Mrs. Feinsilber

SECRET

GENERAL AGREEMENT ON TARIFFS AND TRADE

No. 32

SECRET/31
8 March 1955

CONTRACTING PARTIES

Original: English

ARTICLE XXVIII NEGOTIATIONS

Notification by Pakistan

The following communication has been received from the Leader of the Delegation of Pakistan:

"I have the honour to inform the contracting parties that the Government of Pakistan wish to enter into negotiations under the procedures of Article XXVIII of the General Agreement on Tariffs and Trade with a view to withdrawing certain tariff concessions from Schedule XV before the schedules are rebound for a further period after 30 June 1955.

"The annex gives details of the items which it is proposed to withdraw and the names of the contracting parties with which these concessions were originally negotiated. The statistics of imports and other details will be forwarded as soon as they are available.

"In seeking to withdraw these concessions the Government of Pakistan wish to bring the following points to the notice of the contracting parties:

1. These concessions were negotiated by the Government of undivided India and became applicable to Pakistan after partition of the country. They have been in force for about seven years now. Many important developments have taken place during this period and the concessions have to be adapted to the new conditions.

2. The concessions negotiated by the pre-partition India have proved to be disadvantageous to Pakistan particularly from the point of view of industrial development of the country and for fiscal reasons.

3. On account of the heavy fall in the prices of exportable commodities Pakistan's balance-of-payments difficulties have continued to be serious. Imports have therefore to be kept to the minimum and confined to essentials only. In these circumstances a low import duty creates a wide divergence between the landed cost and the internal selling price of such imported items.

4. There has been a short fall of revenues from import duties on account of restricted imports. The various development programmes have put an additional strain on the resources of the country and since customs duties are our principal source of revenue, the Government are faced with the necessity of readjusting duties for financing development programmes.

5. Indigenous industries have developed in certain cases during the last eight years and in those cases the existing level of import duty does not permit adequate protection being given to the domestic industry.

6. Some of the bound import duties are specific ones and, with the considerable increase in the general price level the duties have become too low having regard to the general level of duties applicable to goods of a comparable character.

"As for compensatory concessions it is emphasized that the existing concessions are unbalanced against Pakistan as Pakistan is only an exporter of primary commodities and does not therefore derive any direct advantage from the tariff concessions granted to it. The Government of Pakistan will, however, be glad to discuss this question with the interested contracting parties further with a view to reaching an agreement with them.

"The Government of Pakistan wishes to carry out these negotiations at Geneva as soon as possible."

ANNEX

Serial No.	Pakistan Tariff Item No.	Description.	Bound M.F.N. rate of duty	Country with which negotiated
1.	Ex 20(1)	Juices either individually or in mixture of the following fruits, namely; Apricots, Berries, Grapes, Pineapple, Plums and Prunes.	30 per cent.	U.S.A.
2.	Ex 20(2)	Pineapples, canned.	32 per cent.	U.S.A.
3.	Ex 20(2)	Vegetables, canned, all sorts, other than tomatoes, potatoes, onions and cauliflowers.	30 per cent.	U.S.A.
4.	24(3)	Tobacco, unmanufactured.	Rs. 7/8/- per lb.	U.S.A.
5.	Ex 30	Paints	24 per cent.	U.S.A.
6.	Ex 45	Fountain Pens complete.	30 per cent.	U.S.A.
7.	Ex 71(2)	Safety razor blades	30 per cent.	U.S.A.
8.	Ex 72(6)	Type-writers and parts-ribbons only.	20 per cent.	U.S.A.
9.	22(3)	Wines		
		(a) Champagne and other sparkling wines.	Rs. 16/8- per Imperial gallon	France.
		(b) Other sort.	Rs. 9/8/- per Imperial gallon	