

AIRGRAM**TÉLÉGRAMME PAR AVION**

19 FEBRUARY 1959

GATT/AIR/151(SECRET)

SECRETNO. 70

SUBJECT: UNITED KINGDOM WAIVER - ARTICLE I - NOTIFICATION RE:
ITEM 06.03(B) - NARCISSUS ...
06.03(F) - FLOWERS ...

THE COMMUNICATION REPRODUCED HEREUNDER, DATED 17 FEBRUARY 1959, HAS BEEN RECEIVED FROM THE UNITED KINGDOM GOVERNMENT. A CONTRACTING PARTY WISHING TO REQUEST CONSULTATIONS UNDER PARAGRAPH (b) OF THE PROCEDURE ANNEXED TO THE DECISION OF 24 OCTOBER 1953 (BISD) 2ND SUPPLEMENT, PAGE 21) SHOULD SO INFORM THE UNITED KINGDOM GOVERNMENT AND THE EXECUTIVE SECRETARY AS SOON AS POSSIBLE. THE ATTENTION OF THE CONTRACTING PARTIES IS DRAWN TO THE THIRD PARAGRAPH OF THE UNITED KINGDOM'S COMMUNICATION INDICATING THE UNITED KINGDOM'S INTENTION TO PUT THE INCREASED DUTIES INTO EFFECT ON 16 MARCH.

"ON THE INSTRUCTIONS OF HER MAJESTY'S PRINCIPAL SECRETARY OF STATE FOR FOREIGN AFFAIRS I HAVE THE HONOUR TO INFORM YOU THAT HER MAJESTY'S GOVERNMENT ARE TODAY, IN ACCORDANCE WITH (a) OF THE PROCEDURES OF THE WAIVER DECISION OF 24 OCTOBER 1953, INFORMING FRENCH AND THE NETHERLANDS GOVERNMENTS, THROUGH THEIR REPRESENTATIVES IN LONDON, OF THEIR DECISION TO INCREASE THE PROTECTIVE TARIFFS ON NARCISSUS (POLYANTHUS TYPES) INCLUDED IN HEADING 06.03 (B) AND ON THE FLOWERS COVERED BY THE HEADING 06.03 (F) IN THE BRUSSELS NOMENCLATURE.

"NONE OF THESE TARIFFS IS BOUND UNDER GATT, AND THE REPRESENTATIVES OF THE FRENCH AND NETHERLANDS GOVERNMENTS ARE BEING GIVEN COPIES OF A MEMORANDUM AND STATISTICS SHOWING THAT IMPORTS FROM SOURCES ENJOYING DUTY-FREE ENTRY OF CUT FLOWERS OF THE KINDS IN WHICH FOREIGN COUNTRIES ARE INTERESTED ARE NEGLIGIBLE AND THAT THERE CAN, IN THE VIEW OF HER MAJESTY'S GOVERNMENT, BE NO RISK OF DIVERSION ARISING AS A RESULT OF THE INCREASE IN THE DUTIES ON IMPORTS FROM FOREIGN SOURCES. I EXPECT TO BE ABLE TO TRANSMIT COPIES OF THIS MEMORANDUM AND THE STATISTICS TO YOU TOMORROW.¹

"SINCE IT IS CURRENTLY THE SEASON FOR IMPORTS OF A NUMBER OF THE CUT FLOWERS COVERED BY THIS DECISION, HER MAJESTY'S GOVERNMENT FEEL, HAVING SATISFIED THEMSELVES OF THE NEED TO INCREASE THE PROTECTIVE DUTY, THAT

¹ Attached.

SENT BY : Executive Secretary, GATT, Tel. address : ICITO GENEVA

ENVOYÉ PAR : Secrétaire Exécutif, GATT, Adresse télégraphique : ICITO GENÈVE

THE INCREASED DUTY SHOULD BE PUT INTO FORCE AT AN EARLY DATE. IT IS ACCORDINGLY THEIR INTENTION TO MAKE AN ORDER ON 16 MARCH BRINGING THE INCREASED DUTIES INTO IMMEDIATE EFFECT. WHILE REGRETTING THE NEED THUS TO BRING THE DUTY INTO EFFECT EARLIER THAN FULL OPERATION OF THE WAIVER PROCEDURE MIGHT NORMALLY PERMIT, HER MAJESTY'S GOVERNMENT ARE EXPRESSING TO THE GOVERNMENTS OF THE NETHERLANDS AND FRANCE THEIR HOPE THAT THE INTERVAL BEFORE THE INTRODUCTION OF THE ORDER WILL GIVE THEM TIME TO SATISFY THEMSELVES THAT HER MAJESTY'S GOVERNMENT ARE JUSTIFIED IN THEIR CONVICTION THAT NO RISK OF DIVERSION CAN BE INVOLVED.

"FRANCE AND THE NETHERLANDS ARE, ON FIGURES OF PAST TRADE, THE ONLY CONTRACTING PARTIES WHICH APPEAR TO HER MAJESTY'S GOVERNMENT LIKELY TO HAVE A SUBSTANTIAL INTEREST IN THE TRADE IN THE ITEMS IN QUESTION FOR THE PURPOSES OF THE WAIVER PROCEDURES. GERMANY, ITALY, BELGIUM AND DENMARK HAVE ONLY A VERY SMALL TRADE IN CERTAIN ITEMS. WHILE HER MAJESTY'S GOVERNMENT WOULD NOT REGARD THESE COUNTRIES AS HAVING ANY BASIS FOR CLAIMING A SUBSTANTIAL INTEREST, HER MAJESTY'S GOVERNMENT ARE ALSO INFORMING THESE GOVERNMENTS, THROUGH THEIR REPRESENTATIVES IN LONDON, OF THE DECISIONS REFERRED TO ABOVE.

"HER MAJESTY'S GOVERNMENT REQUEST THAT THIS COMMUNICATION SHOULD BE REGARDED AS FORMAL NOTIFICATION TO THE GATT SECRETARIAT IN ACCORDANCE WITH (a) OF THE WAIVER PROCEDURES. THEY DESIRE ALSO TO STRESS THE NEED FOR STRICT SECRECY REGARDING THIS COMMUNICATION IN ACCORDANCE WITH (i) OF THE WAIVER PROCEDURES."

E. WYNDHAM WHITE

CONFIDENTIAL

BOARD OF TRADE,
HORSE GUARDS AVENUE,
WHITEHALL, S.W.1.

16th February, 1959.

Sir,

I have the honour to inform you that the Government of the United Kingdom wishes to invoke the decision of 24th October, 1953, as amended on 5th March, 1955, in order to be free to apply a higher most-favoured-nation rate of duty on certain classes of cut flowers, without imposing a duty on imports from the territories listed in Annex A of the General Agreement. The cut flowers concerned are:-

- (i) Narcissus (polyanthus type), included in heading 06.03 (B) in the Brussels Nomenclature; and
- (ii) the flowers covered by heading 06.03 (F) in the Brussels Nomenclature.

A protective duty has at no time since 1st January, 1939, been chargeable in respect of these flowers when imported from the territories listed in Annex A and imports from those territories of flowers in which contracting parties have a substantial interest are extremely small.

The heading in the official statistics of imports which includes polyanthus narcissi covers a wide variety of other flowers, none of which would be affected by the increased duty. France is in fact the only known foreign supplier of polyanthus narcissi and Schedule 1 attached shows imports from France for 1956/57 and 1957/58 of all flowers comprised in the general heading; imports in December to March are shown by months as in these months most imports are said to consist of polyanthus narcissi.

The official statistics of imports into the U.K. of the other flowers to be subject to increased duties (principally roses, carnations and anemones) do not distinguish between cut flowers and flowering plants, but the proportion of total imports represented by flowering plants is understood to be very small; the figures in Schedule 2 attached have however to be interpreted with that qualification.

It will be recalled that the Contracting Parties agreed in 1954 to the application of the decision of 24th October, 1953, to the classes of flowers which are the subject of the present notification.

I have the honour to request that this communication be regarded as the official notification required by the terms of the Decision of 24th October, 1953, as amended, and that the Contracting Parties be informed accordingly.

I am, Sir,

Your obedient Servant,

(Sgd.) C.W. SANDERS

The Executive Secretary,
General Agreement on Tariffs and Trade,
Villa le Bocage,
Palais des Nations, GENEVA.

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SCHEDULE 1

Imports from FRANCE

Imports of gypsophila, heather, ixia, margeurite, marigold, narcissus (polyanthus types), roman hyacinth, snowdrop, star of Bethlehem, stock, mimosa, freesia and violets

	<u>1956</u>		<u>1957</u>		<u>1958</u>	
	<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>
	<u>lb.</u>	<u>£</u>	<u>lb.</u>	<u>£</u>	<u>lb.</u>	<u>£</u>
January			17,696	4,503	84,340	22,545
February			63,719	12,525	100,998	23,972
March			70,066	13,774	28,624	5,523
April)				
)				
May)				
)				
June)				
)				
July)				
)				
August)	27,050	5,406	21,609	4,751
)				
September)				
)				
October)				
)				
November)				
)				
December	436	88	14,629	4,203	66,658	18,027

Note. It is only polyanthus narcissi in the above table which will be subject to the increased duty.

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SCHEDULE 2Imports of other kinds of cut flowers (including roses, carnations and anemones but excluding those flowers in Schedule 1) and trees, shrubs, bushes and plants in flower

	<u>1956</u>		<u>1957</u>		<u>1958</u>	
	<u>Quantity</u> <u>lb.</u>	<u>Value</u> <u>£</u>	<u>Quantity</u> <u>lb.</u>	<u>Value</u> <u>£</u>	<u>Quantity</u> <u>lb.</u>	<u>Value</u> <u>£</u>
Commonwealth	324,247	69,821	418,541	88,074	370,776	82,725
Netherlands	652,139	468,873	884,241	580,596	979,048	689,412
France	355,993	123,395	1,030,216	284,404	855,560	214,039
Italy	43,599	17,310	21,311	10,479	36,528	9,315
Western Germany	21,015	3,500	7,431	1,224	26,376	4,726
Other Contracting Parties	3,928	2,636	6,070	3,870	3,056	3,663
Total Contracting Parties	1,076,674	615,714	1,949,269	880,573	1,900,568	921,155
Other Foreign	70,049	12,459	162,610	55,899	94,267	21,565

- Note.
- (i) It is only the cut flowers in the above table which will be subject to the increased duties, but these form the large bulk of the category.
 - (ii) Imports from the Commonwealth consist predominantly of flowers other than roses, carnations and anemones which form the bulk of the cut flowers in the category.
 - (iii) Imports from Contracting Parties other than the Commonwealth are predominantly roses, carnations and anemones.