

# WORLD TRADE ORGANIZATION

RESTRICTED

**G/SCM/Q2/COL/3**

1 October 1996

(96-3907)

**Committee on Subsidies and Countervailing Measures**

Original: English

## SUBSIDIES

### Questions from JAPAN Regarding the New and Full Notification of COLOMBIA<sup>1</sup>

The following communication, dated 20 September 1996, has been received from the Permanent Mission of Japan.

(1) I. Tax Reimbursement Certificate (CERT)

There is a description in paragraph 6 of the notification that this incentive is available to natural and legal persons who can show that the goods in question have been exported. In this connection, could Colombia explain the following points?

- If the subsidy is available to all exports, or selectively available according to export amounts or quantity.
- If Colombia has already notified this incentive under Article 28.1.
- If Colombia will phase out the subsidy within eight years.

(2) II. Special Machinery Import-Export System

There is a description in paragraph 6 of the notification that to exercise this right he must provide a general guarantee in support of an undertaking to export the amounts specified at the time of authorization. In this connection, could Colombia explain the following points?

- If the programme constitutes an export subsidy.
- If Colombia has already notified this system under Article 28.1 of the SCM Agreement.
- If Colombia will phase out the subsidy within eight years.

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<sup>1</sup>G/SCM/N/3/COL + Suppl.1.

(3) III. Free zones

There is a description in the first paragraph that this measure concerning the operation of the free zone is notified on the understanding that for all the countries who are members of the WTO it is a question of an instrument covered by Article 3 of the Agreement on Subsidies and Countervailing Measures. In this connection, could Colombia explain if there is any reason to exclude export subsidies in the free zones from prohibited subsidies?