

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

Special Group on Trade in Tropical Products

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CONSIDERATION OF THE SCOPE OF WORK

Proposals Submitted by the Government of Brazil¹

1. With reference to GATT/AIR/644, I have the honour to bring to your attention, in a rather preliminary way, the Brazilian Government's point of view on the scope and nature of the problems which should be dealt with by the Special Group on Trade in Tropical Products.
2. We suppose that there is no need to stress the point that the main goal of the Special Group is the expansion of the earnings of developing countries derived from the exportation of tropical products.
3. Accordingly, it is our opinion that the Special Group should (i) consider the existing obstacles to the trade of tropical products; (ii) secure, at first, the implementation of the standstill provisions in GATT Part IV and, then, seek admission of these products into the markets of developed countries free of duties; (iii) identify the non-tariff barriers and, then, propose ways of eliminating them; and (iv) examine the problems resulting from discriminatory preferences with a view to finding a solution to them.
4. The Brazilian Government cannot agree with the short enumeration in GATT/AIR/644 of the products to be considered by the Special Group. Indeed, in its view, all tropical primary products should be examined by the Special Group, with the sole exclusion, for the purposes of such examination, of the processed forms of such products.
5. Furthermore, the Brazilian Government proposes the transmission, in due time, of the report and conclusions arrived at by the Special Group to UNCTAD Committee on Commodities, in order to strengthen the co-operation between the two organizations and to avoid duplication of work. Conversely, Brazil will defend the communication to the Special Group of the report and conclusions arrived at by UNCTAD Committee on Commodities.
6. Finally, my Government wishes to state that problems such as marketing, compensatory financing, speculation, diversification, etc., concerning tropical products should be considered, if at all, by the Special Group only in a subsidiary way, in relation to the activities of UNCTAD in these sectors.

¹Communicated by letter dated 14 May 1968.