

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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PROBLEMS OF TRADE IN CERTAIN NATURAL RESOURCE PRODUCTS

Progress Report by the Chairman of the Working Party Non-ferrous Metals and Minerals

1. The Working Party on Problems of Trade in Certain Natural Resource Products established by the Council on 13 March 1984 in accordance with the relevant decision adopted at the Ministerial Meeting of the CONTRACTING PARTIES in 1982 (BISD 29S/20) has authorized me, in my capacity as Chairman and on my own responsibility, to make a progress report to the Council and the CONTRACTING PARTIES on the work of the Working Party which has been undertaken so far, in the area of non-ferrous metals and minerals.
2. This is the second such report. The first progress report concerned the work done in 1984 on lead, zinc and copper. It may be found in document MDF/3. Notes of the discussions on those products appear in documents MDF/1, MDF/2 and MDF/W/18.
3. At the request of the Working Party, the secretariat has since revised and updated the study on zinc and zinc products and this has been issued as MDF/W/37. A similar revision and updating of the lead study will be prepared.
4. During 1985, the Working Party concentrated mainly on an examination of factors affecting trade in tin and nickel and their products. Background studies MDF/W/20 on tin and tin products and MDF/W/21 on nickel and nickel products prepared by the secretariat, formed the basis for the examination. Minutes on the meeting of the Working Party on 3 July 1985 are contained in the document MDF/21.
5. From the discussions so far the following problems falling under the competence of the General Agreement relating to tariffs, non-tariff measures, and other factors affecting trade in non-ferrous metals and minerals including in their semi-processed forms have been raised:
 - On the tariff side: remaining m.f.n. tariffs for m.f.n. suppliers; the exclusion of certain m.f.n. tariffs from the Tokyo Round tariff cuts; non-coverage or coverage limitations in certain GSP schemes for GSP suppliers; tariff escalation; effective tariff protection.
 - With respect to non-tariff measures: it was noted that several countries apply to trade of certain non-ferrous metal products import and export prohibitions, licensing, marks and certificates of origin requirements. Moreover, other non-tariff measures were identified which do or may affect trade flows, such as procurement practices, fiscal measures, stockpiling, pricing practices, governmental and intergovernmental grants and loans.
6. The Working Party will next turn to the examination of aluminium and is expected to prepare later in 1986 its final report which would address the problems and issues identified in the background studies and in the course of discussions of the Working Party.