

JAPAN

Imports

In 1966, imports of nonrubber footwear into Japan totaled 893,172 pairs and had a value of \$1.6 million. Italy was the largest supplier with 78,108 pairs valued at \$626,778, followed by Hong Kong with 174,612 pairs valued at \$171,725. Switzerland was third with 8,700 pairs valued at \$148,006.

In 1967, U.S. exports of nonrubber footwear to Japan totaled 24,975 pairs valued at \$194,906.

Tariff and Trade Regulations

Under the Kennedy Round, Japan made no concessions in rates of duties on footwear of leather and part-leather or furskins, Tariff No. 64.02-1 and No. 64.02-2 (1). The general rate on these items is, and will continue to be, 30 percent ad valorem. Concessions were made on certain "other" footwear, Tariff No. 64.02-2 (2); footwear with outer soles of wood or cork, Tariff No. 64.03; and footwear with soles of other materials, Tariff No. 64.04, which will reduce the current base rate of 20 percent on these items to 10 percent. These reductions are to be in four stages over a five-year period, two-fifths of the cut to come on July 1, 1968, and one-fifth on January 1 of 1970, 1971 and 1972, respectively.

Japan imposes quotas on and requires licenses for the importation of leather or part-leather footwear and footwear of furskins except for certain slippers and sports footwear.

THE EUROPEAN ECONOMIC COMMUNITY

Tariff and Trade Regulations

The European Economic Community (EEC) composed of France, West Germany, Italy, Belgium-Luxembourg and the Netherlands, made concessions in the Kennedy Round which will reduce its Common External Tariff (CXT) rates on certain items of nonrubber footwear. The CXT becomes effective July 1, 1968. The reductions are to be made in four stages over a five-year period, two-fifths of the cuts will come on July 1, 1968, one-fifth each on January 1 of 1970, 1971 and 1972, respectively.

The CXT on certain "footwear with outer soles of leather, artificial leather, rubber or artificial plastic materials" and "footwear with uppers of natural leather," admitted under Tariff No. 64.02, will be reduced from 16 percent to 8 percent over the five-year period. No concessions were made in the Kennedy Round on "other" footwear admitted under Tariff No. 64.02 on which the CXT of 20 percent continues.

The CXT on "footwear with outer soles of wood or cork," admitted under Tariff No. 64.03, will be reduced from 18 percent to 9 percent over the five-year period. The CXT on "footwear with outer soles of other materials," Tariff No. 64.04, will be reduced over the five-year period from 14 percent to 7 percent.

WEST GERMANY

Imports

The Republic of West Germany is the largest importer of nonrubber footwear in the EEC. In 1966, Germany imported about 58 million pairs having a value of \$157.2 million. Italy was the principal supplier shipping 27.3 million pairs valued at \$76 million, followed by France with 7.9 million pairs valued at \$21.6 million.

In 1967, U.S. exports of nonrubber footwear to West Germany totaled 66,171 pairs with a value of \$172,173.

Tariff and Trade Regulations

The current rates of duties on nonrubber footwear imported into West Germany from United States and other nonmember countries of EEC range from 14 percent to 20 percent ad valorem c.i.f.

Effective July 1, 1968, these duties will move to the EEC Common External Tariff rates described above. The current rates of duties on nonrubber footwear imports into West Germany from EEC countries range from 1.6 percent to 2.5 percent. On July 1, 1968, these tariffs, like all other tariffs within the EEC, will be eliminated.

Effective January 1, 1968, West Germany imposed a 10 percent import equalization tax on the cost, insurance, freight (c.i.f) duty-paid value of all nonrubber footwear imports. This tax replaces a previous turnover equalization tax of 8