

AIRGRAM

AÉROGRAMME

GATT/AIR/666(SECRET)

SECRET

No. 117
8 August 1968

SUBJECT: UNITED KINGDOM - INVOCATION OF DECISION OF 24 OCTOBER 1953, AS AMENDED, IN RESPECT OF SILICON

THE COMMUNICATION REPRODUCED HEREUNDER, DATED 6 AUGUST 1968, HAS BEEN RECEIVED FROM THE GOVERNMENT OF THE UNITED KINGDOM.

I am instructed to inform you that the Government of the United Kingdom wish to invoke the decision of 24 October 1953, as amended on 5 March 1955, in order to impose a most-favoured-nation rate of duty on certain types of high purity silicon and certain silicon products without imposing a duty on imports from the territories listed in Annex A to the General Agreement.

The items concerned are:

- (i) Silicon, monocrystalline (ex United Kingdom tariff sub-heading 28.04(A))
- (ii) Products containing more than 99.9 per cent by weight of silicon (ex United Kingdom tariff sub-heading 38.19(D))

Neither item has been the subject of a tariff concession by the United Kingdom under the General Agreement. In the Kennedy Round of negotiations the United Kingdom bound at free the duty on silicon of a purity not exceeding 99.9 per cent (ex 28.04(A)). The Government of the United Kingdom are, however, satisfied that by its very nature monocrystalline silicon is of a purity well in excess of 99.9 per cent, and that the binding is therefore not impaired by the imposition of this duty. Protective duty has at no time since 1 January 1939 been chargeable in respect of the products in question when imported from the territories listed in Annex A. Attached to this letter are statistics of imports of silicon of a purity exceeding 99.9 per cent and of products containing more than 99.9 per cent by weight of silicon in the years 1965, 1966 and 1967, which show that imports from the territories listed in Annex A have been negligible in this period. The Government of the United Kingdom are not aware of any production of the goods concerned in any of these countries.

I am to request that this communication be regarded as the official notification required under the terms of the decision of 24 October 1953, as amended, and that all contracting parties be informed accordingly.

I am also to stress the need for secrecy regarding this communication in accordance with (i) of the procedures under the decision.

Notification is being made simultaneously to the Governments of Belgium, Denmark, the Federal Republic of Germany, Italy, Japan, and the United States of America, who appear to the United Kingdom Government to have a substantial interest in the trade in the items in question.

A CONTRACTING PARTY WISHING TO REQUEST CONSULTATIONS WITH THE UNITED KINGDOM UNDER PARAGRAPH (b) OF THE PROCEDURES ANNEXED TO THE DECISION OF 24 OCTOBER 1953 (WAIVER TO THE UNITED KINGDOM IN CONNEXION WITH ITEMS TRADITIONALLY ADMITTED FREE OF DUTY FROM COUNTRIES OF THE COMMONWEALTH - BISD, SECOND SUPPLEMENT, PAGE 20, AS AMENDED BY THE DECISION OF 5 MARCH 1955 - BISD, THIRD SUPPLEMENT, PAGE 25), SHOULD SO INFORM THE DIRECTOR-GENERAL NOT LATER THAN 9 SEPTEMBER 1968. IN THE ABSENCE OF ANY SUCH REQUEST, THE GOVERNMENT OF THE UNITED KINGDOM WILL BE FREE TO TAKE THE ACTION PROPOSED IN THEIR COMMUNICATION.

O. LONG

AnnexUNITED KINGDOM IMPORTS OF SILICON AND SILICON PRODUCTS

| | 1965 | | 1966 | | 1967 | |
|---------------------------------------------------------------------------------|-------|---------|--------|---------|-------|---------|
| | lbs. | £ | lbs. | £ | lbs. | £ |
| <u>Silicon - 99.9 per cent minimum purity</u> | | | | | | |
| World | 3,306 | 113,180 | 28,213 | 100,206 | 6,155 | 151,666 |
| Norway | - | - | - | - | - | - |
| Sweden | - | - | 99 | 213 | 2,357 | 4,989 |
| Denmark | 393 | 7,807 | 691 | 15,812 | 577 | 48,384 |
| Germany, F.R. | 525 | 16,952 | 755 | 12,716 | 946 | 14,140 |
| Belgium | 163 | 16,617 | 13 | 2,563 | 44 | 1,713 |
| France | 393 | 5,743 | 710 | 1,333 | 137 | 455 |
| Switzerland | - | - | 53 | 457 | - | - |
| Italy | 1 | 36 | 6 | 147 | - | - |
| Japan | 701 | 15,822 | 22,799 | 12,902 | 87 | 2,457 |
| United States | 1,129 | 50,106 | 3,087 | 54,063 | 1,983 | 79,098 |
| USSR | - | - | - | - | 22 | 260 |
| Netherlands | 1 | 10 | - | - | 2 | 170 |
| Republic of Ireland | - | 86 | - | - | - | - |
| Liechtenstein | - | 1 | - | - | - | - |
| Czechoslovakia | - | - | - | - | - | - |
| <u>Silicon products containing more than 99.9 per cent by weight of silicon</u> | | | | | | |
| World | - | 694,812 | - | 903,959 | - | 768,975 |
| USSR | - | - | - | 162 | - | - |
| Sweden | - | - | - | 27 | - | - |
| Denmark | - | 35,208 | - | 45,179 | - | 52,498 |
| Germany, F.R. | - | 88,769 | - | 128,589 | - | 27,750 |
| Netherlands | - | 7,479 | - | 1,657 | - | 866 |
| Belgium | - | 69,308 | - | 83,048 | - | 159,042 |
| France | - | 886 | - | 3,660 | - | 5,783 |

UNITED KINGDOM IMPORTS OF SILICON AND SILICON PRODUCTS (cont'd)

| | 1965 | | 1966 | | 1967 | |
|---------------------------------------------------------------------------------------------------------------------------|------|---------|------|---------|------|---------|
| | lbs. | £ | lbs. | £ | lbs. | £ |
| <u>Silicon products</u> <u>containing more than</u> <u>99.9 per cent by</u> <u>weight of silicon</u> (cont'd) | | | | | | |
| Switzerland | - | - | - | 3,348 | - | 5,287 |
| Italy | - | 56,619 | - | 50,041 | - | 103,851 |
| Japan | - | 124,392 | - | 93,349 | - | 54,114 |
| United States | - | 312,046 | - | 494,899 | - | 359,784 |
| Total Commonwealth* | - | 105 | - | - | - | - |
| Republic of Ireland | - | - | - | - | - | - |
| Norway | - | - | - | - | - | - |

*Of which:

India £81
Australia £24