

GENERAL AGREEMENT ON

RESTRICTED

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TARIFFS AND TRADE

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Sub-Committee on Trade of
Least-Developed Countries

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COMMUNICATION FROM BANGLADESH

The following proposals have been communicated to the secretariat by the delegation of Bangladesh on behalf of the least-developed countries with the request that they be circulated to the contracting parties.

URUGUAY ROUND AND THE LEAST-DEVELOPED COUNTRIES (LLDCs)

A. Some preliminary proposals for consideration by the appropriate negotiating groups

1. In pursuance of paragraph B(vii) of the general principles governing the Uruguay Round of Negotiations, and in accordance with sub-paragraph (d) of paragraph 2 of the CONTRACTING PARTIES Decision (L/4903) taken on 28 November 1979, CONTRACTING PARTIES are called upon:

(a) To incorporate concrete measures for special and more favourable treatment for the LLDCs in any arrangements resulting from the Uruguay Round.

(b) To take action for advanced implementation in favour of the least-developed countries of all m.f.n. concessions made by developed and other countries in the Uruguay Round.

(c) To incorporate provisions to facilitate effective utilization by least-developed countries of remedial measures or actions available in the GATT system, e.g. dispute settlement.

2. Contracting parties with centrally planned trading systems should endeavour, in any bilateral trade agreements with least-developed countries, to provide for the total removal of barriers to such trade and promote a steady growth in the volume of trade with them.

3. The negotiations in the sector of textiles and clothing should, according to the Ministerial Declaration, aim at its eventual integration into the General Agreement on the basis of strengthened GATT rules and disciplines. It is proposed that the rules and disciplines which would be elaborated should provide for the fullest liberalization of trade in this sector for the least-developed countries in the context of differential and more favourable treatment.

4. In the case of tropical products, natural resource-based products, agriculture and other sectors of special interest to LLDCs, special and differential treatment, in accordance with the relevant provisions of the Ministerial Declaration, should be ensured.

5. Regular review of the trade problems of the least-developed countries through GATT missions, ad hoc consultations, etc. should be made.

6. Effective GATT participation in programmes of the United Nations System in favour of the LLDC's should be ensured.

B. Contracting parties are called upon for expeditious implementation of the relevant provisions of the 1982 Ministerial Declaration including, inter alia:

I. Improvement of GSP or m.f.n. treatment for products of particular export interest to the least-developed countries.

- The ultimate objective must be a duty- and quota-free access for all exports of the least-developed countries.
 - (a) Full implementation by all developed countries of paragraph 2(d) of the Enabling Clause to enable special treatment for the least-developed countries within the context of GSP schemes, i.e. duty-free treatment to all exports - industrial and artisanal, tropical, agricultural and natural resource-based products of the least-developed countries.
 - (b) - Exemption of LLDCs from the application of GSP safeguard clauses;
 - exemption of LLDCs from product withdrawals and graduation;
 - exemption of LLDCs from quotas and ceilings.
 - (c) Need for long-term guarantee of maintenance of GSP commitments for the least-developed countries. This is essential in building stable economic conditions conducive to the attraction of foreign investment, and to economic development in general.

II. Practical measures to promote higher utilization rate of GSP treatment by the least-developed countries, for example:

- establishment of direct trading links with the least-developed countries;
- use of simplified and flexible rules of origin in favour of the least-developed countries;
- facilitating the participation of the least-developed countries in trade fairs;
- establishment of import promoting offices by donor countries.

III. Technical assistance

- (i) Contracting parties to assume stronger commitments to offer technical assistance to the least-developed countries on all aspects of their trade development. Increased technical assistance should be given to the LLDC's, inter alia, through the International Trade Centre, UNCTAD/GATT.
- (ii) More active secretariat technical assistance aimed at promoting the participation of the least-developed countries in MTN agreements and to help improve their capacity to benefit from existing preferential arrangements.
- (iii) Contracting Parties are called upon to extend special support measures to the land-locked countries among LLDCs in order to facilitate smooth and free conduct of their external trade.