using multiple currency exchange fees for balance-of-payments reasons with the approval of the International Monetary Fund, the provisions of paragraph 2 fully safeguard its position since that paragraph merely requires that the fees be eliminated at the earliest practicable date.

ad Article XI

Paragraph 2 (c)

The term "in any form" in this paragraph covers the same products when in an early stage of processing and still perishable, which compete directly with the fresh product and if freely imported would tend to make the restriction on the fresh product ineffective.

Paragraph 2, last subparagraph

The term "special factors" includes changes in relative productive efficiency as between domestic and foreign producers, or as between different foreign producers, but not changes artificially brought about by means not permitted under the Agreement.

ad Article XII

Paragraph 3 (b) (i)

The phrase "notwithstanding the provisions of paragraph 2 of this Article" has been included in the text to make it quite clear that a contracting party's import restrictions otherwise "necessary" within the meaning of paragraph 2 (a) shall not be considered unnecessary on the ground that a change in domestic policies

as referred to in the text could improve a contracting party's monetary reserve position. The phrase is not intended to suggest that the provisions of paragraph 2 are affected in any other way.

Consideration was given to the special problems that might be created for contracting parties which, as a result of their programmes of full employment, maintenance of high and rising levels of demand and economic development, find themselves faced with a high level of demand for imports, and in consequence maintain quantitative regulation of their foreign trade. It was considered that the present text of Article XII together with the provision for export controls in certain parts of the Agreement—*e.g.*, in Article XX—fully meet the position of these economies.

ad Article XIII

Paragraph 2 (d)

No mention was made of "commercial considerations" as a rule for the allocation of quotas because it was considered that its application by governmental authorities might not always be practicable. Moreover, in cases where it is practicable, a contracting party could apply these considerations in the process of seeking agreement, consistently with the general rule laid down in the opening sentence of paragraph 2.

Paragraph 4

See note relating to "special factors" in connection with the last subparagraph of paragraph 2 of Article XI.

ad Article XIV

Paragraph 3

It was not considered necessary to make express reference in paragraph 3 to the need for the CONTRACTING PARTIES to consult with the International Monetary Fund, since such consultation in all appropriate cases was already required by virtue of the provisions of paragraph 2 of Article XV.

Paragraph 6 (b)

Suspension of any measure for a period of fifteen days would be for the purpose of making the consultation effective, and among the special circumstances which would justify such suspension would be the immediate damage caused to producers of perishable commodities ready for shipment or to consumers of essential goods of which the importing country had no stocks.

ad Article XV

Paragraph 4

The word "frustrate" is intended to indicate, for example, that infringements of the letter of any Article of this Agreement by exchange action shall not be regarded as a violation of that Article if, in practice, there is no appreciable departure from the intent of the Article. Thus, a contracting party which, as part of its exchange control operated in accordance with the Articles of Agreement of the International Monetary Fund, requires payment to be received for its exports in its own currency or in the currency of one or more members of the International Monetary Fund will not thereby be deemed to contravene Article XI or Article XIII. Another example would be that of a contracting party which specifies on an import licence the country from which the goods may be imported, for the purpose not of introducing any additional element of discrimination in its import licensing system but of enforcing permissible exchange controls.

ad Article XVII

Paragraph 1

The operations of Marketing Boards, which are established by contracting parties and are engaged in purchasing or selling, are subject to the provisions of subparagraphs (a) and (b).

The activities of Marketing Boards which are established by contracting parties and which do not purchase or sell but lay down regulations covering private trade are governed by the relevant Articles of this Agreement.

The charging by a state enterprise of different prices for its sales of a product in different markets is not precluded by the provisions of this Article, provided that such different prices are charged for commercial reasons, to meet conditions of supply and demand in export markets.

Paragraph 1 (a)

Governmental measures imposed to ensure standards of quality and efficiency in the operation of external trade, or privileges granted for the exploitation of national natural resources but which do not empower the Government to exercise control over the trading activities of the enterprise in question, do not constitute "exclusive or special privileges."

Paragraph 1 (b)

A country receiving a "tied loan" is free to take this loan into account as a "commercial consideration" when purchasing requirements abroad.

Paragraph 2

The term "goods" is limited to products as understood in commercial practice, and is not intended to include the purchase or sale of services.

ad Article XXIV

Paragraph 5

Measures adopted by India and Pakistan in order to carry out definitive trade arrangements between them, once they have been agreed upon, might depart from particular provisions of this Agreement, but these measures would in general be consistent with the objectives of the Agreement.

ad Article XXVI

Territories for which the contracting parties have international responsibility do not include areas under military occupation.

Final Note

The applicability of the General Agreement on Tariffs and Trade to the trade of contracting parties with the areas under military occupation has not been dealt with and is reserved for further study at an early date. Meanwhile, nothing in this Agreement shall be taken to prejudge the issues involved. This, of course, does not affect the applicability of the provisions of Articles XXII and XXIII to matters arising from such trade.

SCHEDULES

The Schedules which are referred to in Article II, and which form part of the Agreement, are as follows :—

- Schedule I.—Commonwealth of Australia.
- Schedule II.—Belgium-Luxemburg-Netherlands.
- Schedule III.—United States of Brazil.
- Schedule IV.—Burma.
- Schedule V.—Canada.
- Schedule VI.—Ceylon.
- Schedule VII.—Republic of Chile.
- Schedule VIII.—Republic of China.
- Schedule IX.—Republic of Cuba.
- Schedule X.—Czechoslovak Republic.
- Schedule XI.—French Union—

- Section A : Metropolitan Territory.
- Section B : French Equatorial Africa.
- Section C : French West Africa.
- Section D : French Somali Coast and Dependencies.
- Section E : French Establishments in Oceania.
- Section F : Guadeloupe and Dependencies.
- Section G : French Guiana.
- Section H : Indo-China.
- Section I : Madagascar and Dependencies.
- Section J : Martinique.
- Section K : New Caledonia and Dependencies.
- Section L : Reunion.
- Section M : St. Pierre et Miquelon.
- Section N : Tunisia.

- Schedule XII.—India.
- Schedule XIII.—New Zealand.
- Schedule XIV.—Kingdom of Norway.
- Schedule XV.—Pakistan.
- Schedule XVI.—Southern Rhodesia.
- Schedule XVII.—Syro-Lebanese Customs Union.
- Schedule XVIII.—Union of South Africa.
- Schedule XIX.—United Kingdom of Great Britain and Northern Ireland—

- Section A : Metropolitan Territory.
- Section B : Newfoundland.
- Section C : Dependent Territories of the United Kingdom of Great Britain and Northern Ireland.
- Section D : Malay Union.
- Section E : Palestine.

- Schedule XX.—United States of America.

Each of these schedules indicates the tariff treatment which that particular State, in the event of becoming a contracting party within the meaning of Article XXXII, proposes to extend to the commerce of all other contracting parties. For convenience each schedule in the original agreement is divided into two parts, the first relating to the rates of duty on the products of countries not within the same preferential system, and the second to rates applicable to the products of

countries entitled to preference. Most of these schedules are extremely lengthy, and it is neither practicable nor necessary to reproduce them. The New Zealand Schedule (Schedule XIII) is, however, printed in full as Appendix I to this publication.

It should be noted that no surtax would be payable upon the negotiated most-favoured-nation rates shown in this schedule, and that in giving effect to the Agreement it would in general be the intention, when surtax is removed from such negotiated most-favoured-nation rates, to remove any primage or surtax now payable in respect of similar goods being the produce or manufacture of any country forming part of the British Commonwealth. In the case of motor-vehicles (item 389 (a) and (c) in Part I) surtax would continue to be payable on Canadian imports, and on slippers and other footwear (item 196 (2) and (3) in Part II) the Canadian rates shown incorporate the surtax at present charged separately.

The tariff treatment proposed to be extended by various other countries in respect of certain items of interest to New Zealand is shown in Appendix II. The information given is by no means exhaustive, but it represents an effort to indicate the concessions granted over a fairly representative range of New Zealand products.

No information is shown in respect of the following schedules:—

Schedule I.—Commonwealth of Australia.

Schedule IV.—Burma.

Schedule V.—Canada.

Schedule IX.—Republic of Cuba.

Schedule XI.—French Union.

Section B: French Equatorial Africa.

Section C: French West Africa.

Section D: French Somali Coast and Dependencies.

Section F: Guadeloupe and Dependencies.

Section G: French Guiana.

Section H: Indo-China.

Section I: Madagascar and Dependencies.

Section J: Martinique.

Section L: Reunion.

Section M: St. Pierre et Miquelon.

Section N: Tunisia.

Schedule XVI.—Southern Rhodesia.

Schedule XVII.—Syro-Lebanese Customs Union.

Schedule XIX.—United Kingdom of Great Britain and Northern Ireland.

Section A: Metropolitan Territory.

Section B: Newfoundland.

Section C: Dependent Territories of the United Kingdom of Great Britain and Northern Ireland.

Section D: Malayan Union.

Section E: Palestine.

As a further aid to exporters and other interested persons, the existing rates of duty are in each case quoted for purposes of comparison. These are based on the latest information available in New Zealand.

Where the "present rate" and "proposed rate" are the same, the proposal is to bind the "present rate" against increase.

APPENDIX I

SCHEDULE XIII—NEW ZEALAND

This schedule is authentic only in the English language

PART I—MOST-FAVOURLED-NATION TARIFF

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
Ex 1	Live animals, viz. :—Horses	Free.
Ex 2	Animals, food for, of all kinds, n.e.i., viz. :— Oilcake .. .. .	..
	NOTE.—Oilcake provided for under Tariff Item Ex 2 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such product under the British Preferential Tariff by more than 20 per centum <i>ad valorem</i> .	
4	Grain and pulse, unground and unmanufactured, viz. :— Ex (4) N.e.i., viz. :—Soya beans Per cental	2s.(1).
7	Onions Per ton	£2 10s.(1).
11	Vegetables, viz. :— Ex (2) Fresh vegetables n.e.i.	35%(1).
15	Cocoa-beans, raw Per lb.	½d.(2).
16	Cocoa and chocolate, viz. :— (1) <i>Cocoa</i> ; also cocoa-beans roasted or crushed Per lb. (2) Chocolate; also cocoa or chocolate mixed with milk or with any other food substance	6d.(1). 45%(1).
17	Coffee, raw NOTE.—The product provided for under Tariff Item 17 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such product under the British Preferential Tariff by more than 1d. per lb.	..
20	Fruit-juices unsweetened, in containers having a capacity of 1 gallon or over	Free(3).
21	Fruit-juices unsweetened, in containers having a capacity of less than 1 gallon; fruit-juices sweetened; syrups n.e.i.; raspberry-vinegar, sweetened	35%(1).
22	Citrus-fruit pulps (including fruit-juices containing such percentage of citrus-fruit pulp as may be determined by the Minister) sweetened or unsweetened, in bulk or otherwise	25%(1).
23	Tea, in bulk—viz., in packages of 5 lb. or over net weight of tea NOTE.—The product provided for under Tariff Item 23 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such product under the British Preferential Tariff by more than 1d. per lb.	..
24	Tea n.e.i. NOTE.—The product provided for under Tariff Item 24 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such product under the British Preferential Tariff by more than 1d. per lb.	..
31	Cocoa or cacao butter, coconut butter, and other vegetable butters or fats	Free(3).
32	(2) <i>Confectionery</i> n.e.i., including medicated confectionery, liquorice n.e.i., and sugared or crystallized fruits	45%(1).
34	Stearine, on declaration that it will be used only in the manufacture of candles, matches, soaps, leather, or other articles approved by the Minister Per lb.	1d.(1).
35	Fish, viz. :— (3) Fish, potted, and preserved, n.e.i., including any liquor, oil, or sauce Per lb.	2½d.(1).

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
36	Fruits, dried—viz. :— Ex (1) Dates, prunes	Free ⁽³⁾ .
	(2) Raisins Per lb.	¾d. ⁽²⁾ .
	Ex (4) N.e.i., viz. :—Apricots Per lb.	1d.
37	Fruits, fresh—viz. :— Ex (2) Grapes— July 1 to November 30 inclusive Per lb.	1d. ⁽¹⁾ .
	December 1 to June 30 inclusive Per lb.	2d. ⁽¹⁾ .
	(3) Lemons Per lb.	1d. ⁽¹⁾ .
	Ex (5) Oranges Per lb.	¾d. ⁽²⁾ .
39	Fruits preserved in juice or syrup, viz. :— Pineapples	35% ⁽¹⁾ .
	Prunes	25% ⁽¹⁾ .
	NOTE.—Prunes preserved in juice or syrup provided for under Tariff Item 39 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such product under the British Preferential Tariff.	
	Bananas; cashews; goiavas; oranges	45% ⁽¹⁾ .
	Other kinds	47½% ⁽¹⁾ .
40	Trees and plants, viz. :— (1) Fruit trees and plants, viz., apple, apricot, black-berry, cherry, currant, gooseberry, lemon, lime, logan-berry, nectarine, orange, peach, pear, plum, quince, and raspberry	35% ⁽²⁾ .
	(2) Flowering trees and plants, viz., rose	35% ⁽²⁾ .
41	Glucose, grape sugar, and caramel	Free ⁽³⁾ .
42	Honey Per lb.	3d. ⁽¹⁾ .
Ex 49	Meats, potted or preserved, viz., Pates de foie gras	30% ⁽¹⁾ .
52	Nuts, and preparations thereof, viz. :— Ex (1) Nuts, shelled or unshelled, n.e.i., viz. :—Brazil nuts, coconuts, palmnuts, peanuts	Free ⁽³⁾ .
	(4) Walnuts, shelled or unshelled Per lb.	2d. ⁽¹⁾ .
61	Provisions, viz. :— Ex (1) Soups, spaghetti and similar alimentary pastes, cooked, whether or not in combination with other food substances	40% ⁽¹⁾ .
	Ex (2) N.e.i., viz. :—Canned beans	40% ⁽¹⁾ .
62	Rice, dressed or undressed; rice-meal refuse and rice-meal	Free ⁽³⁾ .
65	Spices, unground, viz. :— (1) Cinnamon, cloves, ginger, mace, nutmeg, pepper, and vanilla	7½% ⁽²⁾ .
	(2) N.e.i.	Free ⁽³⁾ .
Ex 67	Arrowroot; sago; tapioca Per lb.	¾d. ⁽²⁾ .
	Maizena; cornflour .. .. .	.. .. .
	NOTE.—Maizena and cornflour provided for under Tariff Item Ex 67 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such products under the British Preferential Tariff by more than ¾d. per lb.	
74	Cigarettes n.e.i. .. .. .	.. .. .
75	Cigarettes, exceeding in weight 2½ lb. per 1,000 .. .. .	.. .. .
	NOTE.—The products provided for under Tariff Items 74 and 75 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such products under the British Preferential Tariff.	

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
81	(1) Tobacco, unmanufactured, entered to be manufactured in New Zealand in any bonded tobacco-factory licensed under the Tobacco Act, 1908, for manufacturing purposes only, into cigarettes .. (2) Tobacco, unmanufactured, entered to be manufactured in New Zealand in any bonded tobacco-factory licensed under the Tobacco Act, 1908, on declaration that it will be used only in the manufacture of tobacco, cigars, or snuff .. NOTE.—The products provided for under Tariff Item 81 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such products under the British Preferential Tariff.	.. .. ..
84	Spirits, viz. :— (3) Spirits, and spirituous mixtures, the strength of which can be ascertained by Sikes's hydrometer or other similar instrument, viz. :— (a) <i>Rum</i> Ex (b) Other kinds, viz. :—Brandy, gin NOTE.—The products provided for under Tariff Item 84 (3) (a) and Ex (b) shall be exempt from surtax.	.. .. ..
Ex 86	Perfumed spirits including Cologne water packed in bottles of a capacity not exceeding 4 fluid ounces Per liquid gallon	90s. or 40%, which- ever rate returns the higher duty ⁽¹⁾ .
90	Wine containing not more than 40 per cent. of proof spirit, viz. :— Ex (1) Sparkling, viz. :—Champagne; per gallon, or for six reputed quart bottles, or the reputed equivalent in bottles of a larger or smaller reputed capacity	15s. ⁽¹⁾ . Free ⁽³⁾ .
Ex 95	Acids—viz. :—Oleic	Free ⁽³⁾ .
97	Bacteriological products, including viruses, sera, serum extracts, vaccines, antigens, and preparations containing such substances, as may be approved by the Minister	Free ⁽³⁾ .
Ex 100	Chloroform; ethyl ether; other general or local anæsthetics, as may be approved by the Minister; creosote refined; camphor, creosol, guaiacol, iodoform, menthol, mercurochrome, naphthols, resorcin, thymol, thymol iodide, and such other substances (excluding penicillin) specially suited for use as antiseptics as the Minister may approve	20% ⁽²⁾ . Free ⁽³⁾ .
103	Dextrine n.e.i.	Free ⁽³⁾ .
Ex 105	Drugs and chemicals, viz. :—Acetone; amyl alcohol; butyl alcohol; bromine; calcium carbide; carbon bisulphide; carbon tetrachloride and other chlorides of carbon; chlorinated hydro-carbons n.e.i.; catechu; cochineal; formic aldehyde, and solutions thereof; fusel-oil; gall-nuts; iodine; liquorice in blocks of 7 lb. net and over, or soft liquorice extract in bulk in vessels capable of containing 7 lb. net or over; phosphorous; pyridine; quinine, and salts of quinine; saffron; strychnine, and salts of strychnine; turmeric, unground; wood-naphtha, <i>commercial</i> ; nicotine and its salts	Free ⁽³⁾ .

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
107	Drugs, chemicals, and other substances, as may be enumerated by the Minister, specially suited for use as culture media, stains for use in microscopic work, or as indicators for chemical analysis or scientific investigation	Free ⁽³⁾ .
108	Drugs, crude, not powdered, and unsuited for use as foods, or in the manufacture thereof—viz., barks, woods, twigs, leaves, herbs, flowers (except hops), roots, corms, gums, resins, balsams, inspissated juices (including opium), seeds, fruits, fruit-rinds, pitch, cantharides, ergot	Free ⁽³⁾ .
113	Essences, culinary or flavouring, n.e.i.	40% ⁽¹⁾ .
115	Essential oils	Free ⁽³⁾ .
118	Gums and resins—viz., arabic, benzoin, dammar, tragacanth and Indian gum; shellac	Free ⁽³⁾ .
120	(1) Insulin; preparations made from animal glands or tissues as may be approved by the Minister	Free ⁽³⁾ .
121	(1) <i>Medicinal preparations</i> (except wines) containing 50 per cent. of proof spirit or less; <i>medicinal preparations, drugs, druggists' sundries, and apothecaries' wares, n.e.i.</i> , also <i>aerated water makers', cordial makers', and brewers' drugs, chemists, and other sundries, n.e.i., chemicals, and chemical preparations, n.e.i.</i>	40% ⁽¹⁾ .
	(2) <i>Medicinal preparations, n.e.i.</i> , packed in <i>hermetically sealed glass vessels of a capacity not exceeding 15 cubic centimetres</i>	20% ⁽²⁾ .
Ex 124	Oxides of antimony and of zinc	Free ⁽³⁾ .
134	Surgeons', physicians', dentists', and opticians' appliances, instruments and materials, viz. :— (1) Appliances (including splints) for wear, even if medicated, <i>peculiarly adapted</i> to correct a deformity of the human body, to afford support to an abnormal condition of the human body, or to reduce or alleviate such condition, or to substitute any part of such body; stump socks; crutches; ear trumpets; ear tubes, and <i>andiphones</i> for the partially deaf	Free.
	(2) <i>Surgical and dental instruments</i> , also operation chairs <i>specially suited</i> for dentists' use; dentists' spittoons, self-flushing types; opticians' trial cases, frames, spectacles, <i>plain</i> spectacle-cases, test cards and diagrams; also such other instruments and appliances <i>peculiar</i> to surgeons' dentists' or opticians' use as may be enumerated in any order of the Minister; medicated remedial plaster or plasters	15% ⁽²⁾ .
Ex (3)	Surgeons', physicians', and dentists' materials, viz., antiseptic dressings, gauzes, lint, tow, poroplastic felt, adhesive plaster not including medicated remedial plaster or plasters, spongiopiline, bandages, catgut, and sterilized and other sewings, artificial teeth, tooth crowns, celluloid blanks, base plates, denture-strengtheners, guttapercha stick, points, and pellets, amadou absorbent, porcelain powder, enamel, inlays, modelling composition, investment compound, cement and absorbent paper; also such other materials peculiar to surgeons' physicians' or dentists' use as may be enumerated in any order of the Minister	10% ⁽²⁾ .

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
135	Scientific and philosophical instruments and apparatus— <i>viz.</i> :— <i>assay balances</i> ; <i>chemical balances</i> , sensitive to 2 milligrammes or less ; <i>laboratory retorts</i> , <i>laboratory flasks</i> , and other instruments, and apparatus, peculiarly suited for chemical analysis and assay work ; assay furnaces ; retorts, dishes, and other apparatus, of fused silica or platinum, for use in chemical manufacture, or in a laboratory ; microscopes, telescopes, and <i>magnifying glasses</i> ; also such instruments, and apparatus, specially suited for scientific and philo- sophical purposes, as may be approved by the Minister	20% ⁽²⁾ .
136	Apparel, clothing, and hosiery, <i>viz.</i> :— Ex (4) (a) Gloves, and mittens, other than those com- posed wholly or <i>principally</i> of leather, rubber, or asbestos (b) Gloves, and mittens, composed wholly or <i>principally</i> of leather Ex (7) N.e.i., <i>viz.</i> :— Women's and girls' outer garments of woven fabrics Hosiery, <i>viz.</i> , socks or stockings of artificial silk or nylon	40% 50% ⁽¹⁾ . 65% ⁽¹⁾ . 65% ⁽¹⁾ .
143	<i>Braids</i> and <i>bindings</i> , all kinds, n.e.i. ; cords, n.e.i., of wool, cotton, silk, <i>imitation silk</i> , <i>artificial silk</i> , or of combinations of these materials with one another or with any other material	30% ⁽¹⁾ .
146	<i>Buttons</i> , <i>crochets</i> , and <i>similar</i>	20% ⁽²⁾ .
149	Cotton, raw	Free ⁽³⁾ .
151	Drapery, n.e.i.	40% ⁽¹⁾ .
152	Elastics, all kinds, including boot and brace elastics ; elastic threads and cords ; plain <i>tape</i> of cotton, linen or jute ; <i>webbings</i> , all kinds, including elastic <i>web- bings</i> ; dressmakers' beltings, including cotton peter- shams, whether plain or circular woven, or reinforced ; woven looping and labels, for boots ; labels, and hangers, woven, for clothing and other textile articles, including hanger material, plain or otherwise, n.e.i. ; chain coat-hangers ; woven bandings, bands, tapes, and similar articles (not including arm-bands and hat- bands), with printed, woven, or embroidered lettering, trade-name, or trade-mark, suited for use with boots or other apparel	10% ⁽³⁾ . 45% ⁽¹⁾ .
Ex 153	Feathers, ornamental ; artificial flowers leaves or sprays	45% ⁽¹⁾ .
159	Floor coverings, <i>viz.</i> :— Ex (1) Carpets, floor coverings, floor-rugs, mats and matting (excluding mats, and matting, of coir, raffia, rattan, straw, rush, reed or grass), n.e.i. Mats, and matting, of coir, raffia, rattan, straw, rush, reed or grass Ex (2) Linoleum, cork carpets, and rubber flooring, including mats (other than rubber mats), matting, and floor-rugs, of <i>similar</i> material	40% 30% ⁽¹⁾ . 30% ⁽¹⁾ .
160	Furs and other similar skins, and articles made there- from, <i>viz.</i> :— (1) Fur skins, green or sun-dried (2) Furs, and other similar skins, dressed or pre- pared, but not made up in any way (3) Furs or <i>imitation</i> furs wholly or partly made up into apparel, rugs, or <i>other</i> articles ; fur trimmings and <i>imitation</i> fur trimmings	Free ⁽³⁾ . 15% ⁽¹⁾ . 50% ⁽¹⁾ .

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
161	Haberdashery n.e.i.	40% ⁽¹⁾ .
Ex 164	Hats, of sisal, straw, hemp, rush, or similar vegetable material, woven or plaited, with raw finished or bound edges but otherwise unsewn; berets	50% ⁽¹⁾ .
165	Hat-hoods, felt, of wool or fur, or containing fur, unblocked and unsewn	Free ⁽³⁾ .
Ex 168	Lace, and laces, n.e.i.	35% ⁽¹⁾ .
Ex 171	<i>Pins n.e.i.</i> ; knitting-pins; needles, viz., sewing, darning, and knitting; crochet hooks; hooks and eyes for apparel	Free ⁽³⁾ .
Ex 174	Sewing cottons, silks, threads, and twists (excluding linen threads, and twists); crewel, flourishing, embroidery, darning, knitting, and crochet threads of silk, artificial silk, imitation silk, or cotton, or mixtures of the same, plain or fancy; gold and silver embroidery threads	7½% ⁽²⁾ .
180	Ex (1) Textile <i>piece-goods</i> , woven, of pure silk, whether plain, hemmed, whipped, or <i>similarly</i> worked	15% ⁽²⁾ .
	Textile <i>piece-goods</i> , woven, of raffia fibre, whether plain, hemmed, whipped, or <i>similarly</i> worked	10% ⁽²⁾ .
	Textile <i>piece-goods</i> , namely, moquettes composed wholly of cotton, whether plain, hemmed, whipped, or <i>similarly</i> worked	12½%
182	Textile <i>piece-goods</i> , viz., <i>dress nets</i> , <i>curtain nets</i> , embroidery nets, and <i>similar nets</i> , <i>lace curtain material</i> , and veilings, all kinds; also fabrics of a like kind as may be determined by the Minister	35% ⁽¹⁾ .
183	Textile <i>piece-goods</i> , including textiles of wool, or containing wool, viz.:— (1) <i>Moquette</i> and <i>tapestry</i> , of wool, or containing wool	35% ⁽¹⁾ .
	(2) <i>N.e.i.</i>	40% ⁽¹⁾ .
Ex 191	Yarn—viz., coir	Free ⁽³⁾ .
193	Yarns n.e.i., viz.:— (1) Sisal and raffia	10%
	(2) Other	40% ⁽¹⁾ .
194	Belts, and belting, n.e.i., for driving machinery; conveyor belts, and belting, of rubber, textile, fibre, or combinations of these materials; cordage or rope on declaration that it will be used only for driving machinery	20%
195	Boots, shoes, shoettes, sandals, clogs, pattens, slippers, and goloshes—namely, children's 0 to 9 inclusive	20% ⁽²⁾ .
196	(2) <i>Slippers n.e.i.</i>	50% ⁽¹⁾ .
	(3) Boots, shoes, clogs, pattens, shoettes, sandals, and other footwear, n.e.i. Per pair	6s. or 50%, whichever rate returns the higher duty ⁽¹⁾ .
200	Leather, viz.:— (1) Bookbinders' leather of qualities approved by the Minister and under conditions prescribed by him	Free ⁽³⁾ .
	(2) Chamois leather	30% ⁽¹⁾ .
	(3) Goat-skins, and kid-skins, however dressed; <i>persian</i> ; <i>reptile</i> skins, dressed or undressed	Free ⁽³⁾ .
	(6) (b) <i>Patent leathers</i>	Free ⁽³⁾ .
	(9) Parchment or vellum made from skins	10% ⁽²⁾ .
203	Leather manufactures n.e.i.	40%

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
214	China-ware, <i>earthenware</i> , and porcelain-ware, viz.—breakfast, dinner, and tea <i>sets</i> ; <i>cups</i> , <i>saucers</i> , <i>plates</i> , <i>dishes</i> , and such <i>similar</i> articles suited for <i>table use</i> as may be approved by the Minister	40% ⁽²⁾ .
215	China-ware, earthenware, porcelainware, and stoneware, n.e.i.	45% ⁽¹⁾ .
Ex 219	Glass, <i>sheet</i> , common window or plate (excluding safety glass), whether polished, coloured, bent or otherwise, cut to any size or shape, n.e.i.	10%
220	Glass, plate or <i>sheet</i> , in sizes not exceeding 20 superficial feet, only on declaration that it will be used in the manufacture of bevelled or silvered glass	Free.
222	Glass, bevelled, silvered, or with rounded or polished edges; mirrors, and looking-glasses, framed or unframed	35%.
225	Glassware n.e.i.; globes, and chimneys, for lamps, n.e.i.; lamps, lanterns, and lampwick, n.e.i.	30% ⁽¹⁾ .
Ex 226	Lamps, <i>miners' safety</i> , and glasses therefor	Free ⁽³⁾ .
229	Stone, viz. :— (1) Marble, <i>in the rough</i> , or <i>rough-sawn</i> , not <i>dressed</i> or <i>polished</i>	Free ⁽³⁾ .
233	Artists' materials—viz., academy boards, canvas in the piece or on stretchers, oiled paper and drawing-paper in blocks, colours, palettes, and palette-knives	15%
237	Clocks, time-registers, and time-detectors	40% ⁽¹⁾ .
239	<i>Fancy goods</i> , and <i>toys</i> ; <i>sporting</i> , <i>gaming</i> , and <i>athletic requisites</i> , n.e.i., including billiard <i>requisites</i> , n.e.i.; fishing-tackle n.e.i., including artificial flies and other baited hooks; walking-sticks; combs, hair and toilet	45% ⁽¹⁾ .
240	Films for cinematographs and similar instruments	Free.
242	Jewellery; plate, gold or silver; platedware	50% ⁽¹⁾ .
244	Magic lanterns, cinematographs, and <i>similar</i> instruments, including accessories peculiar thereto n.e.i.	45% ⁽¹⁾ .
246	Mouldings in the piece, and <i>panels</i> , suited for use in picture-frames or furniture-making, in building construction, or for <i>similar</i> purposes	40% ⁽¹⁾ .
247	Musical instruments, and parts, viz. :— (4) Pianos, player pianos, organs n.e.i., harmoniums, and <i>similar</i> instruments (5) Musical instruments n.e.i. (7) Strings of metal wire, catgut, or similar material, <i>specially suited</i> for musical instruments	20% ⁽²⁾ . 20% ⁽²⁾ . Free ⁽³⁾ .
248	Ex (1) Phonographs, gramophones, graphophones, and similar instruments, including accessories peculiar thereto, n.e.i., but excluding cabinets and parts of cabinets	40% ⁽¹⁾ .
254	Photographic cameras	40% ⁽¹⁾ .
255	Photographic goods n.e.i.	40% ⁽¹⁾ .
258	Sensitized surfaces, and albumenized paper, plain, not being postcards or other stationery	20%
261	Tobacco pipes, pouches, and cases, cigar and cigarette holders and cases	35% ⁽¹⁾ .
262	Toilet preparations, and perfumery, n.e.i., including perfumed oil	50% ⁽¹⁾ .
271	Celluloid, and <i>similar</i> materials, plain, in sheets or rolls, unprinted, n.e.i.	Free ⁽³⁾ .
Ex 279	Stencilling and similar inks	40% ⁽¹⁾ .
289	Monotype-paper, in rolls, suitable for use with monotype machine	10% ⁽²⁾ .
290	Paperhangings	20% ⁽²⁾ .

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
293	Printing-paper and writing-paper, in rolls not less than 10 inches wide, wholly or partly carbon-coated on one side, on declaration that it will be used only in the manufacture of counter-check books ..	Free ⁽³⁾ .
Ex 295	Paper, unprinted, viz. :—True vegetable parchment ..	Free.
296	Paper (other than <i>wrapping</i> paper) waxed, unprinted; also such paper printed and then <i>waxed</i> .. ..	..
	NOTE.—The products provided for under Tariff Item 296 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such products under the British Preferential Tariff by more than 15 per centum <i>ad valorem</i> .	
297	Paper, celluloid, or <i>similar</i> materials, and wrappers made from such materials, <i>printed, lithographed,</i> or ruled, n.e.i.	50% ⁽¹⁾ .
300	Paper, viz. :— (2) N.e.i., including tin-foil paper, and gummed paper n.e.i.,— (a) In sheets of size less than 20 inches by 15 inches or the equivalent (b) In sheets of size not less than 20 inches by 15 inches or the equivalent (c) In rolls less than 10 inches wide except such rolls specially suited for industrial <i>similar</i> purposes in such widths not exceeding 2 inches as the Minister may determine (d) In rolls n.e.i.	35% ⁽¹⁾ . 10% 35% ⁽¹⁾ . ..
	NOTE.—The products provided for under Tariff Item 300 (2) (d) shall be exempt from most-favoured-nation Customs duties which exceed the duties on such products under the British Preferential Tariff by more than 10 per centum <i>ad valorem</i> .	
Ex 301	Printed books papers music or advertising-matter, n.e.i. (excluding paper transfers)	Free.
321	Firearms and fittings therefor, viz. :— (1) Rifles, .22 calibre; rifles, .303 calibre (including service fittings therefor); rifles, n.e.i., of such calibres as may be authorized by the Minister of Defence (including service fittings therefor) .. (2) Sights for military rifles, of such patterns as may be approved by the Minister; cleaning rods specially suited for use with rifles of .22 calibre, or with rifles of such calibres as may be authorized by the Minister of Defence (3) Firearms n.e.i.	20% 20% ⁽²⁾ . 40% ⁽²⁾ .
322	Cartridges, cartridge cases, and materials for the manufacture thereof, viz. :— (1) Cartridges— (a) Shot, 10 to 24 bore Per 100 (b) Shot, n.e.i. (c) Ball, .22 calibre (d) N.e.i.	5s. or 50%, whichever rate returns the higher duty. 50% 25% 45%
326	Fishhooks, unmounted and without attachments ..	17½% ⁽²⁾ .

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
Ex 332	Adding and computing machines and instruments; accounting and book-keeping machines; combined adding and typing machines; but excluding ribbons for the foregoing machines	Free ⁽³⁾ .
Ex 332	Cash registering machines (excluding recording paper and ribbons); typewriters (including covers but excluding ribbons); duplicating machines and apparatus, n.e.i.; addressing machines	20% ⁽²⁾ .
333	Agricultural implements and machinery, viz. :— Ex (2) N.e.i., viz., reapers, binders, harvesters, and mowers	Free ⁽³⁾ .
335	Engines, viz. :— (1) Specially suited for use on <i>cycles</i> (2) Specially suited for use on motor-vehicles	30% ⁽¹⁾ .
	NOTE.—The products provided for under Tariff Item 335 (2) shall be exempt from most- favoured-nation Customs duties which exceed the duties on such products under the British Preferential Tariff by more than 35 per centum <i>ad valorem</i> .	
	(3) Specially suited for use on tractors or traction engines, on declaration that they will be used only on such tractors or traction engines	10% ⁽²⁾ .
338	<i>Machinery or appliances, electrical, viz. :—</i> Ex 1 (a) Machinery or appliances n.e.i. peculiar to the generation of electricity, to the transformation of pressures of electric currents, or to the conversion of one type of electric current to another (excluding transformers for wireless receiving sets, also one phase and three phase transformers up to and including 500 k.v.a. operating at pressures not exceeding 15,000 volts); electric motors (excluding electric motors up to and including 25 b.h.p.); slide rails for electric generators or electric motors	20%
	(3) Carbons or electrodes for arc lamps, for electric furnaces, or for electric welding	20%
	Ex (4) Electric appliances n.e.i. peculiar to electroplating, electro-chemistry, electro-metallurgy, surgery	15%
	Ex (4) Electrical vacuum tubes not suitable for purposes of illumination	20%
338	<i>Machinery or appliances, electrical—continued</i> (5) Electric locomotives; trolley-poles or collectors for electric tram-cars or electric locomotives; frogs, crossings, and line-ears, for overhead conductors for electric railways or tramways; rail bonds with terminals attached	20%
	(6) Metal <i>poles</i> or <i>towers</i> , specially suited for use in electrical transmission-lines	20%
	Ex (7) Mica	10%
	(8) Sparking-plugs for oil engines	20%
	Ex (10) (b) N.e.i., viz. :—Brass bases for electric-lamp bulbs; razors, electric	40%
Ex 340	Electric lamps n.e.i., not being peculiar to surgical use (excluding table-lamps, reading-lamps, bedside-lamps, of stand or clamp type)	25% ⁽¹⁾ .

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
342	<i>Measuring, counting, testing, indicating, and recording machines, instruments, and appliances, n.e.i., drawing instruments; compasses, not being watch-chain pendants</i>	20% ⁽²⁾ .
Ex 343	Machinery and engines on declaration that they will be used only for mining (including quarrying) purposes, viz., air compressors (not including the motive power for driving the same), fuel economizers, <i>capstan engines, winding engines</i> , (including drums therefor), pumps	15% ⁽²⁾ .
344	Power driven spray pumps including <i>outfits</i> , therefor, as may be approved by the Minister, specially suited for agricultural uses	Free ⁽³⁾ .
Ex 348	<i>Traction engines and tractors</i>	10%
351	Machinery, machines, machine tools, and <i>appliances</i> , viz. :—	
	(1) Anvils, forges, and hearths, viz., blacksmiths', and similar	20%
	(2) Blacksmiths', braziers', assay, and treadle-power bellows	20%
	(3) Boring and well-drilling machinery; rock drills, and diamond drills; coal cutters	15%
Ex (4)	Blowers, and fans, viz., exhaust, blast, and ventilating	20%
	(5) Card clothing suitable for use in woollen mills and paper mills	15%
	(6) Grinding machines, emery, and similar; emery and similar wheels	20%
	(8) Sewing machines	Free ⁽³⁾ .
	(9) Knitting and kilting machines	20%
Ex (10)	Peculiar to metal-working, or wood-working, viz. :—	
	(a) As may be approved by the Minister	20%
	NOTE.—The Minister may refuse to approve the entry of any article under this item if he is satisfied that the same could have been made economically in New Zealand.	
	NOTE.—The above-mentioned rate applies only to such machinery, machines, machine tools, and appliances, as are for the time being approved for entry under Tariff Item 351 Ex (10) (a).	
Ex (10)	Peculiar to stone-working, or glass-working	20%
	(13) Printing-machines	15%
352	Machinery, machines, machine tools, engines, and <i>appliances</i> , as may be approved by the Minister, peculiar to use in manufacturing, industrial and similar processes, viz. :—	
	(a) Bakers', confectioners' bootmaking, brick and tilemaking, flour and grain milling, gasmaking, refrigerating, stonecrushing, woollen-mill and hosiery-mill; also insulators and water turbines	15%
	(b) Other	20%
	NOTE.—The Minister may refuse to approve the entry of any article under this item if he is satisfied that the same could have been made economically in New Zealand.	
	NOTE.—The above-mentioned rates apply only to such machinery, machines, machine tools, engines, and appliances, as are for the time being approved for entry under Tariff Item 352.	

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF —*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
353	Machinery, machines, engines, and <i>other appliances</i> , n.e.i., viz. :— Ex (6) (b) Refrigerating units having a heat removing capacity of less than 6,000 B.t.u. per hour for use in domestic type cabinets of capacities not exceeding 25 cubic feet, but not including such units when imported in or with cabinets	20% ⁽¹⁾ .
	NOTE.—Refrigerating units as described above, provided for under Tariff Item 353 Ex (6) (b) shall be exempt from most-favoured-nation Customs duties which exceed the duties on such products under the British Preferential Tariff.	
Ex 354	<i>Artificers' tools</i> , n.e.i. (not including brushes or brush- ware, vices, and joiners' clamps); and the following tools—viz., axes, hatchets, forks, picks, mattocks, hammers, scythes, sheep-shears, reaping-hooks, scissors (not less than 10 inches in length), butchers' and other cleavers and choppers, hand-saws, saw-blades machine or hand, bill-hooks, bush-hooks, and hedge-knives . . .	17½% ⁽²⁾ .
356	(1) (b) Hardware, hollowware, and ironmongery, n.e.i.; manufactured or partly manufactured articles of metal, and manufactured or partly manu- factured articles of metal in combination with any other material, n.e.i.	50% ⁽¹⁾ .
357	Metal, viz. :— (1) Copper, iron, lead, tin, and other metal, in billets, blooms, ingots, or pigs (2) Aluminium, brass, copper, lead, tin, and other metal, n.e.i., in bars or rods (except cast bars or rods of copper alloy) (4) Iron, galvanized or <i>plain</i> black, viz., angle, tee, bar, bolt, channel, rod, and rolled girders; iron girders expanded, but otherwise unworked (5) Iron, viz. :— (a) Sheet, plate (including rolled chequered plates), or hoop (except hoop 6 inches in width or over), <i>plain</i> , whether black, polished, galvanized, plated, tinned, or otherwise coated with metal, n.e.i. (b) Corrugated sheet iron (6) Metal n.e.i., viz. :—foil, leaf; hoop, plate or sheet, plain, whether in the rough, polished, enamelled, galvanized, plated, tinned, or otherwise coated with metal (7) Shafting, plain rolled, or plain turned, but otherwise unwrought Ex (10) Wire, metal, plain, n.e.i.; wire cut to lengths, (8) Sheet, perforated or cellular looped, twisted, or plain, suited for baling and similar purposes (11) Metal cordage, not being gold or silver	Free. 10% 20% 20% 10% 15% 15% 10% 20%
360	Nails or tacks, exceeding 1 inch in length, made from iron <i>wire</i> , whether plain, galvanized, or cement- coated, n.e.i. Per ton	£4.

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
361	Nails, lead-headed, and galvanized cup-headed roofing nails	40% ⁽¹⁾ .
362	Pipes, piping, tubes, and tubing (except coil pipes), viz. :— (1) Wrought iron, steel, or wood, n.e.i., (including such pipes or tubes when protected with a cement or <i>similar</i> coating) not less than 4 inches but less than 9 inches in internal diameter (2) (a) Cast iron n.e.i., including <i>rainwater</i> , <i>soil</i> , and <i>similar</i> pipes (b) (i) <i>Centrifugally-cast</i> iron pipes, piping, tubes and tubing, exceeding 6 inches but not exceeding 12 inches in <i>nominal internal diameter</i> (ii) <i>Centrifugally-cast</i> iron pipes, piping, tubes and tubing, not less than 4 inches but not exceeding 6 inches in <i>nominal internal diameter</i> (4) Lead or composition Per cwt. (5) Knees, bends, elbows, junction or inspection boxes including covers therefor, and other <i>fittings</i> , n.e.i., for pipes, piping, tubes or tubing, viz. :— (b) Of cast iron for <i>rain-water soil</i> , and <i>similar pipes</i>	35% ⁽¹⁾ . 20% 20% 35% ⁽¹⁾ . 7s. 35% ⁽¹⁾ .
365	Rails for railways or tramways, including lay-outs, <i>points</i> , and crossings, for the same; rail-fastenings, viz., fish-plates, creep-clips, tie-irons, bearing-brackets, bed-plates, cast-iron chocks, and bored iron bars	20% ⁽²⁾ .
376	(1) Wire netting, metal wove wire (not including wove wire for mattresses), metal gauze; expanded metal lathing and fencing	10% ⁽²⁾ .
378	Bicycles, tricycles, and motor-cycles, fittings for, viz., spokes, in the rough or finished; and the following articles when not plated, japanned, enamelled, or varnished, viz., drop forgings, stampings, wood or metal rims (<i>not</i> bored), forks, stays, handle-bars, and seat-pillars, <i>unbuilt</i> , bracket shells, fork- and stay-ends, fork-tips, bridges, crowns, and lugs	15% ⁽²⁾ .
379	Bicycles, tricycles, and the like vehicles, including motor-cycles, also hubs, spindles, and other finished, partly finished, or machined parts of the same, n.e.i.; side-cars for motor-cycles	15% ⁽²⁾ .
	NOTE.—The products provided for under Tariff Item 379 shall be exempt from most-favoured-nation Customs duties which exceed the duties on such products under the British Preferential Tariff by more than 20 per centum <i>ad valorem</i> .	
389	Motor-vehicles n.e.i., viz. :— (a) <i>Motor-vehicles unassembled or completely knocked down</i> (c.k.d.) (c) Other kinds	40% 50%
	NOTE.—Where the Minister is of opinion that any duty is being or is likely to be evaded or avoided by the importation of any motor-vehicles without engines, electric generators, electric motors, tires or other component parts, which, in the ordinary course of business are usually imported therewith, the Minister may, at his discretion, require that	

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
389	Motor-vehicles n.e.i., viz :— <i>continued</i> (c) Other kinds— <i>continued</i> duty shall be paid as if such engines, electric generators, electric motors, tires or other component parts had been imported with such vehicles. NOTE.—The New Zealand Government shall have the right to require that pneumatic rubber tires and inner tubes of rubber therefor imported with and forming part of any motor vehicle entered under Tariff Item 389 (a) or (c), shall be liable for duty at the rates for the time being applicable to similar tires and tubes under Tariff Item 205 (6) if imported not forming part of motor vehicles.	
391	Graphite, and plumbago, in powder, or flake form ..	Free ⁽³⁾ .
Ex 393	Boot-polishes	40% ⁽¹⁾ .
394	Oils in vessels capable of containing 1 gallon or more, viz. :— (3) Vegetable oils n.e.i. (5) Turpentine ; turpentine substitutes composed of volatile mineral oils, or of volatile mineral oils in combination with turpentine or other volatile vegetable oils	Free ⁽³⁾ Free ⁽³⁾ .
395	Oils in vessels having a capacity of less than 1 gallon, viz. :— Ex (3) Vegetable oils n.e.i., viz., olive, palm, peanut ..	20% ⁽¹⁾ .
396	(1) Cod-liver oil	Free ⁽³⁾ .
397	Paints, colours, varnishes, and similar materials, viz. :— Ex (2) Paints mixed ready for use NOTE.—The products provided for under Tariff Item 397 Ex (2) shall be exempt from most-favoured-nation customs duties which exceed the duties on such products under the British Preferential Tariff by more than 20 per centum <i>ad valorem</i> . Ex (3) Collodion-base varnish for correcting stencils .. Ex (7) Paints and colours, dry, n.e.i., viz. :—Zinc white, red lead .. .. .	.. .. . 40% ⁽¹⁾ . Free ⁽³⁾ .
398	Waxes, viz. :— Ex (1) Carnauba, ouricury or licury, and beeswax ..	Free ⁽³⁾ .
399	Timber, viz. :— Logs, round, <i>unworked</i> , viz. :— (c) N.e.i. Per 100 cubic feet	25s. ⁽⁴⁾ .
404	Timber rough sawn or <i>rough hewn</i> —viz. :— Ex (2) Other kinds, in pieces having a length of not less than 25 feet, and having a minimum cross sectional area of not less than 150 square inches, viz. :—Redwood ; Douglas fir Ex (3) N.e.i., viz. :—Douglas fir .. .. .	.. .. ... .. .
Ex 405	Timber sawn dressed, viz. :— Douglas fir ; hemlock NOTE.—Preference on the above-mentioned classes of timber under Tariff Items 404 and 405 to be reduced proportionately to any reduction in the import excise tax payable on Canadian timber imported into the United States of America and to be eliminated when, and for as long as, such import excise tax ceases to apply to timber imported into the United States of America from Canada.	.. .. . .. .. .

SCHEDULE XIII—NEW ZEALAND—*continued*
PART I.—MOST-FAVOURLED-NATION TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products	Rate of Duty.
409	Handles, wooden, for tools, n.e.i.	Free ⁽³⁾ .
414	Ex (1) Veners	35% ⁽¹⁾ .
	(2) Woodenware, and turnery, n.e.i.; saddle-trees; wooden tackle-blocks	50% ⁽¹⁾ .
425	Cordage, rope, and twine, n.e.i.	40% ⁽¹⁾ .
431	Gelatine, glue, isinglass, and size Per lb.	4d. or 40%, which- ever rate returns the higher duty ⁽¹⁾ .
434	Manures, when crude and in bulk	Free.
443	Sausage skins and casings, viz. :— (1) Of animal origin, including brine or salt .. Per lb.	3d. ⁽¹⁾ .
447	Tanning-materials, <i>crude</i>	Free ⁽³⁾ .
449	Ex (2) Articles n.e.i., viz. :— Agricultural seeds (other than grain and pulse) for agricultural seed purposes	Free.
	Bauxite	} Free ⁽³⁾ .
	Black diamonds, or borts, for diamond drills ..	
	Brake or transmission linings, in the piece con- sisting of woven or pressed asbestos with or without metal wire incorporated therein ..	
	Bristles, natural, for use in the manufacture of brushes	
	Cattle hides, raw	
	Copra	
	Corundum	
	Cotton seed	
	Feathers, undressed	
	Fibres, natural, vegetable, viz. :— Coir	
	Jute	
	Kapok	
	Manila hemp	
	Raffia	
	Ramie	
	Rosella	
	Sisal	
	Gum copal	
	Ivory	
	Manioc, dry	
	Nickel in matte form	
	Rattans	
	Raw rubber in sheets	
	Rosin	
	Sesame seed	
	Shells	
	Synthetic resins	
	Tallow, unrefined	
	Tin ore	
	Yerba de Mate	

GENERAL NOTE

The symbol % where shown in the "Rate of Duty" column indicates a rate of duty per centum *ad valorem*.

NOTES TO SPECIFIC ITEMS

(1) Surtax, where payable on these goods the produce of certain countries forming part of the British Commonwealth, to be removed.

(2) Primage, where payable on these goods the produce of countries forming part of the British Commonwealth, to be removed.

(3) Subject to primage duty of 3 per centum *ad valorem*.

SCHEDULE XIII—NEW ZEALAND—*continued*

PART II.—PREFERENTIAL TARIFF

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
5	Grain and pulse, ground or <i>manufactured</i> , viz. :— (1) Barley flour, prepared Per cental. (6) Oats, or oats in admixture with other grain Per lb. NOTE.—Oatmeal and rolled oats, the produce of Australia, shall be exempt from Customs duty in excess of 2s. 6d. per cental.	2s. 6d. $\frac{1}{2}$ d.
12	(10) N.e.i. Per cental	2s. 6d.
15	Aerated waters, and <i>beverages</i> , n.e.i.	15%
16	Cocoa-beans, raw	Free.
16	Cocoa and chocolate, viz. :— (1) <i>Cocoa</i> ; also cocoa-beans roasted or crushed Per lb.	3d.(1).
22	Citrus-fruit pulps (including fruit juices containing such percentage of citrus-fruit pulp as may be determined by the Minister) sweetened or unsweetened, in bulk or otherwise	10%(1)(4).
35	Fish, viz. :— (3) Fish, potted, and preserved, n.e.i., including any liquor, oil, or sauce Per lb. NOTE.—The products provided for under Tariff Item 35 (3), the produce of Australia, shall be exempt from duty.	$1\frac{1}{2}$ d.(1).
36	Fruits, dried, viz. :— (2) Raisins NOTE.—Raisins, dried, the produce of the Union of South Africa, shall be exempt from duty. (4) N.e.i. NOTE.—Fruits, dried, n.e.i., the produce of the Union of South Africa, shall be exempt from duty.	..
37	Fruits, fresh—viz. :— Ex (2) Apricots, nectarines Ex (2) Grapes— July 1 to November 30 inclusive Per lb. December 1 to June 30 inclusive Per lb. NOTE.—Fresh apricots, grapes and nectarines, the produce of the Union of South Africa, shall be exempt from duty. Ex (5) Oranges NOTE.—Fresh oranges, the produce of the Union of South Africa, shall be exempt from duty.	1d.(1). 2d.(1).
Ex 39	Fruits preserved in juice or syrup, viz. :—	15%(1)(4).
48	Pineapples Malt-extract, malt-extract with cod-liver oil, and similar preparations containing malt-extract Per lb.	2d. or 20%, whichever rate returns the higher duty.
68	Starch n.e.i. Per lb.	1d.
90	Wine containing not more than 40 per cent. of proof spirit, viz. :— (1) Sparkling, all kinds ; per gallon, or for six reputed quart bottles, or the reputed equivalent in bottles of a larger or smaller reputed capacity NOTE.—The products provided for under Tariff Item 90 (1), the produce of the Union of South Africa, shall be exempt from customs duty in excess of 14s. 3d. per gallon.	..

SCHEDULE XIII—NEW ZEALAND—*continued*

PART II.—PREFERENTIAL TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
90	Wine containing not more than 40 per cent. of proof spirit, viz.:— <i>continued</i> (2) Other kinds; per gallon, or for six reputed quart bottles, or the reputed equivalent in bottles of a larger or smaller reputed capacity NOTE.—The products provided for under Tariff Item 90 (2), the produce of the Union of South Africa, shall be exempt from customs duty in excess of 8s. 3d. per gallon.	
Ex 105	Drugs and chemicals, viz.:— Strychnine, and salts of strychnine	Free ⁽³⁾ .
113	Essences, culinary or flavouring, n.e.i.	20% ⁽¹⁾ .
115	Essential oils	Free ⁽³⁾ .
134	Surgeons', physicians', dentists', and opticians' appliances, instruments and materials, viz.:— (1) Appliances (including splints) for wear, even if medicated, <i>peculiarly adapted</i> to correct a deformity of the human body, to afford support to an abnormal condition of the human body, or to reduce or alleviate such condition, or to substitute any part of such body; stump socks; crutches; ear trumpets; ear tubes, and <i>audiphones</i> , for the partially deaf	Free.
136	Apparel, clothing, and hosiery, viz.:— (3) Braces, suspenders, garters, belts, and <i>similar</i> articles (5) <i>Neckties</i> (6) Men's and boys' overcoats n.e.i., suits, coats, trousers, waistcoats, and <i>similar</i> articles	20% 20% 25%
Ex (7)	N.e.i., viz.:— Women's and girls' outer garments of woven fabrics NOTE.—The products provided for under Tariff Item 136 (3), (5), (6), and Ex (7), the produce of Australia, shall be exempt from Customs duty in excess of 40 per centum <i>ad valorem</i> . The products provided for under Tariff Item 136 (3) and (5), the produce of Canada, shall be exempt from Customs duty in excess of 40 per centum <i>ad valorem</i> . The products provided for under Tariff Item 136 (6) and Ex (7), the produce of Canada, shall be exempt from Customs duty in excess of 45 per centum <i>ad valorem</i> .	25% ⁽¹⁾ .
Ex 140	<i>Cornsacks</i> ; bags or sacks of jute hemp or hessian; bags or sacks of New Zealand tow or flax	Free ⁽³⁾ .
Ex 140	Wool-packs, and wool-pockets	Free.
142	Boot and similar laces, of any material other than leather	15%
143	<i>Braids</i> , and <i>bindings</i> , all kinds, n.e.i.; cords, n.e.i., of wool, cotton, silk, <i>imitation silk</i> , <i>artificial silk</i> , or of combinations of these materials with one another or with any other material	15% ⁽¹⁾ .
144	Brattice-cloth of jute or hessian	Free ⁽³⁾ .
151	Drapery n.e.i.	20% ⁽¹⁾ .

SCHEDULE XIII—NEW ZEALAND—*continued*
PART II.—PREFERENTIAL TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
152	Elastics, all kinds, including boot and brace elastics; elastic threads and cords; plain <i>tape</i> of cotton, linen, or jute; <i>webbings</i> , all kinds including elastic <i>webbings</i> , dressmakers' beltings, including cotton petershams, whether plain or circular woven, or reinforced; woven looping and labels, for boots; labels, and hangers, woven, for clothing and other textile articles, including hanger material, plain or otherwise, n.e.i.; chain coat-hangers; woven bandings, bands, tapes, and similar articles (not including arm-bands and hat-bands), with printed, woven, or embroidered lettering, trade-name, or trade-mark, suited for use with boots or other apparel	Free.
Ex 153	Feathers, ornamental, viz. :— Ostrich NOTE.—Ostrich feathers, ornamental, the produce of the Union of South Africa, shall be exempt from Customs duty in excess of 15 per centum <i>ad valorem</i> .	..
159	Floor coverings, viz. :— Ex (1) Carpets, floor coverings, floor-rugs, mats, and matting (excluding mats, and matting, of coir raffia, rattan, straw, rush, reed or grass), n.e.i. Ex (2) Linoleum, cork carpets, and rubber flooring, including mats (other than rubber mats), matting, and floor-rugs, of <i>similar</i> material	20% 15% ⁽¹⁾ . 20% ⁽¹⁾ . 15% ⁽¹⁾ .
161	Haberdashery n.e.i.	15% ⁽¹⁾ .
163	Hairpins, hatpins, safety pins, and <i>toilet pins</i>	20% ⁽¹⁾ . 15% ⁽¹⁾ .
Ex 168	Lace, and laces, n.e.i.	15% ⁽¹⁾ .
180	Ex (1) Textile <i>piece</i> -goods, woven, of jute, whether plain hemmed, whipped, or <i>similarly</i> worked	Free ⁽³⁾ .
182	Textile <i>piece</i> -goods, viz., <i>dress nets</i> , <i>curtain nets</i> , <i>embroidery nets</i> , and <i>similar nets</i> , <i>lace curtain material</i> , and veilings, all kinds; also fabrics of a like kind as may be determined by the Minister	15% ⁽¹⁾ .
187	<i>Union textiles n.e.i.</i> in the piece, the current domestic value of which does not exceed that specified by the Minister, when cut up and made into shirts, pyjamas, or underclothing, under such conditions and regulations as the Minister may prescribe	Free ⁽³⁾ . Free ⁽³⁾ .
Ex 191	Yarn, viz., jute	Free ⁽³⁾ .
Ex 193	Yarns n.e.i., viz. :— Sisal and raffia	Free ⁽⁴⁾ .
196	(2) <i>Slippers</i> n.e.i. NOTE.— <i>Slippers</i> n.e.i., the produce of Australia, shall be exempt from Customs duty in excess of 35 per centum <i>ad valorem</i> . NOTE.— <i>Slippers</i> n.e.i., the produce of Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> . (3) Boots, shoes, clogs, pattens, shoettes, sandals, and other footwear, n.e.i. Per pair	25% ⁽¹⁾ . 3s. or 25%, which- ever rate returns the higher duty ⁽¹⁾ .
	NOTE.—The products provided for under Tariff Item 196 (3), the produce of Australia, shall be exempt from Customs duty in excess of 35 per centum <i>ad valorem</i> or 4s. per pair, whichever rate returns the higher duty. NOTE.—The products provided for under Tariff Item 196 (3), the produce of Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> or 3s. 8d. per pair, whichever rate returns the higher duty.	

SCHEDULE XIII—NEW ZEALAND—*continued*

PART II.—PREFERENTIAL TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
225 Ex 239	Glassware n.e.i. ; globes, and chimneys, for lamps, n.e.i. ; lamps, lanterns, and lampwick, n.e.i. <i>Sporting, gaming, and athletic requisites, n.e.i., including billiard requisites, n.e.i.</i> NOTE.—The products provided for under Tariff Item Ex 239, the produce of Australia, shall be exempt from Customs duty in excess of 25 per centum <i>ad valorem</i> .	12½% ⁽¹⁾ . 20% ⁽¹⁾ .
247	Musical instruments, and parts, viz. :— (5) Musical instruments n.e.i.	Free.
262	Toilet preparations, and perfumery, n.e.i., including perfumed oil NOTE.—The products provided for under Tariff Item 262, the produce of Australia, shall be exempt from Customs duty in excess of 35 per centum <i>ad valorem</i> .	25% ⁽¹⁾ .
268	Cardboard boxes, and paper boxes, complete ; paper, and cardboard, cut or shaped for wrappers boxes or other receptacles NOTE.—The products provided for under Tariff Item 268, the produce of Australia or Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	20%
271	Celluloid, and <i>similar</i> materials, plain, in sheets or rolls, unprinted, n.e.i.	Free ⁽³⁾ .
274	Envelopes and bags, paper, n.e.i. NOTE.—The products provided for under Tariff Item 274, the produce of Australia, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	25%
304	Stationery, and paper, manufactured—viz., account-books, scribbling-books, letter-books, copying letter-books, counter books, guard books, copy-books with headlines on each page, drawing-books, sketch-books, diaries, birthday-books, scribbling, and letter blocks ; book-covers ; book-markers ; billhead, invoice, and statement forms ; cheque, and draft forms ; tags ; labels, all kinds ; printed window-tickets ; blotting-pads ; Christmas, New Year, birthday, Easter, and other booklets and cards, n.e.i. ; printed, lithographed, ruled, or embossed stationery, n.e.i. ; albums all kinds NOTE.—The products provided for under Tariff Item 304, the produce of Australia or Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	20%
305	Stationery n.e.i. ; cards, printers' menu, programme, calendar, Christmas, and similar, of cardboard, celluloid, or similar material, edged, or having embossed or printed thereon such words as " Menu," " Calendar," " Christmas Greetings," but otherwise unprinted, and suited to be completed in New Zealand NOTE.—The products provided for under Tariff Item 305, the produce of Australia or Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	20%

SCHEDULE XIII—NEW ZEALAND—*continued*
PART II.—PREFERENTIAL TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
327	Galvanized-iron manufactures, n.e.i., made up from galvanized iron, or from plain sheet iron and then galvanized; japanned or lacquered metalware; furniture, cabinetware, and <i>shelving</i> , specially suited for office shop or warehouse use, <i>made up</i> from sheet metal not exceeding 0.080 inch in thickness NOTE.—Galvanized-iron manufactures, n.e.i., made up from galvanized iron, or from plain sheet iron, and then galvanized, and japanned or lacquered metalware, the produce of Australia, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	20%
331	Ex (1) Lawn-mowers, other than hand roller type, having cutting-blades exceeding 18 inches in length (2) Lawn-mowers, of the hand roller type NOTE.—The products provided for under Tariff Item 331 (2), the produce of Australia or Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	15% 20%
333	Agricultural implements and machinery, viz. :— (1) Cultivators; harrows; ploughs; drills; seed and fertilizer sowers or distributors combined or separate; lime sowers; seed or grain cleaners, and cellular seed or grain separators NOTE.—The products provided for under Tariff Item 333 (1), the produce of Canada, shall be exempt from Customs duty in excess of 35 per centum <i>ad valorem</i> plus surtax of 1/20th of the duty.	10%
338	Machinery or appliances, electrical, viz. :— Ex (4) Electric appliances n.e.i. peculiar to electro-plating, electro-chemistry, electro-metallurgy, surgery (10) (a) Electric irons NOTE.—The products provided for under Tariff Item 338 (10) (a), the produce of Australia or Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	Free. 20%
351	Machinery, machines, machine tools, and <i>appliances</i> , viz. :— (3) Boring and well-drilling machinery; rock drills, and diamond drills; coal cutters	Free.
353	Machinery, machines, engines, and <i>other appliances</i> , n.e.i. viz. :— (1) Gas heating and gas cooking appliances; valves, cocks, and <i>similar</i> articles, of brass or other <i>copper-alloy</i> NOTE.—Gas heating and gas cooking appliances provided for under Tariff Item 353 (1), the produce of Australia, shall be exempt from Customs duty in excess of 35 per centum <i>ad valorem</i> . Valves, taps, tobies, hydrants, and <i>similar</i> articles, of brass or other <i>copper alloy</i> provided for under Tariff Item 353 (1), the produce of Australia, shall be exempt from Customs duty in excess of 40 per centum <i>ad valorem</i> .	25%

SCHEDULE XIII—NEW ZEALAND—*continued*

PART II.—PREFERENTIAL TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
353	Machinery, machines, engines, and <i>other appliances</i> , n.e.i. <i>viz. :—continued</i>	
	(3) Electric cooking and electric heating <i>appliances</i> . . NOTE.—The products provided for under Tariff Item 353 (3), the produce of Australia, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> . The products provided for under Tariff Item 353 (3), the produce of Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad</i> <i>valorem</i> plus surtax of 9/40ths of the duty.	20%
	Ex (6) (b) Other kinds, <i>viz. :—</i> Winches, cranes, capstans, windlasses, and hoists NOTE.—Winches, cranes, capstans, windlasses, and hoists provided for under Tariff Item 353 Ex (6) (b), the produce of Australia or Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	20%
	Ex (6) (b) Refrigerating units having a heat removing capacity of less than 6,000 B.t.u. per hour for use in domestic type cabinets of capacities not exceeding 25 cubic feet, but not including such units when im- ported in or with cabinets	20% ⁽¹⁾ .
356	(2) Porcelain enamelled cast iron baths NOTE.—The products provided for under Tariff Item 356 (2), the produce of Australia, shall be exempt from duty in excess of 45 per centum <i>ad valorem</i> .	25%
357	Metal, <i>viz. :—</i>	
	(4) Iron, galvanized or <i>plain</i> black, <i>viz.</i> , angle, tee, bar, bolt, channel, rod, and rolled girders; iron girders expanded, but otherwise unworked	Free.
	(5) Iron, <i>viz. :—</i> (a) Sheet, plate (including rolled chequered plates), or hoop, <i>plain</i> , whether black, polished, galvanized, plated, tinned, or otherwise coated with metal, n.e.i. (b) Corrugated sheet iron	Free. Free.
373	Tinware, and tin manufactures, n.e.i. NOTE.—The products provided for under Tariff Item 373, the produce of Australia, shall be exempt from Customs duty in excess of 35 per centum <i>ad</i> <i>valorem</i> .	20%
414	(2) Woodenware, and turnery, n.e.i.; saddle-trees; wooden tackle-blocks NOTE.—The products provided for under Tariff Item 414 (2), the produce of Australia or Canada, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	20% ⁽¹⁾ .
416	Apparatus, appliances, articles, and materials, for educational purposes, as may be approved by the Minister and under conditions prescribed by him	Free.

SCHEDULE XIII—NEW ZEALAND—*continued*

PART II.—PREFERENTIAL TARIFF—*continued*

New Zealand Tariff Item Number.	Description of Products.	Rate of Duty.
419	Brushes, brushware, and brooms, viz. :— (2) N.e.i., including knots or tufts for brushmaking .. NOTE.—The products provided for under Tariff Item 419 (2), the produce of Australia, shall be exempt from Customs duty in excess of 30 per centum <i>ad valorem</i> .	25%
431	Gelatine, glue, isinglass, and size Per lb.	2d. or 20%, which- ever rate returns the higher duty. ⁽¹⁾
447 Ex 448	Tanning-materials, <i>crude</i> Articles and materials, specified by the Minister, and on such conditions as he may prescribe, suited for, and to be used solely in, the fabrication or repair of goods within New Zealand, viz. :—Mimosa extract or wattle extract	Free ⁽³⁾ .
449	Ex (2) Articles n.e.i., viz. :— Bristles, natural, for use in the manufacture of brushes Raw rubber in sheets	Free ⁽³⁾ . Free ⁽³⁾ .

GENERAL NOTE

The symbol % where shown in the "Rate of Duty" column indicates a rate of duty per centum *ad valorem*.

NOTES TO SPECIFIC ITEMS

(1) Surtax, where payable on these goods the produce of certain countries forming part of the British Commonwealth, to be removed.

(3) Subject to primage duty of 3 per centum *ad valorem*.

(4) The preferential rate on these goods is not bound, but is shown only for the purpose of establishing the margin of preference.

APPENDIX II

ITEMS INCLUDED IN SCHEDULE II, BELGIUM-LUXEMBURG-NETHERLANDS

Metropolitan Territories

Commodity.	Present Rate.	Proposed Rate.
Cheese (hard and medium types)	15%	15%
Lactose	*300 francs or 18-16 florins per 100 kilos	250 francs or 15-13 florins.
Apples	12% plus monopoly fee	†6% during Feb./May and no monopoly fee.
Pears	12% plus monopoly fee	†6% during Feb./May and no monopoly fee.
Casein	Free	Free.
Sausage casings	Free	Free.
Fertilizers of animal origin	Free	Free.
Fish liver oils, capsulated	12%	12%
Fish liver oils, liquid	Free	Free.
Tallow	Free	Free.
Rennet, liquid, powder or tablet	10%	10%
Neatsfoot oil	Free	Free.
Hemp, <i>Phormium tenax</i>	Free	Free.
Yarns of <i>Phormium tenax</i>	4%	4%
Kauri gum	Free	Free.
Linen flax and tow	Free	Free.
Seeds, grass and clover	Free	Free.

(NOTE.—Grass-seeds only are subject to certain monopoly fees, not exceeding 247-80 francs or 15 florins per 100 kilos.)*

Wool, greasy and scoured	Free	Free.
Animal hair	Free	Free.
Raw hides and skins (including fur skins)	Free	Free.

* 177 Belgian francs or 10-68 Netherlands florins = £1 stg. (October, 1947).

† During remainder of year rate proposed is 6 per cent. plus monopoly fees, not to exceed a total charge of 20 per centum *ad valorem*.

Netherlands Indies

Commodity.	Present Rate.	Proposed Rate.
Butter	30%	30%
Cheese, dessert in small packages	30%	30%
Cheese, other	18%	18%
Milk; powdered or condensed, unsweetened	18%	18%
Chocolate	30%	30%
Casein in bulk	Free	Free.
Fish liver oils, capsulated	18%	18%
Hides	9%	Free.
Rabbit and opossum skins	18%	9%
Insulators	9%	9%
Toothbrushes and other toilet brushes (except shaving brushes)	18%	18%
Soap, other than toilet, washing powders, soap substitutes	18%	18%

ITEMS INCLUDED IN SCHEDULE III, UNITED STATES OF BRAZIL

Commodity.	Present Rate.	Proposed Rate.
Milk and cream powder	2-60	1-82
Condensed milk, sweetened	3-10	2-10
Condensed milk, unsweetened	3-64	1-82
Lactose	1-54	1-54
Apples	Free	Free.
Pears	Free	Free.
Casein powder	3-78	1-89
Fish liver oil, capsulated	146-00	112-00
Fish liver oil, liquid	5-88	5-88
Rennet, liquid	0-42	0-21
Rennet, powder or tablet	1-40	0-70
Kauri gum	8-96	2-24
Live animals for breeding purposes (if imported by registered stock breeders)	Free	Free.
Seeds, grass and clover	3-78	Free.

ITEMS INCLUDED IN SCHEDULE III, UNITED STATES OF BRAZIL—continued

Commodity.	Present Rate.	Proposed Rate.
Gelatine in sheet or powder	6·20	5·60
Wool, greasy, finer than 50's	3·92	1·40
Wool, washed or scoured, finer than 50's	11·20	4·00
Rabbit skins	1·60	Free.

(NOTE.—Specific duties quoted are in cruzeiros per kilogram, and approximately 70 cruzeiros = £1 stg. (October, 1947).)

ITEMS INCLUDED IN SCHEDULE VI, CEYLON

Commodity.	Present Rate.	Proposed Rate.
Frozen mutton, beef and pork	15%	15%
Canned mutton and beef	15%	15%
Butter	15%	15%
Milk and cream powder, and condensed milk, sweetened or unsweetened	Free	Free.
Milk foods	Free	Free.
Apples	10%	10%
Cereal foods, prepared	15%	15%
Confectionery	25%	20%
Fish liver oil, capsulated	15%	10%
Fish liver oil, liquid (other than cod liver oil)	†Rs. 20 per cwt.	Rs. 20 per cwt.
Live sheep	Free	Free.
Seeds, for agricultural and horticultural purposes	Free	Free.
Wool, greasy, washed, scoured, slipe and waste	Free	Free.
Wallboard of wood fibre	*25%	15%
Agricultural implements, including forks, harrows, picks, ploughs	* 5%	5%
Implements and tools (excepting machine tools)	*15%	10%
Agricultural machinery and parts	*15%	10%
Windmills	*15%	10%

* All rates quoted for these items are subject to a surcharge of 10 per cent. of the duty.

† Rupee = 1/6d. stg. (October, 1947).

ITEMS INCLUDED IN SCHEDULE VII, REPUBLIC OF CHILE

Commodity.	Present Rate.	Proposed Rate.
Apples	Free	Free.
Kauri gum	1·50 pesos per 100 kilos	1·50 pesos per 100 kilos.
Live sheep for breeding purposes	15 pesos each	10 pesos each.
Seeds, grass and clover	0·07 pesos per kilo	0·05 pesos per kilo.

(NOTE.—The Chilean gold peso is equivalent to approximately 1/-d. stg. (October, 1947).)

ITEMS INCLUDED IN SCHEDULE X, CZECHOSLOVAK REPUBLIC

Commodity.	Present Rate.	Proposed Rate.
Apples	300 ..	*75 during period November to June.
Pears	300 ..	75 during period November to June.
Casein imported under licence for manufacture of artificial horn	Free	Free.
Sausage casings	30 ..	24
Fertilizers, bonemeal	10 ..	10
Fertilizers, other	Free	Free.
Fish liver oil, capsulated, prepared for retail sale	6,000 ..	2,000
Fish liver oil, capsulated, other	3,000 ..	2,000
Fish liver oil, liquid, unrefined in bulk	Free	Free.
Fish liver oil prepared for pharmaceutical use		Rates as for capsulated.
Tallow	15 ..	15
Kennet, powder or tablet	15% <i>ad valorem</i>	8% <i>ad valorem</i> .
Hemp, <i>phormium tenax</i>	Free	Free.
Seeds, grass	500 ..	440
Seeds, lucerne	120 ..	85
Gelatine in sheet or powder	650 ..	550.
Wool	Free	Free.
Animal hair	Free	Free.
Hides, calf skins, opossum skins	Free	Free.

NOTE.—Unless otherwise indicated, rates of duty are in Czechoslovak crowns per 100 kilograms. Approximately 200 crowns = £1 stg. (October, 1947).

* In respect of importations during month of June this rate applies only to apples picked within a period of three months prior to importation.

ITEMS INCLUDED IN SCHEDULE VIII, REPUBLIC OF CHINA

Commodity.	Present Rate.	Proposed Rate.
Butter	35%	30%
Cheese	35%	30%
Milk and cream, powder	25%	20%
Milk, condensed, sweetened or unsweetened	25%	20%
Lactose	50%	40%
Milk foods	25%	20%
Rollod oats and groats	25%	25%
Fish liver oil, capsulated	25%	20%
Fish liver oil, liquid	10%	10%
Tallow	15%	15%
Live animals	10%	7 $\frac{1}{2}$ %
Seeds, grass and clover	20%	17 $\frac{1}{2}$ %
Wool, greasy or scoured	10%	7 $\frac{1}{2}$ %
Wool, waste	5%	5%
Hides, ox, cow, bull and yearling	7 $\frac{1}{2}$ %	7 $\frac{1}{2}$ %
Dairy machinery	10%	10%
Agricultural machinery	7 $\frac{1}{2}$ %	7 $\frac{1}{2}$ %

ITEMS INCLUDED IN SCHEDULE XI, FRANCE

Section A.—Metropolitan Territories

Commodity.	Present Rate.	Proposed Rate.
Frozen mutton and lamb	50%	35%
Frozen beef, veal, and pork	50%	40%
Livers	25%	20%
Canned mutton	60%	35%
Canned beef and pork	60%	50%
Butter	30%	25%
Cheese	20%	15%
Condensed milk, sweetened	20%	15%
Condensed milk, unsweetened	10%	10%
Lactose	15%	10%
Apples, fresh	15%	{ 8% Feb. 15–Mar. 31. 6% Apr. 1–May 31. 8% June 1–July 31. 12% balance of year.
Pears, fresh	20%	{ 8% Dec. 1–June 30. 12% balance of year.
Dried peas	25%	15%
Canned crayfish	15%	10%
Frozen lobster tails	40%	35%
Fish, canned (e.g., whitebait)	35%	25%
Oysters, preserved	15%	10%
Apples, dried, table	15%	10%
Casein	15%	10%
Sausage casings	Free	Free.
Fish liver oils, capsulated	40%	10% of retail selling price.
Fish liver oils, liquid	30%	20%
Tallow	20%	15%
Rennet, liquid, powder or tablet	25%	20%
Gluc stock	Free	Free
Hemp, <i>Phormium tenax</i>	Free	Free.
Kauri gum	Free	Free.
Linen flax and tow	Free	Free.
Grass and clover seeds	Free	Free.
Copra	12%	8%
Wool, except carbonized	Free	Free.
Wool, carbonized	1%	1%
Hides, calf skins, woolled sheep skins, rabbit and opossum skins	Free	Free.
Pelts, sheep	Free	Free.
Pelts, lamb	10%	10%

ITEMS INCLUDED IN SCHEDULE XI, FRANCE—continued

Section E.—French Oceania

Commodity.	Present Rate.	Proposed Rate.
Potatoes	0.625%	Free.
Onions	2%	2%
Milk, condensed or sterilized	1%	1%
Butter	1%	1%
Canned meat	1%	1%
Sweet biscuits	2%	2%
Textile piece goods, all kinds	25%	10%
Apparel and other articles made from textile piece goods	25%	15%
Apparel of leather	10%	10%
Footwear, all kinds	25%	15%
Saddlery, harness and similar manufactures	10%	10%
Suitcases, travelling bags, &c., and travelling rugs	10%	10%
Sporting requisites of leather	10%	10%
Lamp bulbs, incandescent	18%	10%
Storage batteries, for motor vehicles	45%	20%
Storage batteries, other	10%	10%
Dry batteries	10%	10%

Section K.—New Caledonia

Commodity.	Present Rate.	Proposed Rate.
Potatoes	6%	6%
Onions	4%	Free.
Butter	3%	3%
Cheese	1%	1%
Biscuits, sweet	5%	Free.
Jams	2%	Free.
Condensed milk, whole, unsweetened	2%	Free.
Soap, toilet, not containing sugar or alcohol	35%	20%
Soap, common .. .. .	..	10%
Lamp bulbs, incandescent carbon filament	50%	20%
Storage batteries	22%	20%
Dry batteries	32%	10%
Electric and electro-technical apparatus for domestic use	20%	10%
Apparel of wool	33%	15%
Blankets and rugs of wool	20%	10%
Textile piece goods of wool	30%	10%
Hosiery, silk	10%	10%
Hosiery, artificial silk	25%	15%
Slippers	20%	10%
Footwear up to ankle height	20%	10%
Saddlery (other than saddles)	80%	40%
Saddles	10-20%	10%
Harness	10%	10%
Belts and belting, machine, of leather	Free	Free.
Portmanteaux, wholly of leather	50%	15%
Portmanteaux, wood or cardboard, covered with leather	50%	18%
Handbags, toilet bags, &c.	30%	15%
Suitcases, valises, camera cases, rifle cases, music cases, &c.	60%	18%

ITEMS INCLUDED IN SCHEDULES XII AND XV, INDIA AND PAKISTAN

Commodity.	Present Rate.	Proposed Rate.
Frozen meat	30%	20%
Canned meat	30%	20%
Butter and cheese	30%	25%
Milk and cream powder	30%	25%
Dried skim milk	Free	Free.
Milk, condensed, sweetened or unsweetened	30%	25%
Lactose	36%	30%
Apples and pears	36%	30%
Tallow	Free	Free.
Rennet, liquid, powder or tablet	30%	20%
Neatsfoot oil	30%	15%
Grass and clover seeds	30%	15%
Wool	Free	Free.
Milking machines	Free	Free.
Wallboard of wood fibre	30%	25%
Hay presses	Free	Free.

ITEMS INCLUDED IN SCHEDULE XIV, KINGDOM OF NORWAY

Commodity.	Present Rate.	Proposed Rate.
Cheese	1-20	1-20
Lactose	0-33	0-20
Apples	0-40	0-20 Mar. 16/July 31.
Pears	0-20	0-20 Jan. 16/July 31.
Sausage casings	0-60	0-45
Tallow	0-08	0-08
Hemp, <i>Phormium tenax</i>	Free	Free.
Kauri gum	Free	Free.
Linen flax and tow	Free	Free.
Copra	Free	Free.
Hides, woolled sheepskins, pelts, rabbit and and opossum skins	Free	Free.

NOTE.—Duties are shown in Norwegian crowns per kilogram, approximately 20 crowns = £1 stg. (October, 1947).

ITEMS INCLUDED IN SCHEDULE XVIII, UNION OF SOUTH AFRICA

Commodity.	Present Rate.	Proposed Rate.
Frozen mutton, lamb, beef and veal	3d. lb.	3d. lb.
Butter	2d. lb.	2d. lb.
Cheese	6d. lb. or 30% <i>ad valorem</i>	5½d. lb. or 25% <i>ad valorem</i> .
Lactose	12/6d. per cental plus suspended duty of 3/6d. per cental	12/6d. per cental.
Apples	5%	5%
Rolled oats and groats	12/6d. per cental	12/6d. per cental.
Dried peas	3/- per cental	2/10d. per cental.
Casein	Free	Free.
Tallow	Free	Free.
Rennet, liquid, powder or tablet	Free	Free.
Hops in bulk	Free	Free.
Copra	Free	Free.
Wool	Free	Free.

ITEMS INCLUDED IN SCHEDULE XX, UNITED STATES OF AMERICA

Commodity.	Present Rate.	Proposed Rate.
Beef and veal Per lb.	6 cents	3 cents.
Mutton	5 cents	2½ cents.
Lamb	7 cents	3½ cents.
Goat meat	5 cents	2½ cents.
Edible offals	3 cents, with minimum of 15%	1½ cents, with minimum of 7½%
Venison	3 cents	1½ cents.
Butter	14 cents	7 cents for an annual global quota of 50 million pounds to be entered between November 1st and March 31st. Imports in excess of quota or during balance of year bound at 14 cents.
Cheese, cheddar, not processed otherwise than by division into pieces Per lb.	4 cents but not less than 25% <i>ad valorem</i>	3½ cents but not less than 17½% <i>ad valorem</i> .
Lactose	50%	25%
Tallow, beef and mutton, inedible	¼ cent per lb. plus import tax 1½ cents	¼ cent per lb. plus import tax 1½ cents.

ITEMS INCLUDED IN SCHEDULE XX, UNITED STATES OF AMERICA—*continued*

Commodity.		Present Rate.	Proposed Rate.
Grass and clover seeds—			
White and ladino ..	Per lb.	6 cents	4 cents.
Clover N.S.P.F. ..	..	2 cents	2 cents.
Bent grass (genus <i>Agrostis</i>) ..	..	20 cents	15 cents.
Chewings fescue ..	..	2 cents	1 cent.
Fescue, other than meadow or chewings ..	..	2 cents	1 cent.
Grass seeds N.S.P.F. ..	..	2 cents	1 cent.
Peas, dried (except cowpeas and chickpeas) ..	..	1 $\frac{3}{4}$ cents	$\frac{7}{8}$ cents.
Apples ..	..	15 cents per bushel of 50 lb.	12 $\frac{1}{2}$ cents.
Wool, in the grease or washed—			
Not finer than 40's ..	Per lb.	13 cents	13 cents.
Finer than 40's but not finer than 44's ..	..	17 cents	17 cents.
Finer than 44's ..	..	34 cents	25 $\frac{1}{2}$ cents.
Not finer than 40's, used in manufacture of carpets, rugs, press cloth or camel hair belting ..	..	Free	Free.
Hides and skins, cattle and calf ..	..	5% ..	5%
Skins, sheep and lamb ..	..	Free	Free.
Pelts ..	..	Free	Free.
Deer skins ..	..	Free	Free.
Rabbit and opossum skins ..	..	Free	Free.
Sausage casings, sheep, lamb and goat ..	..	Free	Free.
Kauri resin ..	..	Free	Free.
<i>Phormium tenax</i> , unmanufactured ..	..	Free	Free.
Fish liver oil in capsules ..	..	25%	12 $\frac{1}{2}$ %
Fish liver oil, liquid ..	..	12 $\frac{1}{2}$ %	12 $\frac{1}{2}$ %
Wool skin mats ..	..	50%	25%

ENCLOSURE 1

FINAL ACT ADOPTED AT THE CONCLUSION OF THE SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.

IN accordance with the Resolution adopted at the First Session of the Preparatory Committee of the United Nations Conference on Trade and Employment, established by the Economic and Social Council of the United Nations on February 18, 1946,

The Governments of the COMMONWEALTH OF AUSTRALIA, the KINGDOM OF BELGIUM, the UNITED STATES OF BRAZIL, BURMA, CANADA, CEYLON, the REPUBLIC OF CHILE, the REPUBLIC OF CHINA, the REPUBLIC OF CUBA, the CZECHOSLOVAK REPUBLIC, the FRENCH REPUBLIC, INDIA, LEBANON, the GRAND-DUCHY OF LUXEMBURG, the KINGDOM OF THE NETHERLANDS, NEW ZEALAND, the KINGDOM OF NORWAY, PAKISTAN, SOUTHERN RHODESIA, SYRIA, the UNION OF SOUTH AFRICA, the UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, and the UNITED STATES OF AMERICA,

Initiated negotiations between their representatives, at Geneva on April 10, 1947, directed to the substantial reduction of tariffs and other trade barriers and to the elimination of preferences, on a reciprocal and mutually advantageous basis. These negotiations have terminated to-day and have resulted in the framing of a General Agreement on Tariffs and Trade and of a Protocol of Provisional Application, the texts of which are annexed hereto. These texts are hereby authenticated.

The signature of this Final Act, or of the Protocol of Provisional Application, by any of the above-mentioned Governments does not in any way prejudice their freedom of action at the United Nations Conference on Trade and Employment.

This Final Act, including the texts of the General Agreement on Tariffs and Trade and of the Protocol of Provisional Application, will be released by the Secretary-General of the United Nations for publication on November 18, 1947, provided that the Protocol of Provisional Application shall have been signed by November 15, 1947, on behalf of all the countries named therein.

IN WITNESS WHEREOF the respective Representatives have signed the present Act.

DONE at Geneva, in a single copy, in the English and French languages, both texts authentic, this day of October, one thousand nine hundred and forty-seven.

[The Final Act was signed by representatives of the following countries: Commonwealth of Australia, Kingdom of Belgium, United States of Brazil, Burma, Canada, Ceylon, Republic of Chile, Republic of China, Republic of Cuba, Czechoslovak Republic, French Republic, India, Lebanon, Grand-Duchy of Luxemburg, Kingdom of the Netherlands, New Zealand, Kingdom of Norway, Pakistan, Southern Rhodesia, Syria, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America.]

ENCLOSURE 2

PROTOCOL OF PROVISIONAL APPLICATION OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE

1. The Governments of the COMMONWEALTH OF AUSTRALIA, the KINGDOM OF BELGIUM (in respect of its metropolitan territory), CANADA, the FRENCH REPUBLIC (in respect of its metropolitan territory), the GRAND-DUCHY OF LUXEMBURG, the KINGDOM OF THE NETHERLANDS (in respect of its metropolitan territory), the UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (in respect of its metropolitan territory), and the UNITED STATES OF AMERICA, undertake, provided that this Protocol shall have been signed on behalf of all the foregoing Governments not later than November 15, 1947, to apply provisionally on and after January 1, 1948 :

- (a) Parts I and III of the General Agreement on Tariffs and Trade, and
- (b) Part II of that Agreement to the fullest extent not inconsistent with existing legislation.

2. The foregoing Governments shall make effective such provisional application of the General Agreement, in respect of any of their territories other than their metropolitan territories, or on after January 1, 1948, upon the expiration of thirty days from the day on which notice of such application is received by the Secretary-General of the United Nations.

3. Any other Government signatory to this Protocol shall make effective such provisional application of the General Agreement, on or after January 1, 1948, upon the expiration of thirty days from the day of signature of this Protocol on behalf of such Government.

4. This Protocol shall remain open for signature at the Headquarters of the United Nations, (a) until November 15, 1947, on behalf of any Government named in paragraph 1 of this Protocol which has not signed it on this day, and (b) until June 30, 1948, on behalf of any other Government signatory to the Final Act adopted at the conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment which has not signed it on this day.

5. Any Government applying this Protocol shall be free to withdraw such application, and such withdrawal shall take effect upon the expiration of sixty days from the day on which written notice of such withdrawal is received by the Secretary-General of the United Nations.

6. The original of this Protocol shall be deposited with the Secretary-General of the United Nations, who will furnish certified copies thereof to all interested Governments.

IN WITNESS WHEREOF the respective Representatives, after having communicated their full powers, found to be in good and due form, have signed this Protocol.

DONE at Geneva, in a single copy, in the English and French languages, both texts authentic, this day of October, one thousand nine hundred and forty-seven.

[By 15 November, 1947, the Protocol had been signed by representatives of the eight countries specified in clause 1.]

