

# GENERAL AGREEMENT ON

RESTRICTED

COM.TD/LLDC/W/33

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## TARIFFS AND TRADE

Limited Distribution

Sub-Committee on Trade of  
Least-Developed Countries

Ninth Meeting

11 February 1988

REVIEW OF DEVELOPMENTS IN THE URUGUAY ROUND  
OF INTEREST TO THE LEAST-DEVELOPED COUNTRIES  
- IMPLEMENTATION OF THE 1982 MINISTERIAL DECISIONS -

Note by the Secretariat

1. At its Sixty-First Session on 22 June 1987 the Committee on Trade and Development decided that the Sub-Committee on Trade of Least-Developed Countries should keep under continuous review issues in the Uruguay Round of particular interest to the least-developed countries. This secretariat Note provides background information for a discussion of issues in the Uruguay Round of particular interest to the least-developed countries, with special reference to the implementation of the relevant provisions of the 1982 Ministerial Declaration. The attention of delegations is also drawn to Annex I of document COM.TD/LLDC/W/34 which reviews the various commercial policy measures which have been taken in recent years in favour of the least-developed countries.

The Uruguay Declaration and the least-developed countries

2. Paragraph (vii) of the general principles governing the negotiations states that:

"Special attention shall be given to the particular situation and problems of the least-developed countries and to the need to encourage positive measures to facilitate expansion of their trading opportunities. Expeditious implementation of the relevant provisions of the 1982 Ministerial Declaration concerning the least-developed countries shall also be given appropriate attention."

Implementation of the relevant provisions of the 1982 Ministerial  
Declaration concerning the least-developed countries

3. In the Ministerial Declaration adopted on 29 November 1982 CONTRACTING PARTIES decided, inter alia, to "urge contracting parties to work towards further improvement of GSP or MFN treatment for products of particular export interest to least-developed countries, and the elimination or reduction of non-tariff measures affecting such products". In paragraph 3 of the Annex to the Declaration, CONTRACTING PARTIES outlined the following guidelines on how to pursue actions toward facilitating trade of least-developed countries and reducing tariff and non-tariff obstacles to their exports:

- (a) further improve GSP or m.f.n. treatment for products of particular export interest to least-developed countries, with the objective of providing fullest possible duty-free access to such products;

- (b) use, upon request and where feasible, of more flexible requirements for rules of origin for products of particular export interest to least-developed countries;
- (c) eliminate or reduce non-tariff measures affecting products of particular export interest to least-developed countries;
- (d) facilitate the participation of least-developed countries in MTN Agreements and Arrangements;
- (e) strengthen the technical assistance facilities of the GATT secretariat targeted to the special requirements of least-developed countries;
- (f) strengthen trade promotion activities, through the ITC and other initiatives, such as by encouraging the establishment of import promotion offices in importing countries;
- (g) given more emphasis to the discussion and examination of policy issues of interest to least-developed countries in the context of further efforts to liberalize trade.<sup>1</sup>

4. At the Sixth Meeting of the Sub-Committee in October 1984 the Chairman stressed, inter alia, the need to give practical effect to the decisions and intentions of the CONTRACTING PARTIES reflected in the Ministerial Declaration of November 1982. Concluding the discussion on this item the Chairman remarked that members of the Sub-Committee had indicated a general desire that further measures be taken in the trade field to promote the trade interests of the least-developed countries. He included in his summary the following proposals, including his own, which have been made in the course of the discussion:

- (i) countries which have not yet given special treatment to the least-developed countries within their GSP schemes should do so on a complete duty-free and quota-free basis for all products of export interest to them;
- (ii) those contracting parties already according special status to the least-developed countries with certain exceptions and limitations especially on textiles, jute and a number of agricultural products remove such exceptions and limitations and grant duty- and quota-free access;

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<sup>1</sup>Under this guideline, the Sub-Committee initiated a programme of ad hoc consultations between interested individual least-developed countries and their respective trading partners on issues related to their development and export interests including the examination of barriers to their trade and any other relevant commercial policy matters. The first such ad hoc consultations were held by Bangladesh in 1983, followed by others by Tanzania and Sudan in 1984 and 1985, respectively.

- (iii) all special measures such as competitive-need criteria which might erode the full value of GSP schemes be waived in favour of the least-developed countries;
- (iv) where necessary simple duty and quota-free system of imports of hand-made products from the least-developed countries be established by developed contracting parties;
- (v) priority should be given to the least-developed countries in the provision of technical assistance at both national and international levels with regard to quality, technical standards and phytosanitary requirements;
- (vi) exemption of least-developed countries from quantitative restrictions and other non-tariff measures falling outside the scope of MTN Agreements should be considered;
- (vii) with regard to the application of rules of origin relating to GSP and LDC treatment the following possibilities could be considered: (a) simplification of rules of origin in favour of least-developed countries, (b) adoption of liberal cumulative origin rules in favour of least-developed countries, and (c) a generally more liberal and differential application of rules of origin in favour of least-developed countries.

5. These proposals were discussed<sup>1</sup> at the Seventh and Eighth Sessions of the Sub-Committee. At the Eighth Session of the Sub-Committee in October 1985 it was felt that the Sub-Committee had taken the proposals as far as possible and that it would be appropriate to refer them to the Committee on Trade and Development for consideration. The proposals were subsequently referred to the Committee at its fifty-eighth session in November 1985.

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<sup>1</sup>The discussions were reported in COM.TD/LLDC/8 and COM.TD/LLDC/9.