

GENERAL AGREEMENT ON

RESTRICTED

CPC/W/132

16 September 1988

TARIFFS AND TRADE

Special Distribution

Preferential Arrangements
Among Developing Countries
Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Draft Fifteenth Annual Report to the CONTRACTING PARTIES

1. The Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries¹, also known as the Enabling Clause, applies, inter alia, to "regional or global arrangements entered into amongst less-developed contracting parties for the mutual reduction or elimination of tariffs and, in accordance with criteria or conditions which may be prescribed by the CONTRACTING PARTIES, for the mutual reduction or elimination of non-tariff measures...." notwithstanding the provisions of Article I of the General Agreement. This Decision constitutes a standing legal basis for the Protocol Relating to Trade Negotiations Among Developing Countries.²

2. The Committee on Trade and Development which has been given primary responsibility for supervision of the above Decision, in discussing procedural arrangements for reviewing activities covered by the Decision took note that reviews of the operation of the Enabling Clause could be co-ordinated with its end-of-year reviews of the implementation of Part IV and that information for the purpose of such reviews should be circulated in good time. Thus, the countries participating in the Protocol submit to the CONTRACTING PARTIES their Fifteenth Annual Report.

I. COMMITTEE OF PARTICIPATING COUNTRIES

A. Entry into force and status of ratifications

3. To the time of presenting this Report, the Protocol Relating to Trade Negotiations Among Developing Countries, which entered into force on

¹BISD 26S/203-205.

²The implementation of the Protocol was originally covered by a Decision of the CONTRACTING PARTIES dated 26 November 1971 (BISD 18S/26-28)

³The first, second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth and fourteenth Annual reports were published in BISD 21S/126, BISD 22S/73, BISD 23S/147, BISD 24S/154, BISD 25S/163, BISD 26S/337, BISD 27S/172, BISD 28S/129, BISD 29S/155, BISD 30S/203, BISD 31S/291, BISD 32S/191, BISD 33S/224, and BISD 34S/218, respectively.

11 February 1973, had been ratified by fifteen developing countries: Bangladesh, Brazil, Chile, Egypt, India, Israel, Republic of Korea, Mexico, Pakistan, Peru, Romania, Tunisia, Turkey, Uruguay, and Yugoslavia. Paraguay has signed the Protocol ad referendum pending the completion of its domestic procedures and the Philippines has signed but not yet ratified the Protocol.

B. Implementation of the Protocol

4. Participating countries have fully observed the provisions of the Protocol. During the period under review, the articles of the Protocol relating to renegotiation, withdrawal or modification of concessions, emergency action on imports of particular products, temporary suspension of rights and obligations and the withholding or withdrawal of concessions were not utilized by any participating country. As described in Section C below consultations have been sought on certain measures which have implications for benefits which participating countries may expect to derive from the arrangement. In connection with the Declaration annexed to the Protocol, membership both in the Protocol and in regional economic and trading arrangements among developing countries has not so far resulted in the notification of any problems for participating countries.

C. Activities of the Committee

5. The Committee of Participating Countries provided for in the Protocol was established for the purpose of giving effect to those provisions of the Protocol involving joint action and generally with a view to facilitating the operation and furthering the objectives of the Protocol. During the period under review, the Committee has held sessions in March, July and [September] 1988 under the Chairmanship of Messrs. R. Romero (Peru) and H. Byun (Republic of Korea).

6. In addition to concerning itself with day-to-day issues relating to the operation of the Protocol, the Committee has taken up questions with respect to the expansion of trade among developing countries.

7. Having regard to the relevant provisions of the Protocol Relating to Trade Negotiations Among Developing Countries, the Committee of Participating Countries decided to carry out a review of the schedules of concessions of participating countries with a view to facilitating action aimed at updating and improving the scope and coverage of the concessions on the basis of the considerations and principles embodied in the Preamble of the Protocol. To this effect, the Committee has adopted procedures for review of the schedules of concessions. Pursuant to these procedures, consultations for the purpose of exchanging information and seeking clarifications have been carried out. The Committee has taken note of the exchange of views concerning the proposal to liberalize the conditions of access for some additional items of interest to participating countries without prejudice to activities in other fora concerning economic cooperation among developing countries. In this connection several members

have already submitted lists of items for which the conditions of access might be liberalized in the framework of the Protocol and have invited other members to submit their lists of items as soon as possible. Interested participating countries have carried out consultations in this respect. Additional items included in the Schedule of Concessions of Turkey are listed in Annex I. The consolidated Schedule of Concessions of Turkey has been established.

8. The Republic of Korea has implemented the Harmonized Commodity Description and Coding System and revised accordingly the Schedule of Concessions embodied in the Protocol Relating to Trade Negotiations Among Developing Countries. Following consultations among interested participating countries, the revised Schedule of Concessions of the Republic of Korea has been established pursuant to the Procedures for Rectifications of a purely formal character to the Schedules of Concessions. The revised Schedule of Concessions of the Republic of Korea is reproduced in Annex II.

9. Pursuant to Annex A of the Protocol, participating countries have updated information with respect to certification of origin.

II. STATISTICAL DATA

10. Available statistics indicate overall trade among participating countries in products contained in the schedules of concessions. Full details of reported trade in products subject to concessions are shown in addenda to this report.

ANNEX I

Additional Concessions Granted by Turkey

Tariff item number	Product description	Present rate of duty	Tariff concession	Remarks
			Concession rates of duty:	
57.03	Jute fibres, other	5%	4%	
57.06	Yarn of jute	40%	32%	
57.10	Woven fabrics of jute	25%	20%	
62.03	Jute sacks	45%	36%	

ANNEX IIConcessions Granted by the Republic of Korea

Tariff Item Number	Product Description	Concession Rate of Duty
2401	Unmanufactured tobacco: tobacco refuse	
ex 2401.10	Tobacco, not stemmed/stripped Oriental (of Turkish type)	50%
ex 2401.20	Tobacco, partly or wholly stemmed/ stripped Oriental (of Turkish type)	50%
ex 2401.30	Tobacco refuse of Turkish type	50%
2523	Portland cement, aluminous cement ("ciment fondu"), slag cement, super sulphate cement and similar hydraulic cements, whether or not coloured or in the form of clinkers	
2523.10	Cement clinkers	15%
2523.20	Portland cement	15%
2523.30	Aluminous cement ("ciment fondu")	15%
2523.90	Other hydraulic cements	15%
3004	Medicaments (excluding goods of Heading No. 30.02, 30.05 or 30.06) consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses or in forms or packings for retail sale	
ex 3004.10	Containing penicillins or derivatives thereof, with a penicillanic acid structure or streptomycins or their derivatives Containing penicillins Containing streptomycins	45%
3208	Paints and varnishes (including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in a non-aqueous medium: solutions as defined in Note 4 to this Chapter	
ex 3208.90	Other Essence of pearl or shell pearl	80%
9401	Seat (other than those of heading No. 94.02), whether or not convertible into beds, and parts thereof	
ex 9401.50	Seats of cane, osier, bamboo or similar materials	80%

9403 ex 9403.80	of Philippine rattan Other furniture and parts thereof Furniture of other materials, including cane, osier, bamboo, or similar materials of Philippine rattan	80%
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