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NOTES ON PARTICIPATION OF DEVELOPING COUNTRIES IN THE MULTILATERAL TRADING SYSTEM

Prepared by the Secretariat

Introduction

1. At its Seventy-Second Session on 13 July 1992, the Committee on Trade and Development initiated an exchange of views on its future work programme (COM.TD/132). In this context the Committee invited the Secretariat to prepare, under its exclusive responsibility, a background note which would facilitate the review of the implementation of Part IV, the operation of the Enabling Clause and of the participation of developing countries, including the least-developed countries in the multilateral trading system at the end-of-year meeting of the Committee in 1992.

2. The structure and the contents of the present note are tentative and do not deal in an exhaustive manner with the main issues involved. The background documentation which might be prepared in future on a regular basis for the end-of-year meetings of the Committee in order to facilitate its monitoring function would be adapted in accordance with the work programme which might be agreed for the Committee at a later date. The issues to be covered would also take into account the debate to be held in the Committee on implementation of Part IV, the operation of the Enabling Clause and other developments in trade policy, with particular emphasis on issues concerning the participation of developing countries in the multilateral trading system.

3. Section I of the present note reviews recent trends in world trade and output including developments in international trade that have a bearing on the trade and payments situation of developing countries. Section II contains an overview of developments in trade policies and in GATT activities of relevance to the implementation of Part IV, the operation of the Enabling Clause and to the participation of developing countries in the multilateral trading system.[1] It does not cover work related to the Uruguay Round negotiations. Section III focuses on least-developed countries. The note also contains a number of comments

[1]Section II of this note draws on material from the Annual Report by the Director-General on Developments in International Trade and the Trading System (C/RM/OV/3/Rev.1) and contains other relevant information available in the Secretariat.

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and suggestions regarding notification and collection of information which might warrant examination by delegations with a view to improving the monitoring activities of the Committee, in the light of its future rôle.

SECTION I: DEVELOPMENTS IN INTERNATIONAL TRADE

A. Overview of world trade in 1991 and prospects for 1992

World trade in 1991

4. The slower pace of global economic activity in 1991 helped lower the volume growth of world merchandise trade from 5 to 3 per cent in 1991, the third consecutive year of decline (see Table 1, page 27).[2] Factors depressing world trade growth in the first half of 1991 include the Gulf war, which affected trade with the Middle East and accentuated North America's recessionary trend, lowering its demand for imports. While North America's economic activity and demand for imports recovered following the cessation of hostilities in March, recessionary tendencies emerged in Western Europe and Japan in the second half of 1991. Additional factors reducing the pace of global trade activity include the collapse of intra-regional trade between Central and Eastern European countries and the former USSR and the weakness of Africa's import demand. On the other hand, rapid growth in the import demand of Asia, Latin America and the Middle East braked the deceleration in world trade growth in 1991.

5. Exports of North America benefited from the strength of import demand in Latin America, Asia and the Middle East. Dynamic import demand in Asia was, however, met primarily by expanded exports of trade partners within the region, concentrated in China and the leading Asian exporters of manufactures, with the exception of Japan, whose export growth slowed.[3] Crude petroleum export volumes of the Middle East and Africa rose as Western Europe shifted suppliers from the former USSR. The interruption in supplies from Iraq and Kuwait was more than offset by Saudi Arabia, which increased its already dominant share in the region's exports of fuels.

6. The value of world merchandise exports rose 1.5 per cent in 1991 to US$3.5 trillion, a sharp deceleration from the 13.5 per cent growth posted in 1990 and the lowest annual growth rate recorded since 1985 (see Table 2, page 28).[4] Lower values of exports were reported in all regions

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[2]No data are available to permit an estimate of the volume growth of trade in commercial services.

[3]The leading non-OECD Asian exporters of manufactures are Hong Kong, Chinese Taipei, the Republic of Korea, China, Singapore, Thailand and Malaysia.

[4]Very preliminary estimates for world trade in commercial services indicate that growth in value terms also decelerated sharply in 1991, with the value of trade estimated at US$850 billion.

in 1991, with the exceptions of Asia and North America, reflecting the above average export volume growth in these regions. Western Europe's slower growth in the volume of exports combined with a modest appreciation of the United States dollar relative to the ECU led to lower export values.

7. With primary commodities the main source of export earnings of Africa and the Middle East, and, to a lesser extent, Latin America, the downward trend in prices of fuels and other commodities of export interest in 1991 was a contributing factor to weak export performances (see Table 3, page 29). The average spot price of crude petroleum fell 17 per cent in 1991 from Gulf war-related highs. Prices of metals and minerals were also on the decline in 1991, as the weakness of global economic activity depressed demand in most markets and events in the former USSR raised supplies in several markets. Markets for tropical beverages were depressed by the partial withdrawal of the former USSR from the demand side and higher production on the supply side. Prices of natural rubber, cotton and wheat were also lower in 1991. Sustained rises in prices of primary commodities in the most recent five-year period have been largely absent due to overproduction in the face of stable to declining demand. Price rises, where evident, have been due to temporary supply disruptions or uncertainty.

8. World trade growth was sustained on the import side by the strength of demand in the Middle East, Latin America and Asia. Imports remained virtually unchanged in North America and Western Europe, while declining slightly in Africa and sharply in Central and Eastern Europe and the Commonwealth of Independent States (CIS). United States exporters benefited from the rising import demands of a number of countries in Latin America, the Middle East and Asia, while the weakness of import demand in North America led to declines in imports from all regions with the exception of Asia. The sharp rise in import demand of Asia also boosted the export growth of other traders in the region. Higher imports from Asia, Central and Eastern Europe and North America accounted for the small rise in Western Europe's total imports as intra-regional trade stagnated. A collapse of intra-regional trade was behind the sharp contraction in imports of Central and Eastern Europe and CIS, as imports from outside the region, primarily Western Europe, continued to rise.

Prospects for 1992

9. World economic activity in the first quarter of 1992 reflected the modest recovery in the pace of economic activity in the OECD area, led by GDP growth of almost 3 per cent (at an annual rate) in the United States' economy. The pace of growth of OECD economies slowed in the second quarter, as domestic demand stagnated in Germany and Japan, and growth slowed in the United States to 1.5 per cent. On the basis of incomplete data for the third quarter, signs of economic recovery in the OECD countries are inconclusive. Outside the OECD area, a slowdown in the (still above-average) pace of growth has been noted in Singapore, the Republic of Korea and Chinese Taipei in the first half, while economic

activity accelerated in China and Hong Kong. Growth slowed in Mexico in the first half, but recovery has begun in Brazil and continues in other countries of Latin America. Growth continues to be sluggish in Africa, but the reconstruction of Kuwait is boosting the growth of the Middle East. While there is some evidence that the slide in output may have ended in Poland, the Czech and Slovak Federal Republic and Hungary, the decline in output continues in Albania, Bulgaria, Estonia, Latvia, Lithuania, Romania and Slovenia. Economic developments in the Russian Federation are unclear, but indicators point to a steep decline in industrial production. The Secretariat consequently expects recorded world output growth to reflect a modest renewal of global economic activity in 1992 due to the strength of the first half of the year, with considerable uncertainty regarding the course of the world economy in 1993.[5]

10. On the basis of these trends in economic activity, the Secretariat expects the volume growth of world trade in 1992 to continue to draw its strength from dynamic growth of imports in Asia (apart from Japan), and import growth above the world average in the Middle East and Latin America. An additional boost to world trade growth was given by the recovery of North America's demand for imports in the first half, balancing to a certain extent a slowdown in Western Europe's import demand. In Central and Eastern Europe, the continuing expansion of extra-regional trade of Hungary, Poland, and the CSFR in the first half of 1992 may offset the declining trade of other countries in the region. The trade of the Russian Federation is on a steep decline as output plummets, and trade between members of CIS has apparently collapsed due to payments uncertainties and inter-republican conflicts. Other countries with traditional trading ties to the former USSR and countries in Central and Eastern Europe are facing uncertainty concerning trading relationships.

11. The general trend evident in spot market price trends for primary commodities in 1991 has continued to prevail in 1992 to date (see Table 3, page 29). Crude petroleum prices drifted higher in the second quarter, and the price of copper also firmed as recovery took hold in the United States. Higher expected production in Côte d'Ivoire contributed to a slide of one-third in the price of cocoa in the first half of 1992, leaving nominal prices at the 1973 level. Uncertainty over the International Coffee Arrangement and higher supplies were behind the continuing decline in coffee prices in the first half of 1992. Drought in Kenya boosted the price of tea in the second quarter of 1992, leaving its level slightly higher than at the end of 1991. After rising sharply in the first quarter as a result of weather damage to crops, banana prices declined in the second quarter to the end-of-1991 level. Bangladesh lowered the export price of jute in the spring due to weak demand. The

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[5] In the IMF's October 1992 World Economic Outlook, estimates for world output and trade growth for 1992 have been scaled back to 1.1 and 4.5 per cent, respectively (the fourth downward revision since October 1990). The IMF warns: "The expansion continues to be slow and uneven, and the balance of risks remains on the downside."

price of coconut oil partly reversed a portion of the strong drought-related gain of 1991, while the price of palm oil saw its fourth successive quarter of gains as stocks sank. Spot market prices of wheat rose to a 1991-92 high in February. The 15 per cent gain in the price of cotton during the second quarter left its price still well below the comparable 1991 price. Shrimp and tropical log prices were also higher in 1992.

B. Developments in merchandise and commercial services in 1991[6]

12. On a regional basis, the steepest decline in the value of exports and imports was experienced by the countries in Central and Eastern Europe and the members of the Commonwealth of Independent States, hereafter referred to as Central Europe and CIS (see Table 4, page 30).[7] Exports of the former USSR were down by one-third, as shipments of crude petroleum fell by one-third. For Central European countries, the shift in valuation and settlement of most intra- regional trade transactions from the transferable rouble to convertible currencies as of 1 January 1991 provoked a collapse of intra-regional trade, in most cases only partially compensated by expanded trade with countries outside the region. Due to Bulgaria's high dependence on intra- regional trade (three-quarters of the total), its trade contracted more sharply than that of other countries in the region, with exports and imports down by over one-half in 1991. A contraction in Romania's extra- and intra-regional trade combined to lower the value of exports and imports by an estimated 30 and 40 per cent, respectively, while the expansion in extra-regional trade was not sufficient to compensate for the decline in intra-regional trade for the CSFR.

13. For Hungary, 1992 marked the first year of recovery in both exports and imports, as the decline in intra-regional trade was more than offset

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[6] Merchandise trade data for all countries for 1991 are not available. This section draws on internationally comparable data for OECD countries and several other countries available from the United Nations Statistical Office, and for all other countries, data on exports and imports collected by the IMF, the Economic Commission for Europe and national sources. Data on commodity prices are reported in IMF, International Financial Statistics.

Data on trade in commercial services for 1991 are not available for most countries outside the OECD area. Where available, these data are collected on a balance-of-payments basis and are not directly comparable with merchandise trade data collected on a customs basis.

[7] Statistics on trade developments for Central Europe and CIS should be interpreted with caution as changes in the valuation of trade in recent years has led to discontinuity in the data. The valuation of intra-regional trade was affected prior to 1 January 1991 by the adjustments carried out by Central European countries with respect to the transferable rouble. As of 1 January 1991, most intra-regional trade transactions were conducted on the basis of "world market" reference prices and settled in convertible currencies.

by expanded trade with the European Communities (EC). Strong demand for machinery lifted imports from the EC by almost 50 per cent, while exports to the EC (primarily food and clothing) rose almost 20 per cent. After four years of continuous decline, imports of Poland rose almost two-thirds to a level last reached in 1981, led by sharply expanded imports of capital and consumer goods from the EC. The pace of recovery in Poland's merchandise exports slowed, with the result that the merchandise trade accounts shifted from surplus to deficit in 1991.

14. Gulf war-related petroleum price changes were an important factor behind the decline of 10 per cent in the value of exports of the Middle East in 1991, and the rise of 10 per cent in the region's imports (see Table 5, page 31). Double-digit export growth in 1990 was due to the virtual doubling of the spot market price of crude petroleum following the outbreak of hostilities in the Gulf, and in 1991, the price of petroleum declined to reflect prevailing demand and supply conditions. In 1991, Saudi Arabia's exports of crude petroleum rose over 50 per cent in volume terms, more than offsetting the embargoed exports of Iraq and the destruction of Kuwait's production capacity, but the declining price of crude petroleum limited the rise in value terms. Higher earnings from petroleum sales in 1990 and in 1991 lifted imports of Saudi Arabia and the Islamic Republic of Iran and other countries in the region, more than offsetting the loss of Iraq as a destination. Exporters in North America and Western Europe benefited primarily from the rise in import demand, as exports to the region rose 36 and 11 per cent, respectively.

15. The downward trend in prices of most primary commodities of export interest to countries in Africa contributed to the region's decline in exports in 1991 (see Table 6, page 32).[8] Almost 80 per cent of countries in the region are dependent on primary products for two-thirds of export revenues. However, an additional factor affecting economic developments in Ethiopia, Madagascar and Zimbabwe was drought, and political instability played a rôle in Angola, Ethiopia, Liberia, Mozambique, Sudan, Somalia, and Zaïre. The continuing stagnation of per capita incomes in Sub-Saharan Africa in 1991, home to 31 of the 45 least-developed countries, also depressed growth of the region's imports in 1991.

16. The lower price of fuels adversely affected export earnings of fuel exporters in Africa; at the same, the oil import bill of the fuel-importing countries of Sub-Saharan Africa was reduced. A higher volume of fuels exports in Gabon, the Libyan Arab Jamahiriya, Nigeria and Tunisia partly offset their lower price, but export volumes fell in Algeria, Cameroon, Congo and Egypt. An offsetting factor for Tunisia was the double-digit expansion in exports of textiles and leather (40 per cent of exports) and olive oil, which more than offset the decline of exports. The price of copper, the main export earner for

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[8]The decline in Africa's exports and imports is steeper if South Africa is excluded from the statistics.

Zaïre and Zambia, was also on the decline. There was no change in the volume of uranium exported by Niger (which accounts for three-quarters of exports), but developments in the former USSR depressed spot market prices. Exports of Botswana rose slightly, as higher shipments of diamonds offset a decline in nickel exports.

17. Prices of tropical beverages declined in 1991. The price of coffee fell 6 per cent, adversely affecting the export revenues of Uganda, the United Republic of Tanzania, Burundi and Rwanda, and, to a lesser extent, the Central African Republic, Côte d'Ivoire, Kenya and Madagascar. A recovery of 50 per cent in coffee production in the United Republic of Tanzania helped raise export earnings from the product, but export growth was flat due to the weak performance of manufactured exports. The lower price of cocoa and depressed export volumes lowered revenues of Côte d'Ivoire and Ghana from the product. For Ghana, however, the dynamic expansion of non-traditional exports lifted exports by 10 per cent, displacing cocoa as the country's main export product. For Cameroon, declining prices and volumes affected its three main exports -- fuels, coffee and cocoa -- in 1991. For Kenya, the declining price of tea was more than offset by a higher volume of exports, and total exports were lifted by higher shipments of meat, animal feed, gold and other jewellery.

18. Cotton prices declined 7 per cent in 1991, adversely affecting Benin, Burkina Faso, Chad, Egypt, Mali, Senegal and Sudan. Zimbabwe's exports of gold and tobacco rose for the year, but an import surge led to a widening trade deficit. Exports of Mauritania are estimated to have risen almost 20 per cent as shipments of fish and fish products to Japan continued their dynamic growth. A continuing rise in the price of tropical wood benefited Equatorial Guinea.

19. For countries where exports of commercial services account for an important share of international trade, earnings from primary commodities or manufactures play a smaller rôle in overall foreign exchange revenues. Commercial service exports amount to one-half of merchandise trade exports for Comoros, Mauritius, Morocco, Senegal, Swaziland, Togo, and Tunisia -- for the most part due to travel and transportation. In 1991, the number of visitors to Morocco dropped 28 per cent as a result of Gulf war-related uncertainty, exacerbating the effect of lower merchandise export earnings on total revenues from trade. Commercial service exports exceed merchandise exports for Gambia and Kenya. For Egypt, revenues from the Suez Canal and related services plus travel generally account for two-thirds of foreign exchange earnings, and these were lifted in 1991 by the increased traffic through this route. For Lesotho, labour income of border workers boosts its annual foreign exchange earnings to 7 times those of merchandise exports.

20. Exports of <u>Latin America</u> fell slightly in 1991 after expanding 9 per cent in 1990 (see Table 7, page 33). Imports rose 12.5 per cent -- the highest rate of import growth among the seven regions. United States exporters were the primary beneficiaries, as their shipments to Argentina, Brazil, Chile, Mexico, and Venezuela experienced double-digit growth. The growth of Mexico's exports decelerated sharply to 5 per cent in 1991, in spite of a boost of 14 per cent from the maquiladoras, as the lower price

of crude petroleum more than offset a higher volume of fuels shipments to the United States.[9] Brazil's exports virtually stagnated as a 50 per cent rise in trade with regional partners was offset by declining shipments to the United States. Brazil's import growth was constrained to 2 per cent by the domestic recession, but imports from the United States rose 22 per cent on the basis of deliveries of aircraft. Venezuela's exports declined as both the volume and price of fuels exports fell, but imports rose over 50 per cent, sharply reducing the merchandise trade surplus. Imports of Argentina were up over 90 per cent as economic recovery boosted consumer demand, investment raised the demand for imported capital goods, and import barriers were reduced.

21. With two-thirds of the countries in Latin America dependent on primary products for two-thirds of export revenues, the downward trend in prices of many primary commodities in 1991 was a contributing factor in the weakness of export performances.[10] Exports of Trinidad and Tobago were down in 1991 due to lower volumes and prices of fuels. Chile's export revenues from copper were down in 1991, but a double-digit expansion in non-traditional exports lifted the total by 7 per cent. Bolivia's exports dropped, as the declining price of tin more than offset a higher volume of shipments, and Jamaica's merchandise exports rose even though the prices of alumina and bauxite weakened.

22. Exporters in the region for which coffee accounts for an important share of export revenues -- Colombia, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua -- were adversely affected by its declining price on international markets in 1991 which continued in 1992. An offsetting factor for Costa Rica, Colombia, Guatemala, Honduras and Nicaragua was a modest rise in the price of bananas in 1991, which continued in 1992. Colombia benefited from a sharp rise in the volume of exports of coffee and fuel products, as well as a continuing expansion in non-traditional exports, up 25 per cent. Cuba's exports dropped roughly 50 per cent as low sugar production led to low export deliveries; barter arrangements of oil-for-sugar with CIS consequently depressed imports as well.

23. Data are not yet available for countries in the Caribbean and Central America where commercial services are important in total foreign exchange earnings. Earnings from commercial services dominate merchandise export revenues due to travel for Antigua and Barbuda, Aruba, Barbados, the Dominican Republic, Grenada, Jamaica, St. Kitts and Nevis, and St. Lucia, and, due to the provision of transportation services through the Canal, for Panama. While the North American recession is likely to have

[9] Shipments from outward processing zones or *maquiladoras* account for one-third of Mexico's trade. Imports into the maquiladoras are primarily composed of intermediate products and capital goods, while exports consist chiefly of finished products.

[10] Spot market price trends are indicative of trends in the transaction prices for *raw* primary commodities, but less indicative of export prices for processed commodities.

curtailed travel plans to the region, Gulf war-related uncertainty diminished the attraction of travel to other regions, boosting the revenues from travel to the region.

24. At 11.5 per cent, the highest rate of growth for exports in 1991 among the seven regions was recorded in Asia, and imports grew at a slightly more modest pace (see Table 8, page 34). Export growth was concentrated in China and the other leading Asian exporters of manufactures, with the exception of Japan. Sluggish economic activity in North America and Western Europe slowed the growth of exports into those regions from Asia, but a rapid expansion of intra-regional trade lifted overall export growth of Asia. Intra-regional trade was also the main factor behind Asia's import growth, but exporters in the United States benefited as well from the region's rising demand for imports.

25. China played a leading rôle in the region's trade performance in 1991, as exports to and imports from all major trading partners rose sharply. While exports of Hong Kong to major extra-regional trade partners stagnated, total exports rose over 20 per cent as a result of re-exports related to its trade with China. A sharp rise in trade with regional trade partners was also behind the export and import growth of the Republic of Korea. Singapore's exports to non-OECD Asia rose 20 per cent to reach almost 50 per cent of the total, and Indonesia's rise of one-third in exports to the group lifted its exports as a whole. Myanmar's recorded exports and imports exceeded their 1985 levels for the first time, as exports to Thailand and Singapore of forest products continued to rise. Exports of the Philippines rose 8 per cent on the strength of manufactured exports, while the domestic recession depressed the value of imports. For Sri Lanka, exports to the United States were unaffected by the slowdown, with a rise of one-third in exports of textiles and garments displacing tea as its main export. Exports and imports of Thailand and Malaysia with the United States experienced double-digit growth in 1991, and trade with Japan also expanded.

26. The Gulf crisis adversely affected foreign exchange earnings of India and Pakistan in 1990 and 1991, as worker remittances declined and the oil import bill rose. In addition to the Gulf crisis, a factor disrupting India's trade in 1991 was the dissolution of the USSR which accounted for over 15 per cent of India's exports in the mid-1980s. The slowdown in North America and Western Europe did not prevent an increase of almost 20 per cent in Pakistan's exports, due to double-digit growth in exports of most cotton-based products, together accounting for about one-half of total exports.

27. Trade developments for least-developed countries in Asia were mixed, but on the whole more favourable than in Sub-Saharan Africa. The Gulf crisis adversely affected foreign exchange revenues from worker remittances for Bangladesh, but in spite of the cyclone which struck in April 1991, exports rose in 1991 due to the continuing rapid expansion in shipments of clothing products to the United States (one-half of the product categories are limited by MFA quotas). For other least-developed countries, data recorded by OECD partners provide an incomplete picture

of developments in 1991.[11] While a decline in exports to OECD countries of one-third or more since 1989 was recorded for shipments from Kiribati and Vanuatu, increases of one-third or more were recorded by Maldives, Nepal and Myanmar.

C. Debt financing costs and debt reduction

28. The substantial easing of monetary policy in the United States since 1989 helped reduce the six-month London interbank offer rates (LIBOR) on US dollar deposits from above 9 per cent in 1989 to below 4 per cent as of September 1992. The result was a reduction in the scheduled interest costs of debtors with variable interest rate obligations denominated in dollars -- principally countries in Latin America. On the other hand, the corresponding rate on Deutsche mark denominated deposits rose throughout 1991 and into 1992 as Germany's monetary policy tightened, a development which also affected the interest rate developments in other major West European economies.

29. With respect to debt reduction and rescheduling, Argentina and Brazil reached agreements under the "Brady" plan in 1992; since 1989, Mexico, Costa Rica, Philippines, Uruguay and Venezuela completed Brady plan agreements. Notwithstanding the debt reduction accorded to these countries and others by the Paris Club, including almost all the least-developed countries, numerous countries have continued to experience considerable difficulty in servicing debts in a timely fashion. France recently announced a special development fund for Cameroon, Congo, Côte d'Ivoire and Gabon, which have not benefited from debt reduction by the Paris Club, partly financed by debt repayments to France from these countries.

30. Government dissaving in the larger OECD countries, exacerbated by recessionary tendencies in the past year, has continued to raise concerns of "a world savings shortfall" holding back the economic recovery. Over the medium-term, significant demands on global savings from Central Europe and CIS, Latin America and Africa will continue. Measures to reduce government dissaving in OECD countries are likely to reduce the pressure on credit markets, leading to lower real interest rates, and higher investment and output in the medium term.[12]

D. The decade of the 1980s

31. The recent economic developments described above are in line with several of the characteristic patterns of the 1980s. During that period, world merchandise trade growth was, on the whole, centred in Asia,

[11] The measured importance of trade with OECD countries, relative to trade with non-OECD countries, varies greatly from country to country.

[12] See IMF May 1991 World Economic Outlook.

Western Europe and North America, while Latin America, the Middle East, Africa and Central Europe and CIS lagged behind. Each region's trade performance was broadly shared at the individual country level; the above-average export growth in Asia was shared by 21 of 37 (non-OECD) countries in the region, while the below average growth of Africa was shared by 44 of 54 countries.

32. The similarity of experience in Asia was apparently independent of the size, level of per capita income or composition of exports of individual countries. Among the 11 Asian countries whose export growth was <u>double</u> the world average (in descending order, the Maldives, Bhutan, Hong Kong, Vietnam, the Republic of Korea, French Polynesia, Thailand, China, Chinese Taipei, Macau, and the Lao People's Democratic Republic), are three least-developed countries and three high-income economies. Labour-intensive manufactures such as clothing were an important factor behind dynamic export growth in most cases, but the deepening of traditional sources of comparative advantage was, in several instances, more important. Exports of Maldives were lifted by a shift from fresh to processed fish and clothing, while exports of Bhutan rose on the basis of cross-border trade in electricity and expanded shipments of tropical wood. Dynamic exporters were dynamic importers, as 70 per cent of the Asian countries which recorded export growth above the world average also recorded import growth above the world average.

33. In Latin America, less than one-third of the countries in the region experienced export growth above the world average for the 1980s as a whole. Within this group, export performances of Chile, Colombia, and Mexico, were the most consistent from year to year, in spite of fluctuations in the international market prices of primary commodities of substantial export interest. Mexico achieved export growth as a result of a rising share of manufactures in total exports, and for Chile and Colombia, stability of export performances resulted from diversification into non-traditional exports and volume increases for traditional exports.

34. Trade performances of virtually all countries in Africa and the Middle East were below the world average in the 1980s. Fuel exporters in both regions were, of course, adversely affected by the declining volume and price for crude petroleum, but the dismal export performance extended to other countries as well. In Sub-Saharan Africa, only 5 of the 32 least-developed countries recorded growth above the world average, and almost all continued to experience important year-to-year fluctuations in revenues from trade throughout the decade. Export growth was, however, at least double the world average for Botswana and Equatorial Guinea, in both instances due to an intensification of traditional exports. In both countries there was a close link between exports and economic growth, but gains on a per capita income basis were fully eroded in Equatorial Guinea due to rapid population growth.

35. External factors which played a rôle in the widely varying trade and economic performances of individual countries during the 1980s noted above include the stagnation in commodity prices, geopolitical events, and

economic activity in OECD countries. In a number of instances, however, domestic factors played an important contributing rôle. Economic development in a number of countries in Sub-Saharan Africa was slowed by political events, natural disasters, or the effect of adverse weather conditions on agricultural production.[13] In Latin America, a number of governments undertook far-reaching programs of economic reform, including trade liberalization and the loosening of controls over capital movements, which have enhanced the international competitiveness of domestic industry. A domestic environment propitious to investment has also played a major rôle in extending the scope of international comparative advantage among the lower-income countries in Asia. For the 1990s, the uncertainty affecting external developments implies that growth in individual countries will continue to rely to a considerable extent on domestic developments, including government policy to assist the process of growth.

SECTION II: DEVELOPMENTS IN TRADE POLICIES AND IN RELEVANT GATT BODIES

36. Developments in developing countries' trade policies in recent years reflect a shift to a more market-oriented liberal trade régime as a means of promoting economic development and growth, a desire for greater integration in the global economy and a willingness to increase participation in the multilateral trading system, which is one of the basic objectives of the Enabling Clause.

Unilateral trade liberalization measures undertaken by developing countries

37. A major positive trend in recent years which continued in 1991-92 was the adoption by many developing countries of outward-looking trade policies. Forty-seven developing countries have undertaken trade liberalization measures since the launching of the Uruguay Round. These initiatives were generally quite significant and included action in the tariff and non-tariff areas as well as other commitments under the multilateral rules and disciplines of the GATT, such as the disinvokation of Article XVIII:B. These measures were reviewed in the special meetings of the GATT Council which carried out the annual overview of developments in the international trade and the trading system, in the reviews of trade policies and practices of individual contracting parties conducted under the Trade Policy Review Mechanism, in the Committee on Trade and Development and in relevant negotiating bodies of the Uruguay Round. The unilateral trade liberalization measures implemented by developing countries since the launching of the Uruguay Round are documented in Annex I.

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[13] The UNHCR estimates that almost 80 per cent of the world's 17 million refugees are located in least-developed countries, and more than two-thirds of the least-developed countries either grant sanctuary to refugees or have nationals with refugee status abroad.

38. In the course of the reviews conducted in various GATT bodies the unilateral trade liberalization measures implemented by developing countries were welcomed and developing countries were encouraged to continue the process of trade policy reform. It was also stressed that these reforms need to be supported and facilitated through positive measures from trading partners, including in the Uruguay Round.

39. Among the specific questions raised by some delegations in the Committee on Trade and Development in connection with trade liberalization programmes of developing countries which may warrant further consideration by its members were: (i) defining approaches to give credit and recognition for autonomous trade liberalization measures which might be adopted after the completion of the Uruguay Round negotiations; and (ii) GATT's rôle in supporting autonomous trade liberalization efforts of developing countries and in assisting them in the implementation of structural adjustment programmes.

Developing-country accessions to GATT

40. Five developing countries -- Guatemala, El Salvador, Macau, Mozambique and Namibia -- joined the GATT in 1991-92 bringing to thirteen the number of developing countries which became contracting parties since the launching of the Uruguay Round.[14] Twenty-one developing countries have joined the GATT since the conclusion of the Tokyo Round in 1979[15] bringing to seventy-eight the number of developing countries contracting parties to the GATT from a total of one-hundred and five contracting parties as at 15 September 1992. Algeria, Ecuador, Honduras, Mongolia, Nepal, Chinese Taipei, Panama and Paraguay are in various stages of the accession process while negotiations relating to China's status as contracting party continue. The GATT Secretariat has received a number of formal and informal expressions of interest in GATT membership from some other developing countries including Vietnam and Syria.

41. Guatemala and El Salvador acceded to the GATT under Article XXXIII, while Macau, Mozambique and Namibia became contracting parties under Article XXVI:5(c).

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[14] Antigua and Barbuda, Bolivia, Botswana, Costa Rica, El Salvador, Guatemala, Lesotho, Macau, Morocco, Mozambique, Namibia, Tunisia, Venezuela.

[15] In addition to the thirteen developing countries which joined the GATT since the commencement of the Uruguay Round, the following developing countries became contracting parties since the conclusion of the Tokyo Round: Belize, Colombia, Hong Kong, Maldives, Mexico, Philippines, Thailand and Zambia.

42. El Salvador acceded to the GATT on 22 May 1991. Tariffs on most items were bound at a ceiling of 50 per cent, to be reduced to 40 per cent by the end of 1993. Import prohibitions, restrictive import licensing requirements and other quantitative restrictions are scheduled to be eliminated by 1993, and remaining trade measures will be brought into GATT conformity.

43. Guatemala joined the GATT on 10 October 1991. Tariffs on most items were bound at ceiling rates of 45 and 50 per cent, import prohibitions, restrictive import licensing requirements and other quantitative restrictions are scheduled to be eliminated by 1984, and remaining trade measures will be brought into conformity with the GATT.

44. Both El Salvador and Guatemala have indicated their intention to join the Tokyo Round agreements on Customs Valuation, Import Licensing Procedures and Anti-Dumping Practices.

45. Macau became a member of GATT on 11 January 1991 under Article XXVI:5(c) and subsequently submitted a schedule of tariff concessions.

46. Mozambique and Namibia acceded to GATT on 27 July 1992 and 15 September 1992 respectively following notifications by their respective Governments under the terms of Article XXVI:5(c).

47. Developing-country accessions to GATT in the last decade demonstrate the increased interest of developing countries in seeking a fuller integration into the multilateral trading system. The main features of the commitments undertaken by the developing countries which became GATT members since the conclusion of the Tokyo Round include: (i) reduction and binding of most, if not all, tariffs; (ii) ceiling binding of the entire tariff with provision for further lowering of the ceiling rate; (iii) immediate or progressive liberalization of non-tariff measures covering removal of import prohibitions, restrictive import licensing requirements and other quantitative measures; (iv) adherence or commitments to adhere to certain MTN Codes, such as Customs Valuation, Import Licensing, Anti-Dumping and Subsidies. These commitments reflect the increased willingness of developing countries to undertake a higher degree of commitments under the multilateral rules and disciplines of GATT, confirming a trend which has been gaining momentum for more than a decade.

Trade Policy Review Mechanism

48. As at 15 October 1992, fifteen developing countries have undergone reviews of their national trade policies under the Trade Policy Review Mechanism since its establishment in 1989: Argentina, Bangladesh, Brazil, Chile, Colombia, Egypt, Ghana, Hong Kong, Indonesia, Korea, Morocco, Nigeria, Singapore, Thailand and Uruguay. Three additional reviews of individual developing countries are to be held under the 1992 programme: Bolivia, Philippines and Romania.

49. The GATT Council welcomed the thrust and direction of the economic and trade reforms underway in most countries undergoing reviews of their trade policies. It was also acknowledged that in many countries market-opening reforms were undertaken in spite of significant economic internal difficulties and obstacles to trade in external markets.

50. While expressing appreciation for trade liberalization efforts of developing countries the Council also expressed concerns about certain aspects of their individual trade policies. Questions or concerns were raised about aspects such as: remaining high tariffs, tariff escalation, the level of tariff bindings, the gap between applied and bound tariff levels, remaining non-tariff measures, participation in MTN Codes.

51. In the course of the reviews it was also emphasized that market-opening reforms in developing countries required the support of an open international trading environment. Trade liberalization efforts of developing countries had to be matched by their trading partners through improved market access for developing countries in areas of major export interest for them, including agriculture and textiles and clothing. In this context a successful and quick conclusion of the Uruguay Round was particularly emphasized. These reviews also highlighted the commitment of developing countries to the Round.

Participation of developing countries in MTN Codes

52. In recent years a number of developing countries have expressed an increased interest in activities carried out under the MTN Codes.

53. Since the launching of the Uruguay Round in 1986 nine developing countries have adhered to certain Codes, while many other developing countries, including non-contracting parties to GATT, have become observers.

54. The following MTN Codes have been accepted or signed by developing countries during the period 1986-91:

- Technical Barriers to Trade: Israel, Mexico
- Subsidies and Countervailing Duties: Argentina, Colombia
- Anti-Dumping: Argentina, Mexico
- Dairy Products: Egypt
- Customs Valuation: Korea, Lesotho, Mexico, Turkey, Zimbabwe
- Import Licensing: Mexico
- Civil Aircraft: Egypt

55. Several other developing countries expressed their intention to accede to certain MTN Codes in the light of the Uruguay Round results. Membership in Codes continued to present difficulties for developing countries which expressed desire for greater flexibility to enable their participation in such Codes as Government Procurement. In this connection, the on-going negotiations in the framework of the Government Procurement Code are relevant.

56. The evolution of developing countries' participation in MTN Codes during the period 1986-91 is provided in Annex II.

Committee on Balance-of-Payments Restrictions

57. Four developing countries disinvoked Article XVIII:B provisions in 1991-1992: Argentina, Brazil and Peru in 1991, and Colombia in 1992, bringing to six the number of developing countries that have ended their use of Article XVIII:B provisions since the beginning of the Uruguay Round in 1986 (Ghana and Korea disinvoked Article XVIII:B provisions in 1989). The international reserves of these countries were relatively stable, or growing, immediately prior to the decision to disinvoke Article XVIII:B. The elimination of import licensing and quantitative restrictions applied for balance-of-payments purposes were part of broader market-opening and trade-liberalizing reforms implemented by the respective countries.

58. Eleven developing contracting parties are currently invoking balance-of-payments provisions under the GATT:

	Date of last consultation
Bangladesh	1992 (S)
Egypt	1992 (F)
India	1992 (F)
Israel	1991 (F)
Nigeria	1991 (S)
Pakistan	1992 (S)
Philippines	1991 (S)
Sri Lanka	1992 (S)
Tunisia	1992 (F)
Turkey	1991 (S)
Yugoslavia	1991 (F)

F : Full consultation
S : Simplified consultation

59. The consultations held in the Committee on Balance-of-Payments Restrictions revealed that the consulting countries continued to face, in varying degrees, balance-of-payments difficulties. However, despite their difficult economic circumstances, most countries had implemented or were in the process of implementing trade liberalization programmes. These policies were welcomed by the Committee which encouraged the respective countries to undertake further liberalization measures. The Committee also urged consulting parties to bring into conformity with GATT some of the measures still applied by them. Reference was also made to paragraph 12 of the Declaration on Trade Measures Taken for Balance-of-Payments Purposes, and to the importance of a more favourable external environment in assisting the trade and economic reform programmes underway in consulting countries. In this context, the positive impact that would result from a successful conclusion of the Uruguay Round was also emphasized.

60. Full consultations are to be held in 1992 and 1993 with Nigeria, Philippines, Israel and Turkey.

Anti-dumping practices

61. The 1991-1992 report by the Director-General on developments in international trade and the trading system (C/RM/OV/3/Rev.1) emphasized that anti-dumping practices continue to be an important source of friction among contracting parties and highlighted the main developments under the Anti-Dumping Agreement. These included an increase in the anti-dumping investigations initiated by Parties to the Agreement, the frequent recourse to dispute settlement procedures, and the growing interest of a large number of countries, including developing countries, to adopt anti-dumping legislation.

62. The significance of anti-dumping practices for trading partners in general and, in particular, for the trade of non-OECD members, including developing countries, is reflected in the table below:

Exporters subject to initiations of anti-dumping investigations, 1985-91

(Number and percentage share in total initiations)

	Actions	Share in total
OECD:		
North America	88	10
Western Europe	211	24
Asia	101	12
Total	400	46
Non-OECD:		
Latin America	94	11
Central Europe and CIS	126	14
CIS	12	1
Africa	9	1
Middle East	13	1
Asia	236	27
China	47	5
Six leading exporters[a]	167	19
Other	22	3
Total	478	54

aChinese Taipei, Hong Kong, Republic of Korea, Malaysia, Singapore, Thailand.

Source: Annual Reports of the Anti-Dumping Committee and Annual Reports from the EEC Commission to the European Parliament on the EEC's Anti-Dumping and Anti-Subsidies Activities.

63. Between 1985 and mid-1991, one-half of the total investigations initiated by parties to the 1979 Anti-Dumping Agreement involved non-OECD countries. Parties most frequently initiating investigations of non-OECD countries were the European Economic Communities (154), the United States (121), Australia (98) and Canada (52), which together accounted for almost 90 per cent of the total such initiations by parties to the Agreement. Exporters most frequently the subject of initiations were the Republic of Korea (60), Chinese Taipei (52), China (47), Brazil (36), Yugoslavia (27), Poland (21), the Czech and Slovak Federal Republic (19), Romania (18), Hong Kong (17), Mexico (16) and Thailand (15). While these countries accounted for most of the initiations, 30 other countries were targeted at least once.

64. Asian exporters were the most frequent subject of initiations of non-OECD exporters by the European Economic Communities, the United States, Australia and Canada, accounting for one-half of their combined total. Countries of Central Europe and the CIS, were the second most frequent subject (104), and Latin America was close behind (83). Two-thirds of the investigations of countries in Central Europe and the CIS were initiated by the European Economic Communities, while just under one-half of the investigations involving countries in Latin America were initiated by the United States.

65. Since 1985, several non-OECD countries have increased the frequency of initiated investigations; in particular, Mexico and Poland (23 each), the Republic of Korea (8) and Brazil (5). In the first three cases, exporters of the country's most important trading partner on the import side -- the United States, the European Economic Communities, and Japan, respectively -- have been the primary subject of investigation.

Generalized System of Preferences

66. A number of preference-giving countries have decided to further extend their GSP schemes.[16] According to information available to the Secretariat, these extensions are as follows:

67. Austria has notified that its GSP scheme has been extended until 31 December 1992, without substantive changes. According to its Tariff Schedule, Australia has extended its GSP scheme at least until the fiscal year 1996/1997. On 28 June 1984, Canada decided to extend its GSP scheme until 30 June 1994. The European Communities have extended their GSP scheme for another year pending the establishment of new guidelines. Finland has notified that its GSP scheme has been extended for another term of ten years up to the year 2002. Furthermore, Finland has reserved the right to introduce graduation/differentiation measures during this period, if necessary. In a communication dated 23 April 1991, Japan notified that its GSP scheme had been extended until 31 March 2001. In a communication dated 31 July 1989, Norway indicated that its GSP scheme was being

[16] Sweden's GSP scheme is not limited in time. The GSP programme of the United States will expire in July 1993 and its renewal requires legislative action by the Congress.

implemented on a provisional basis, in the expectation that the overall negotiating efforts in the Uruguay Round would come to a satisfactory result. Switzerland has notified the extension of its GSP scheme for another five years until 28 February 1997.

68. The main changes in GSP schemes in 1991-92 which have been notified to the Secretariat are listed below.

69. Australia included the Czech and Slovak Federal Republic and Namibia as beneficiaries under its GSP scheme as from 1 October 1991. Slovenia, Croatia, Bosnia-Herzegovina and Macedonia were included from 1 January 1992. Yugoslavia was removed from its scheme as from 1 January 1992. Montenegro, which had been included from 1 March 1992, was removed from the scheme with effect from 2 June 1992, in accordance with Australia's implementation of the United Nations Security Council Resolution 757.

70. Austria has notified that with effect from 1 January 1992, Albania, and with effect from 1 March 1992, Croatia and Slovenia, have been included on the list of preference-receiving countries (Group I). As from 1 April 1992, Cambodia, Solomon Islands, Zaïre and Zambia have been included on the list of least-developed preference-receiving countries (Group II). With effect from 1 October 1991, several cotton clothing products (undergarments for men, of cotton, and outergarments for ladies, of cotton) have been included in its GSP scheme and receive at present a 35 per cent tariff cut for preference-receiving countries in Group I, and 50 per cent for least-developed countries in Group II.

71. Canada has notified that with effect from 1 December 1991, Yugoslavia was withdrawn from its GSP scheme. With effect from 1 April 1992, Armenia, Estonia, Latvia, Lithuania, Russian Federation, Slovenia and the Ukraine were included in its GSP scheme.

72. Finland has notified that as of 1 January 1992, all imports from the least-developed countries have been granted duty-free treatment, with the exception of a few agricultural items and some ready-made garments for which the tariffs applied are lowered by 50 per cent from the normal rate. At the same time, the GSP negative list has been shortened by 40 per cent for all the other GSP recipient countries.

73. Japan has included Cambodia, Solomon Islands, Madagascar and Liberia on the list of least-developed countries that enjoy special treatment under its GSP scheme as from 1 April 1992. Also with effect from 1 April 1992, Namibia has been included in the list of GSP beneficiaries. With effect from 1 May 1992, the Czech and Slovak Federal Republic has also been included in that list.

74. New Zealand has notified that as from 1 August 1992, nine countries have been graduated from its GSP scheme, each for a number of tariff items, and four countries have been reinstated in its GSP scheme, each for a number of products.

75. Norway has notified that Cambodia, Madagascar, Solomon Islands, Zaïre and Zambia have been included on the list of least-developed countries that

enjoy preferential treatment for all products under HS chapters 1-97 in its GSP scheme. With effect from 22 January 1992, Croatia and Slovenia have been included in the list of GSP beneficiaries. Yugoslavia has been excluded from that list as from 22 November 1991. Turkey has also been withdrawn from that list as from 15 July 1992 as a result of the implementation of the Free-Trade Agreement between Norway and Turkey as from 1 July 1992.

76. Sweden has notified that Solomon Islands, Zaïre and Zambia have been included on the list of least-developed countries that enjoy preferential treatment for all products under HS chapters 1-97 in its GSP scheme as from 1 January 1992.

77. Switzerland has notified that with effect from 1 January 1992 Liberia, and as from 1 September 1992 Cambodia, Madagascar, Solomon Islands, Zambia and Zaïre have been added to the list of least-developed countries under the Swiss GSP scheme. With effect from 1 January 1992, Albania has been included in its GSP scheme, and Bulgaria and Romania have been granted full GSP treatment. As from 1 April 1992, Turkey has been withdrawn from the list of GSP beneficiaries.

78. The United States has notified that with effect from 21 December 1991, Bulgaria has been added to the list of GSP beneficiaries, and as from 22 February 1992, Estonia, Latvia and Lithuania have also been added to that list. Yugoslavia has been withdrawn from its GSP scheme as from 24 December 1991. Resulting from the 1991 Annual Review by the United States' Administration, Syria has been suspended from the US GSP Programme. Effective 1 July 1992, twenty-two products have been included in their GSP scheme, and as a result of a special GSP Review for Central and Eastern Europe, an additional 83 items have also been included in that scheme. One item -- steel leaf springs for certain motor vehicles -- has been withdrawn from the GSP scheme on 1 July 1992. Effective on 19 May 1991, duty-free GSP treatment on certain GSP-eligible products from India, mainly pharmaceuticals and chemicals and related products, has been suspended.

79. It should be noted that in past reviews of GSP schemes undertaken by the Committee concern was expressed by preference-receiving countries as to the limited benefits received through the GSP resulting from the implementation of individual schemes.

Monitoring preferential trading arrangements

80. The trend towards regionalism in recent years has prompted an increased interest among GATT contracting parties for a closer monitoring of regional initiatives and in particular of their impact on the trade interests of third countries and on the multilateral trading system in general in order to ensure that such initiatives conform with the GATT rules set out in Article XXIV or the Enabling Clause and that regional and multilateral trade liberalization approaches are mutually reinforcing.

81. Reporting and reviewing arrangements concluded under Article XXIV or the Enabling Clause constitute a key element in ensuring that these objections are duly met.

82. Through a decision adopted in November 1971 the CONTRACTING PARTIES have instructed the Council to establish a calendar fixing dates for the examination, every two years, of the reports on regional arrangements (BISD 18S/37-38). The last such calendar was established by the Council in July 1985 and covered the period 1985-87.

83. It will also be recalled that the Enabling Clause allows GATT contracting parties to provide differential treatment in favour of developing countries inter alia in respect of tariff and, under certain conditions, non-tariff preferences granted in the framework of regional or global trade arrangements among developing countries. Preferential arrangements concluded under the provisions of the Enabling Clause should be notified to CONTRACTING PARTIES which should also be provided with all the information they may deem appropriate relating to them. In accordance with the GATT Work Programme adopted by the CONTRACTING PARTIES in November 1979 the Committee on Trade and Development has primary responsibility for the supervision of the operation of the Enabling Clause. This Decision is without prejudice to action requested by the CONTRACTING PARTIES through the GATT Council.

84. The preferential arrangements concluded among developing countries currently justified under the Enabling Clause are listed in Annex III, which also contains information on the nature/objective of the arrangements and the fulfilment of notification and review requirements. This information points to the importance of timely observance of the notification and review requirements of all arrangements concluded under the Enabling Clause.

85. Given the growing interest in regional cooperation, its significance to the multilateral trading system and to the trading interests of developing countries, closer surveillance of the arrangements concluded under Article XXIV or the Enabling Clause would be useful. This implies the need to review the reporting procedures of regional arrangements adopted by the CONTRACTING PARTIES in 1971 as well as to ensure observance of notification and review requirements of the Enabling Clause. This would also enable the Committee on Trade and Development to conduct a more in-depth examination of arrangements under the framework of the Enabling Clause and of their impact on world trade and the trade of developing countries.

86. In this connection, it will also be recalled that among the topics suggested for examination in the framework of the future work programme of the Committee was the implications of regional integration schemes for world trade and, in particular, trade of developing countries (COM.TD/131, para. 61).

Monitoring trade measures and policies having a significant bearing on developing-country trade

87. The availability of timely and high-quality information on trade measures and policy developments that have a significant bearing on developing-country trade is a critical factor in order for the Committee to

assess the number and importance of such actions. While the information available in the Secretariat in regard to measures taken within the framework of the GATT rules provide a basis for evaluating the significance and the impact of these measures, GATT efforts in this regard may well have to be augmented in order to ensure a more systematic compilation of information for further reviews in the Committee of the participation of developing countries in the multilateral trading system. Information generated through the TPRM exercise could also systematically be made available for this purpose. A further issue is the insufficient transparency existing in regard to trade actions taken outside the GATT system. The difficulties encountered in assessing the developments in this area have been explained in detail in the 1992 Annual Report of the Director-General on Developments in International Trade and the Trading System (C/RM/OV/3/Rev.1, pages 26-28).

88. The Committee may wish to address, at an appropriate time, the question of any improvement that might be useful in the system of notification and collection of information for the purpose of conducting future reviews of the participation of developing countries in the multilateral trading system. In this connection, it will be recalled that the Sub-Committee on Protective Measures adopted in 1980 procedures for notification including reverse notification of new protective actions affecting imports from developing countries (COM.TD/SCPM/1)[17]. The Committee on Trade and Development might wish to consider the appropriateness of reviewing and elaborating those procedures, including in regard to the type of measures to be covered, for the purpose of its future reviews of participation of developing countries in the multilateral trading system.

Trade and environment

89. As noted in the last Annual Report of the Director-General on Developments in International Trade and the Trading System, growing concern with a broad range of environmental issues, together with the progressive globalization of the world economy, have stimulated a greatly increased interest in the interaction between trade policies and efforts to protect and improve the environment (C/RM/OV/3/Rev.1, page 23).

90. In October 1991, following a structured Council debate earlier that year on the subject of trade and environment, the Council agreed that the 1971 Group on Environmental Measures and International Trade would be convened. The Group adopted for the present the following agenda: (i) the trade provisions contained in existing multilateral environmental

[17]After the launching of the Uruguay Round, the Committee on Trade and Development examined, at its Sixtieth Session in November 1986, the possible rôle of the Sub-Committee on Protective Measures during the multilateral negotiations. There appeared to be a consensus that the Sub-Committee should remain on call, to be activated as and when the Committee should deem it useful or necessary (BISD 33S/126).

agreements -- for example, the Montreal Protocol on Substances that Deplete the Ozone Layer, the Washington Convention on International Trade in Endangered Species, and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal -- vis-à-vis GATT principles and provisions; (ii) the multilateral transparency of national environmental regulations which are likely to have trade effects; and (iii) the trade effects of new packaging and labelling requirements aimed at protecting the environment.

91. The Group has met six times on the basis of that agenda, and at its last meeting on 1-2 October 1992, the Chairman (Ambassador H. Ukawa of Japan) suggested that a further meeting this year might be held in the second half of November. The Group has held extensive discussions on each of the three agenda items; it is not yet at the stage of drawing substantive conclusions on the matters they raise.

92. At the Council meeting on 14 July 1992, the Director-General drew attention to the results of the United Nations Conference on Environment and Development (UNCED) which were reported on by the Secretariat (L/6892/Add.3). The Director-General noted that a number of recommendations had been made that were directly relevant to the work of the GATT in the field of trade, environment and sustainable development. He believed that after a certain period of reflection, the CONTRACTING PARTIES would have to consider how best to proceed on these recommendations.

93. Consultations on this issue are being held by the Council Chairman (Ambassador B.K. Zutshi of India). At the Council meeting on 29 September-1 October 1992, the Chairman said that his consultations had confirmed to him the seriousness with which contracting parties were treating the links between trade, the environment and sustainable development, and their determination to ensure that policies in those fields are compatible and mutually reinforcing. There seemed to be no doubt that a successful conclusion to the Uruguay Round was the most important contribution that GATT can make in this area at present. The UNCED's call for an early conclusion to the negotiations was to be very much welcomed. Trade liberalization and the maintenance of an open, non-discriminatory trading system were key elements of the UNCED follow-up, and it was clearly GATT's responsibility to ensure that they were in place. Outside the context of the Round, a great deal of work had been undertaken in GATT on trade and environment issues since the special debate on that subject held in the Council early last year. The Group on Environmental Measures and International Trade had worked hard and constructively on an agenda that encompassed several of the principal areas which were flagged by UNCED. The Secretariat had also made a useful contribution, notably through the reports it submitted in March to the final UNCED Preparatory Committee. The Chairman's consultations confirmed that contracting parties were already seized of the issue of trade and environment in GATT, and were fully aware of the need to ensure that a sound framework was in place for multilateral policy cooperation in these areas. As regards future work, there was a wide measure of support for involving the Group on Environmental Measures and International Trade closely in the UNCED

follow-up. There appeared to a be a widespread feeling that its current agenda was broad and flexible and could cover a considerable number of UNCED's recommendations in the area of trade. At the same time it seemed clear that the Group was not equipped to handle all of those recommendations. The Chairman had gathered from his consultations a feeling that other GATT bodies, including possibly the Council, might also have a useful rôle to play. The Chairman intended therefore to continue his consultations and hoped to be in a position to present the Council with proposals on this issue in the near future.

Dispute settlement

94. The latest Report by the Director-General on the status of work in panels and implementation of panel reports (C/181 and Corr.1) submitted at the GATT Council meeting on 14 July 1992, noted the continuing and increasing interest of contracting parties to make frequent use of the GATT dispute settlement system, in particular under the Tokyo Round Agreements.

95. The Report also pointed out that the most pressing problem in the field of dispute settlement continued to be the implementation of panel reports adopted by the Council. Despite a slight reduction in the number of cases of non-implementation, the overall situation continued to be worrisome. Implementation of some adopted reports has remained conditional on the completion of the Uruguay Round. This situation was of concern for many contracting parties as it had a negative impact on the credibility of the GATT. In this connection, one particular issue which was raised by a number of developing countries, in the GATT Council as well as in the Committee on Trade and Development, was that the non-implementation of panel reports constituted a handicap for developing countries in defending their interests against major trading partners.

SECTION III: TRADE POLICY DEVELOPMENTS REGARDING LEAST-DEVELOPED COUNTRIES

Recent measures in favour of the least-developed countries

96. The main changes in GSP schemes of interest to least-developed countries were highlighted in Section II above. These changes included improved product coverage and addition of least-developed countries to the beneficiary lists. According to information available in the Secretariat during 1991-92, there has been only one case of removal of a product of interest to least-developed countries from GSP treatment (with effect from 1 July 1992, the United States has removed steel leaf springs for certain motor vehicles from their GSP scheme).

97. As regards measures taken by developing countries themselves in favour of least-developed countries, Thailand has notified the establishment of a trade agreement with the Lao People's Democratic Republic on 20 June 1991, which provides for non-reciprocal preferential access to the Thai market for specified products of Lao origin (L/6947).

Unilateral trade liberalization measures

98. The last review of unilateral trade liberalization measures adopted by least-developed countries since the beginning of the Uruguay Round was undertaken by the Sub-Committee on Trade of Least-Developed Countries at its October 1991 Session. Information on the unilateral trade liberalization measures undertaken by Bangladesh, Benin, Central African Republic, Madagascar, Malawi and Togo is contained in Annex I.

Trade policy review mechanism

99. The Council conducted the first review of the trade policies and practices of Bangladesh in June 1992 (C/RM/M/24). Bangladesh is the first least-developed country to be subject to the Trade Policy Review Mechanism.

100. Despite extreme economic and social difficulties which Bangladesh has been facing, since 1985 it has embarked on a process of reform towards an outward-oriented development strategy relying primarily on private enterprise and including: reform of import policy, particularly the lowering of tariffs, reduction of import restrictions and simplification of import procedures; a greater rôle for the market in the determination of the exchange rate; promotion of conditions favouring the expansion of non-traditional export industries; privatization of a number of State-owned industries; and, the introduction of new incentives for foreign direct investment.

101. Because of the lack of technical and marketing expertise and to the declining demand for its traditional exports which faced depressed markets and strong competition, the growth of Bangladesh exports, however, remained limited. Export earnings financed only 40 per cent of the total import bills. Bangladesh continued to assist efficient import substitution in certain industries. Moreover, domestic poverty combined with a low level of foreign exchange resources placed severe constraints on potential investment.

102. Export diversification including garments, seafood and leather had complemented the traditional export base of jute and tea. However, potential for garment exports remained restricted by MFA restraints and productivity in seafood was low by international standards and that sector had been severely affected by the 1991 cyclone.

103. The Council encouraged Bangladesh to continue the process of trade policy reform. It welcomed the measures taken to reduce administrative barriers to imports and to reform the tariff structure. It recognized however that inefficiencies in resource allocation were fostered by assistance to uncompetitive firms. The Council further stressed that Bangladesh, as a least-developed country, faced severe domestic and external constraints. Improved access to markets for Bangladesh's exports, including in the context of the Uruguay Round, would support the reforms and facilitate the development of a more efficient productive economy. This should be reinforced by adequate financial and technical assistance.

Committee on Balance-of-Payments Restrictions

104. Bangladesh is currently invoking Article XVIII:B provisions for balance-of-payments purposes. Since 1973 Bangladesh has held ten simplified consultations in the Committee. No full consultations have been held so far.

105. The latest consultation with Bangladesh under the simplified procedures for regular consultations with developing countries (BISD 20S/47) under the 1979 Declaration on Trade Measures Taken for Balance-of-Payments Purposes (BISD 26S/205) was conducted in 1992. The consultation was held in conjunction with the Trade Policy Review of Bangladesh (BOP/R/199).

TABLES

Table 1

Volume growth of merchandise trade for selected regions, 1990-91

(Annual percentage change)

Exports			Imports	
1990	1991		1990	1991
5	3	World	5	3
7½	6½	North America	1½	0
5	2	Latin America	7	10½
4	2	Western Europe	6½	3
4	2½	EC	6½	4½
5	½	EFTA	4	-3
-10	...	Central/E.E./USSR	-5	...
7½	8½	Asia	7	8½
5½	3	Japan	6	3
7½	13	Leading Asian exporters of manufactures[a]	13	17

[a]Chinese Taipei, Hong Kong, Republic of Korea, Malaysia, Singapore, Thailand.

Table 2

Value of world merchandise trade by region, 1990-91

(Billion dollars and percentage)

Exports				Imports		
Value	Annual change			Value	Annual change	
1991	1990	1991		1991	1990	1991
3505	13	1½	World	3610	13	1½
550	7½	5½	North America	635	4½	-1
145	9	-1	Latin America	145	11½	12½
1615	19½	-1	Western Europe[a]	1710	20	½
1370	19½	-1	EC[a]	1455	20	2
215	20½	-3½	EFTA	215	17	-5½
91	-8½	-24½	Central/E.E./USSR[b,c]	92	2	-31
47	-5	-33	USSR[c]	46	5½	-43
100	21	-2	Africa	93	11½	-2
120	19½	-10	Middle East	110	9	10½
885	8½	11½	Asia	825	11	9
315	5	9½	Japan	235	12	½
370	9½	15½	Leading Asian exporters of manufactures[d]	385	16½	16½
72	18	16	China	65	-10	19½

[a]Annual change in 1990 adjusted to include Germany after unification.

[b]Excluding the former German Democratic Republic.

[c]The 1991 dollar values and the 1991 annual changes reflect new valuations for the former USSR and Bulgaria released in 1992.

[d]Chinese Taipei, Hong Kong, Republic of Korea, Malaysia, Singapore and Thailand. Excluding re-exports of Hong Kong and Singapore (which amounted to US$70 and US$20.5 billion in 1991) export growth in 1990 and 1991 was 7.7 and 12.2 per cent respectively.

Table 3

Trends in primary commodity prices, 1980-92

(Average annual percentage change)

				1992	
	1980-89	1989-90	1990-91	Q1	Q2
Agricultural products of which:					
Bananas	4	-1	4	2	2
Beef	-1	0	4	-6	-6
Cocoa beans	-8	2	-6	-10	-16
Coffee	-5	-21	-6	-10	-13
Cotton	-2	9	-7	-12	7
Hides and skins	8	3	-14	-6	12
Jute	2	9	...	...	...
Logs	2	-6	5	2	-2
Maize	-1	-2	5	-3	-3
Oilseeds, oils and fats, oilseed cake and meals	-2	-11	1	1	1
Rice	-3	-10	9	-4	1
Rubber	-4	-11	-4	1	7
Sisal	-2	9	...	...	...
Sugar	-5	4	-11	-3	6
Tea	-1	1	-9	-13	20
Tobacco	2	2	0	0	0
Wheat	0	-20	-5	13	-11
Wool	3	-15	-29	6	4
Mining products of which:					
Aluminum	1	-16	-20	10	4
Copper	3	-7	-12	-5	2
Iron ore	0	12	9	-1	0
Lead	-3	20	-31	-1	4
Nickel	8	-33	-8	5	-4
Petroleum	-8	28	-17	-13	14
Phosphate rock	-1	-1	4	0	0
Tin	-7	-29	-9	1	11
Zinc	9	-8	-26	7	16
Primary commodities	-2	-3	-7	-1	1

Note: Prices of primary commodities are in US dollars.

Table 4

Merchandise traders in Central Europe and CIS, 1980-91

(Million dollars and percentage)

Exports					Imports			
Value	Average annual percentage change				Value	Average annual percentage change		
1991	1980-89	1989-90	1990-91		1991	1980-89	1980-90	1990-91
3430	5	...	-60	Bulgaria	2700	5	...	-74
10890	0	-17	-10	Czech & Slovak Fed. Rep.	9960	-1	-7	-25
10230	1	-1	7	Hungary	11450	0	-3	33
14940	-3	6	4	Poland	15790	-7	-5	61
4120	-1	-44	-30	Romania	5600	-5	8	-39
47340	4	...	-33	USSR	46060	6	...	-43

Note: 1990 data of Bulgaria and the former USSR affected by devaluation.

Table 5

Merchandise traders in the Middle East, 1980-91

(Million dollars and percentage)

Exports					Imports			
Value	Average annual percentage change				Value	Average annual percentage change		
1991	1980-89	1989-90	1990-91		1991	1980-89	1980-90	1990-91
3469	-3	33	-8	Bahrain[b]	4250	-1	18	15
980	5	21	2	Cyprus	2659	7	12	4
18200	0	39	-3	Iran, Islamic Rep.[b]	22500	-1	46	32
1500	-6	-34	-84	Iraq[b]	600	-3	-32	-91
11734	8	9	0	Israel[b]	18230	5	15	10
1130	8	-4	6	Jordan	2508	-1	22	-4
500	-6	-43	-92	Kuwait[b]	3430	0	-51	11
550	-6	3	10	Lebanon[b]	3200	-5	7	34
4500	1	33	-14	Oman[b]	3085	3	19	15
3100	-8	31	-12	Qatar	1460	-1	28	-14
48795	-14	56	10	Saudi Arabia[b]	30000	-4	14	25
3600	4	42	-15	Syrian Arab Rep.[b]	2650	-7	21	5
20900	-3	27	-5	United Arab Emirates[b]	12700	2	12	13
807	-1	12	...	Yemen[a,b]	2020	-7	10	...
119700	-7	19	-10	Middle East	99200	-1	9	10

[a]Data are for 1990.

[b]Estimates.

Table 6

Merchandise traders in Africa, 1980-91

(Million dollars and percentage)

Exports					Imports			
Value	Average annual percentage change				Value	Average annual percentage change		
1991	1980-89	1989-90	1990-91		1991	1980-89	1980-90	1990-91
12500	-3	31	-10	Algeria[b]	7430	-2	4	-22
3850	5	28	...	Angola[a,b]	745	-8	17	...
95	1	36	...	Benin[a,b]	524	2	30	...
1779	16	-6	...	Botswana[a]	1780	9	18	...
135	1	42	...	Burkina Faso[a,b]	355	-1	10	...
90	2	-4	20	Burundi	248	1	24	7
2019	-1	59	...	Cameroon[a,b]	1400	-3	10	...
7	4	0	...	Cape Verde[a,b]	135	6	21	...
136	2	1	...	Central African Rep.	155	7	3	...
140	8	-4	...	Chad[a,b]	475	22	6	...
15	8	-17	...	Comoros[a,b]	44	4	2	...
1200	0	32	...	Congo[a,b]	639	-1	22	...
2950	-1	11	-5	Côte d'Ivoire[b]	1700	-4	-8	-12
25	8	0	...	Djibouti[a]	215	-1	9	...
2585	-2	1	-7	Egypt[a]	9216	5	24	...
45	13	10	...	Equatorial Guinea[a,b]	45	-3	10	...
298	1	-36	...	Ethiopia[a]	1081	3	15	...
2550	-3	54	3	Gabon[a,b]	775	1	1	...
42	-2	48	5	Gambia[a]	199	0	24	...
1170	-2	15	...	Ghana[a,b]	1530	1	20	...
610	6	-7	2	Guinea[b]	662	9	9	0
9	2	-31	...	Guinea-Bissau[a,b]	78	3	11	...
1107	-3	6	7	Kenya	1798	0	-1	-15
60	1	-9	...	Lesotho[a]	640	3	4	...
150	-3	-67	...	Liberia[a,b]	100	-7	-64	...
10000	-11	29	0	Libyan Arab Jamahiriya[b]	6250	-2	9	4
305	-3	-3	-1	Madagascar[a,b]	560	-5	45	...
472	-1	56	13	Malawi	703	2	16	21
338	3	25	...	Mali[a,b]	480	1	-4	...
469	9	7	...	Mauritania[a]	639	-3	188	...
1182	10	21	-1	Mauritius[b]	1570	9	22	-3
4313	3	29	1	Morocco	6873	3	24	1
145	-7	4	...	Mozambique[a,b]	950	1	9	...
967	-4	-5	...	Namibia[a,b]	928	-3	4	...
283	-9	16	...	Niger[a]	360	-5	-3	...
12600	-12	74	-8	Nigeria[b]	7500	-14	36	32
150	2	15	-19	Reunion	2129	7	27	3
93	2	8	-2	Rwanda	288	4	-14	...
5	-13	...	...	Sao Tomé & Principe[c]	18	-1	...	...
894	7	5	...	Senegal[a,b]	1304	1	13	...
48	5	65	-14	Seychelles	172	6	13	-8
143	-5	0	4	Sierra Leone	163	-9	-19	9
86	-5	1	...	Somalia[a,b]	120	-10	-10	...
24164	-2	6	2	South Africa	18797	-1	-2	8
550	2	-18	...	Sudan[a,b]	1250	-2	-6	...
545	2	23	...	Swaziland[a,b]	730	1	26	...
331	-5	4	...	U.R. of Tanzania[a,b]	900	-5	10	...
255	-4	4	...	Togo[a,b]	500	-2	6	...
3714	3	20	5	Tunisia[b]	5190	2	27	-6
199	-3	-46	35	Uganda	178	3	-46	-16
999	-3	-20	-17	Zaïre[a]	886	0	4	...
1240	0	-3	-4	Zambia[b]	1440	-4	34	16
1810	1	9	5	Zimbabwe[b]	2450	-1	59	15
99500	-4	21	-2	Africa	92900	-1	12	-1

[a]Data are for 1990.

[b]Estimates.

[c]Data are for 1989.

Table 7

Merchandise traders in Latin America, 1980-91

(Million dollars and percentage)

Exports					Imports			
Value	Average annual percentage change				Value	Average annual percentage change		
1991	1980-89	1989-90	1990-91		1991	1980-89	1980-90	1990-91
22	-2	-15	...	Antigua and Barbuda[a,b]	170	11	-33	...
2700	-6	-3	...	Bahamas[a,b]	3750	-10	25	...
205	-2	12	-2	Barbados	694	3	4	-1
95	-2	12	-10	Belize	251	4	-2	19
849	-2	13	-8	Bolivia	942	-1	15	32
31650	6	-9	1	Brazil	22959	-2	13	2
3	13	0	...	British Virgin Islands[a]	115	9	35	...
13	17	8	...	Cayman Islands[a]	283	11	11	...
8929	6	3	7	Chile	7354	3	8	5
7232	4	18	7	Colombia	4906	1	12	-12
1590	4	3	9	Costa Rica	1853	1	18	-9
5700	0	6	...	Cuba[a,b]	6650	1	-9	...
55	18	22	...	Dominica[a]	118	9	10	...
651	0	-21	-11	Dominican Republic	1979	4	-10	-4
2852	-1	15	5	Ecuador	2397	-2	0	29
588	-7	17	1	El Salvador	1406	2	9	11
70	10	58	-22	French Guiana	773	9	30	4
27	6	-4	...	Grenada[a,b]	104	8	5	...
147	0	10	20	Guadeloupe	1649	7	35	-2
1210	-3	5	4	Guatemala	1851	0	0	12
251	-6	11	...	Guyana[a]	511	2	20	...
103	-3	10	-35	Haiti	374	-3	2	26
808	0	-5	0	Honduras	880	-2	1	0
1250	0	18	10	Jamaica[b]	1750	6	3	-5
216	5	38	-22	Martinique	1700	5	32	-2
43142	8	15	5	Mexico[b]	48286	5	19	20
2	8	0	...	Montserrat[a]	43	12	26	...
1789	-13	23	...	Netherlands Antilles[a]	2146	-13	32	...
330	-5	11	3	Nicaragua[b]	650	-2	-11	3
342	-1	7	1	Panama	1695	-4	56	10
737	14	-5	-23	Paraguay	1212	2	77	-8
3329	-1	-7	3	Peru	4193	1	26	21
19	2	-34	...	St. Kitts & Nevis[a]	102	10	0	...
99	8	8	...	St. Lucia[a,b]	271	9	-1	...
93	19	19	...	St. Vincent/Grenadines	144	9	13	...
472	1	-13	...	Suriname[a]	472	-1	7	...
1985	-10	32	-5	Trinidad and Tobago	1667	-10	3	32
1594	5	6	-6	Uruguay	1623	-4	12	23
15310	-4	31	-12	Venezuela	11074	-5	-9	57
146500	2	9	-1	Latin America	145000	-1	12	12

[a]Data are for 1990.

[b]Estimates.

Table 8

Merchandise traders in Asia, 1980-91

(Million dollars and percentage)

Exports Value	Exports Average annual percentage change				Imports Value	Imports Average annual percentage change		
1991	1980-89	1989-90	1990-91		1991	1980-89	1980-90	1990-91
235	-11	0	...	Afghanistan[a]	936	0	14	...
1689	6	28	1	Bangladesh	3401	4	-1	-5
90	20	3	...	Bhutan[a,b]	120	11	-8	...
2200	-9	16	...	Brunei Darussalem[a,b]	920	5	4	...
40	31	-9	...	Cambodia[a]	140	-3	4	...
71910	13	18	16	China[b]	63790	13	-10	20
76140	14	1	14	Chinese Taipei	63078	11	4	15
5	-3	67	...	Cook Islands[a]	50	7	14	...
390	1	26	-27	Fiji	643	0	28	-13
111	13	25	...	French Polynesia[a,b]	929	4	17	...
42	2	0	...	Guam[a]	570	4	0	...
98577	16	12	20	Hong Kong	100255	14	14	22
17588	7	13	-2	India	20418	4	15	-14
29294	0	16	14	Indonesia[b]	24475	5	33	12
3	-17	-40	...	Kiribati[a]	27	3	17	...
2000	8	11	...	Korea Dem. People's Rep.	3600	12	13	...
71870	15	4	11	Korea, Rep.	81525	12	14	17
90	11	13	...	Lao People's Dem. Rep.	250	26	9	...
1655	13	3	-2	Macau	1841	12	3	20
34413	8	17	17	Malaysia	36752	8	30	26
54	21	16	4	Maldives	151	15	23	17
1000	10	5	...	Mongolia[a]	1400	10	4	...
325	-8	51	...	Myanmar, Union of[a]	270	-6	34	...
78	-4	4	...	Nauru[a]	16	3	7	...
264	8	33	26	Nepal	758	6	18	10
449	5	-33	...	New Caledonia[a]	883	6	15	...
1	...	0	...	Niue[a]	2	-4	0	...
18	3	0	...	Pacific Islands[a]	50	2	4	...
6528	7	19	17	Pakistan	8439	3	3	14
1338	3	-19	17	Papua New Guinea	1613	3	-22	35
8767	3	4	9	Philippines	12786	3	17	-2
8	-4	-25	-11	Samoa	99	1	10	34
59025	10	18	12	Singapore	66293	8	23	9
70	0	-7	...	Solomon Islands[a]	92	3	-19	...
2039	4	28	3	Sri Lanka	3054	1	23	14
28264	13	15	23	Thailand[b]	38205	12	30	14
11	3	22	...	Tonga[a]	62	4	15	...
19	-5	-14	...	Vanuatu[a]	92	-1	35	...
2189	15	12	...	Vietnam[a,b]	2020	4	10	...
884350	9	9	12	Asia	825750	8	11	9

[a]Data are for 1990.

[b]Estimates.

ANNEX I

UNILATERAL TRADE LIBERALIZATION MEASURES ADOPTED BY DEVELOPING COUNTRIES

According to information available in the Secretariat[18], unilateral trade liberalization measures undertaken by developing countries since the launching of the Uruguay Round in 1986 are as follows:

Algeria: Abolished import licensing procedures in 1991.

Argentina: In October 1988, the average tariff was reduced, and obligatory import permits were abolished for 2,000 items. In February 1990, 734 items previously subject to prior examination requirements were made subject to automatic import licensing. In January 1991, the Council was informed that the provisions of Article XVIII:B ceased to be invoked with respect to the application of import restrictions for balance-of-payments purposes, with the exception of twenty-two items in the automotive sector. In March 1991, export taxes on agricultural products (with the exception of oilseeds) were eliminated. In the course of 1991, the average tariff was reduced from 16 to 12.2 per cent and a three-tiered tariff structure introduced: a 22 per cent tariff is assessed on manufactures and capital goods competing with domestically produced goods; a 13 per cent tariff on intermediate products; and a 5 per cent tariff for goods with no local equivalent. As of the end of 1991, reference prices had been eliminated in the electronics sector. On 30 October 1991, the "statistical" tax on exports was eliminated.

Bangladesh: As part of an ongoing program of reform introduced in 1985, the number of items subject to import prohibition was reduced. Import quotas covered 30 per cent of all imports in 1987 and this proportion was lowered by 25 per cent in 1989-90; products involved include steel, engineering products, construction materials, capital equipment, furniture, textiles, leather and jute. The maximum tariff on steel, textiles, engineering products, chemicals and electronics was reduced from 200 to 125 per cent, and the tariff régime was simplified. The import sales tax was also simplified and set at a maximum of 20 per cent (it has been eliminated for certain products).

Benin: On 21 July 1988, import prohibitions or quotas were lifted for most products. On 15 June 1990, import licences for products from the EEC, the ACP States and the Franc area countries were no longer required.

[18] Overview of Developments in International Trade and the Trading System - 1992 Report by the Director-General (C/RM/OV/3/Rev.1), list of liberalization measures and notifications made by individual countries (MTN.GNG/MA/W/10/Rev.1 to MTN.GNG/MA/W/20).

Bolivia: As part of an ongoing program of reform begun in 1985, the tariff on capital goods was reduced to 10 per cent in April 1988 and to 5 per cent in January 1990, while duties on other goods were reduced to 10 per cent in April 1990. All quantitative restrictions have been eliminated, except those maintained for public health and safety reasons. Acceded to GATT on 8 September 1990, and bound its entire tariff schedule at a ceiling rate of 40 per cent.

Brazil: In the context of a program of trade liberalization begun in 1987, the average tariff was reduced from 51 to 35.5 per cent in 1989 and, in 1990, a program of scheduled reductions in tariffs was introduced with the goal of a level of 14 per cent in 1994, compared to 25 per cent in 1991. The ports improvement tax was eliminated in 1987. In 1988, quantitative restrictions on exports and imports of soya beans and derivatives, cotton, rice and corn were eliminated. Between 1987 and 1988, the items for which import permits were temporarily suspended was reduced from 4,441 to 1,165 items, and brought to zero on 15 March 1990. On the same date, company and sector-specific import programs were terminated, and prior import authorization was limited to products subject to phytosanitary, environment or security considerations. On 28 February 1991, the requirement of minimum amortization periods for import financing was eliminated. In July 1991, the Council was informed that Article XVIII:B ceased to be invoked for import restrictions taken for balance-of-payments purposes (restrictions on imports of computer equipment are scheduled to be eliminated by October 1992).

Cameroon: Under an on-going programme of reform, tariffs were reduced and certain non-tariff barriers removed during 1990.

Central African Republic: In the context of a program of economic reform begun in 1986, import licensing procedures and quantitative restrictions were eliminated, and export authorization requirements replaced by a system of declarations.

Chile: On 5 January 1988, the average tariff was reduced from 20 to 15 per cent. On 10 October 1989 a law of the Central Bank established the freedom to export and import any product, and stipulated that "no prior deposits shall be required for carrying out export and import operations, nor shall any quotas be fixed for them". In June 1991 customs tariffs for all goods were reduced from 15 to 11 per cent.

China: Since 1986, tariffs have been reduced on 83 items. On 1 January 1992 China reduced import duties on 225 tariff lines.

Colombia: As part of a program of tariff reform begun in mid-1987, the number of tariff categories was reduced from 21 in 1987 to 5 as of 31 January 1992, and the average tariff was reduced from 31 per cent in 1987 to 11 per cent in March 1992. The import surtax (additional to customs duties), established at 18 per cent of the c.i.f. value of imports under Law 75 of 1986, was gradually reduced and, as of 11 February 1992, eliminated. As of March 1992, the customs tariff was composed of five levels in the Harmonized System of zero, five, ten, fifteen, and twenty per cent. Between March 1990 and the end of 1991, the number of items subject to import licensing was reduced to zero, and in February 1992, contracting parties were informed that Article XVIII:B ceased to be invoked with respect to the application of import restrictions for balance-of-payments purposes.

Costa Rica: Acceded to GATT on 24 November 1990, and bound its entire tariff schedule at a ceiling rate of 60 per cent, to be reduced to 55 per cent within three years. Import surcharges, surtaxes and quantitative restrictions will be eliminated within four years.

Cyprus: Cyprus has undertaken liberalization measures in the form of tariff reductions.

Egypt: In August 1986, the average tariff was reduced by almost 50 per cent, followed by a further 30 per cent reduction in June 1989. In May 1990, 21 items were removed from the list of products subject to conditional import prohibition. The government has announced that it will eliminate the monopoly on cotton exports by 1994.

El Salvador: Acceded to GATT on 22 May 1991 and bound most of its tariff schedule at a ceiling of 50 per cent, to be reduced to 40 per cent by the end of 1993. Import prohibitions, restrictive import licensing requirements and other quantitative restrictions are scheduled to be removed by 1993. Remaining trade measures will be brought into conformity with the GATT. The Agreements on Customs Valuation, Import Licensing Procedures, and Anti-Dumping Practices will be adhered to.

Ghana: In 1988, tariffs on capital goods were reduced from 25 to 15 per cent, and tariffs on consumer goods were reduced from 35 to 20 per cent; tariffs on most other products were reduced by 5 percentage points. The average tariff in 1991 (including import taxes) was 17 per cent. Import licensing and all remaining import restrictions for balance-of-payments purposes were eliminated in 1989, at which time Article XVIII:B was disinvoked.

Guatemala: Acceded to GATT on 10 October 1991, and bound most of its tariff schedule at ceiling rates of 45 and 50 per cent. Import prohibitions, restrictive import licensing requirements and other quantitative restrictions will be eliminated by 1994. Remaining trade measures will be brought into conformity with the GATT. The Agreements on Customs Valuation, Import Licensing Procedures, and Anti-Dumping Practices will be adhered to.

Guyana: During 1988, import prohibitions were removed on all items except food products. Licensing of imports not requiring official foreign exchange was liberalized.

Honduras: In the context of an ongoing program of reform begun in 1990, the maximum tariff was set at 40 per cent in 1990, was reduced to 35 per cent during 1991. During 1992, the maximum tariff ceiling applied to imports has been reduced to 20 per cent while the floor rate has been fixed at 5 per cent. Certain additional import charges were eliminated in 1990. Import and export formalities for goods have been simplified. The import permit régime will be converted to an import register. A working party has been established to examine accession to GATT.

India: In March 1988, 793 products were added to the list of products where imports do not need to be cleared by the relevant sponsoring authorities; these included capital goods items, items of medical equipment, and pharmaceutical products. Until the end of 1992 India will follow an "open skies" policy, allowing foreign airlines to run special cargo charters without requiring reciprocity. In July 1991, as part of a wide-ranging reform program, an "Exim Scrips" instrument, issued against exports at the rate of 30 per cent of their f.o.b. value, replaced the earlier Import Replenishment Licensing Scheme. The licensing restrictions under the new system have been liberalized for several product categories and 7,500 export and import licenses have been abolished. Import licensing for capital goods and raw materials is to be removed in three years' time.

Indonesia: Successive trade reforms were introduced in each year of the 1980s since 1985, leading to lower tariffs, greater tariffication and the relaxation of many licensing restrictions. Tariff reductions implemented in May 1990 resulted in a decline in the average tariff to 22 per cent, down from 37 per cent in 1984. In June 1991, tariff rates and surcharges were reduced on 860 items (beverages, glass sheets, paper products, tires, appliances, paints and iron and steel products). Non-tariff import restrictions were lifted on 311 items. Export subsidies have been reduced and the duty exemption and drawback scheme brought into conformity with the GATT.

Israel: On 1 January 1989, the average tariff was reduced. On 1 September 1991, non-tariff import barriers on most non-agricultural items were eliminated and replaced by tariffs of between 20 and 75 per cent. By 1996, tariff rates will be reduced to 12 per cent for textiles and certain other items, and eliminated for other items.

Jamaica: A 5-year program of tariff reform was begun in 1987. Import licensing regulations are also being gradually phased out.

Korea: The second phase of a ten-year program of tariff reductions was announced in 1988 with the goal of lowering the average tariff from 18.1 per cent to 7.9 per cent by 1993. As of 31 December 1988, the import surveillance system, which had been in place since 1977, was eliminated. Between July 1986 and January 1990, quantitative restrictions affecting imports of 1004 products were eliminated, with an additional 102 items liberalized as of January 1991. In 1989, it was agreed that all remaining import restrictions for balance-of-payments purposes for which the provision of Article XVIII:B had been invoked would be eliminated or brought into conformity with GATT by 1 July 1997. In addition to the restrictions phased out in 1989-91, a three-year import liberalization programme for 1992-94 notified to Council on 30 March 1991 phases out restrictions for 133 mostly agricultural products; restrictions on the remaining 150 items will be either liberalized or brought into conformity with GATT provisions by 1997.

Macau: Became a member of GATT on 11 January 1991, and intends to submit a schedule of tariff bindings by July 1992.

Madagascar: Since 1988, trade liberalizing actions have included the elimination of certain quantitative restrictions and the establishment of simplified tariff structure.

Malawi: In September 1988, the government announced the liberalization of 30 per cent of its imports. With the exception of several strategic items, all imports were liberalized at the end of 1991.

Malaysia: Since September 1986, tariffs were reduced on 445 items.

Mexico: As part of the complete restructuring of its economy introduced in 1982, which was deepened in 1985, the maximum tariff was lowered to 45 per cent in 1986 (the ceiling on rates in the 1986 Protocol of Accession is 50 per cent). In 1988, the tariff range was further compacted to 0-20 per cent, official import reference prices were completely eliminated, and import licensing requirements were largely eliminated. Import licensing restrictions for computers and pharmaceuticals were eliminated in 1990. For passenger cars, local content requirements were reduced in 1989, and imports were liberalized in 1990 (imports are now subject to a 15 per cent maximum market share for 1991-92).

Morocco: Acceded to GATT on 17 June 1987, and bound 156 tariff headings. Between 1987 and 1989, 852 items were transferred to a list where import licensing is automatic, with a further 416 items transferred in May 1991. As of October 1991, import authorization on imports of 425 product categories was lifted.

Nigeria: In the context of a program of reform initiated in 1986, import and export licensing were eliminated for most products, the number of products on the "prohibited list" was reduced, the import surcharge of 30 per cent was abolished, the 25 per cent advance payment of import duty requirements was removed, commodity marketing boards for the marketing and exportation of agricultural products were eliminated, and export licensing terminated. The average trade-weighted tariff rate has fallen from 35 to 25 per cent. In January 1987 duties were reduced on 18 final goods and inputs. The number of products subject to export prohibition was reduced in 1989 and state trading was also eliminated.

Nicaragua: In September 1990 the maximum tariff was reduced to 20 per cent. Tariffs in the range of 0-5 per cent were eliminated, those in the range of 10-40 per cent were reduced to 5 per cent, and tariffs in the range of 40-60 per cent were reduced to 10 per cent.

Pakistan: In the context of an ongoing program of reform begun in July 1988, a program to replace non-tariff barriers with tariffs was implemented. As of March 1991, the maximum tariff had been reduced from 225 per cent to 125 per cent and tariff rates on a large number of items lowered, in particular on some industrial raw materials and some types of machinery and chemicals. Import licensing was eliminated for certain products as of March 1991.

Peru: On 24 November 1988, tariffs were reduced on a number of products and a ceiling of 84 per cent introduced. In October 1990 the tariff structure was simplified and the maximum tariff reduced further, rates now being 15, 25, or 50 per cent, with most products facing the 25 per cent rate. An import surcharge affecting a large number of tariff items was eliminated. In March 1991, the range of tariffs was compacted to a minimum of 15 per cent (covering approximately 80 per cent of the customs tariff) and a maximum of 25 per cent (covering the remainder of imports). On most products, non-tariff restrictions including licenses, prior authorizations, import registration, permits, and prior approval conditions were eliminated. In January 1991 the Council was informed that the provisions of Article XVIII:B ceased to be invoked with respect to the application of import restrictions for balance-of-payments purposes.

Philippines: The proportion of imports subject to quantitative restrictions was reduced in 1988 and 1989. As of the end of June 1990, import licensing on 2,482 items had been lifted; of the 439 items still subject to restrictions 323 are scheduled to be liberalized by the end of 1994. In 1991, a four-tiered tariff structure (rates of 3, 10, 20 and 30 per cent) was put in place for five years. The 9 per cent import levy was reduced in August 1991 and will be eliminated by the end of 1991.

Romania: In the context of a program of reform initiated in August 1990, central planning and the state's monopoly on foreign trade were eliminated. The customs tariff became the main instrument of trade policy. In 1990, the customs duty code was completed revised, the provisions for differential tariffs depending on the end-user were discarded, and the highest tariffs were reduced. On 1 January 1992, a new customs tariff, based on the Harmonized System, was introduced. Imports are reported to be free of quantitative restrictions and surcharges and import and export licensing automatic.

Senegal: Imports of certain food and chemical products were liberalized in 1987.

Singapore: Since 1986, tariff on 27 items were removed (including sugar products and refrigerators).

Sri Lanka: In November 1990, the maximum tariff was reduced to 50 per cent on 2,128 items covering all sectors, with the exception of tobacco, liquor and automobiles. Effective from 12 November 1991, tariffs were eliminated on 2,713 items and were reduced on 2,937 items. The tariff structure was simplified to a four-tier structure: a 10 per cent tariff applies to raw materials, machinery, equipment and capital goods; a 20 per cent tariff to components, semi-processed and intermediate goods; a 35 per cent tariff to certain finished goods; and a 50 per cent tariff to other finished goods.

Thailand: Tariffs on a large number of items were reduced in 1988 and 1989, resulting in a decline from 12.6 per cent in 1987 to 11.1 per cent in the average applied tariff (total duty collected divided by total value of imports). The statutory tariff for a large number of items of machinery was reduced to 5 per cent in September 1990 (previously, statutory tariffs were for the most part 30 or 35 per cent). In July 1991, tariffs on imports of computers and computer components were reduced. Most types of passenger motor cars were removed from the list of products requiring non-automatic import licensing. Export taxes were removed for most products. In May 1991, import licensing for 10 product categories (including food, chemicals, paper and paperboard, bar and rods and strategic products) which had been non-automatic became automatic.

Togo: As part of a reform program initiated in 1988, import and export licensing were largely abolished and a new tariff system was put in place.

Trinidad and Tobago: In 1990 a program of reform was introduced, which includes the removal of the negative list of imports and the import licensing system, and implementation of tariff reforms over the medium-term.

Tunisia: In 1987, a number of decrees were amended under the "Plan de Redressment" liberalizing imports of 357 products for industry, agriculture, hotel and catering and hospitals. In 1988, tariffs were reduced and harmonized, with the maximum tariff falling from 236 to 41 per cent, and the minimum tariff rising from 5 to 15 per cent. Acceded to GATT on 19 August 1990, and has bound a portion of its tariff headings at levels between 17 and 52 per cent, and abolished import licenses or quantitative restrictions on many products.

Turkey: In the context of an ongoing program of reform in place since 1980, customs duties for 11,000 articles were reduced in 1989, in addition to already significant tariff cuts undertaken previously (a ceiling of 50 per cent was set on all customs duties as of 1 January 1988). Since 1986, the number of articles on a list for which import authorization is required dropped from 245 to 33 in 1988 and 17 in 1989. As of January 1990, the importing licensing system and the import deposit system were abolished.

Uruguay: As from 1 April 1992, global import tariffs applicable are 10 per cent, those of 25 per cent were lowered to 17 per cent, and those of 35 per cent were lowered to 24 per cent. These tariffs apply to all the items in the Customs Tariff. Consular fees and cargo handling charges were abolished in October 1991.

Venezuela: As part of the program of economic reform begun in 1989, the maximum tariff was reduced to 80 per cent, the tariff schedule simplified, and the gradual elimination of quantitative restrictions was begun. In the second phase of trade reform effective 1 May 1990, the maximum tariff was reduced to 50 per cent, and several quantitative restrictions eliminated. Acceded to GATT on 31 August 1990, and bound tariffs on all items at a ceiling rate of 50 per cent, to be reduced to 40 per cent after two years. The trade-weighted average tariff has been reduced from 35 per cent in 1988, to 13.5 percent in 1990 and 10 per cent in 1991. Import prohibitions and almost all restrictive prior licensing requirements were eliminated as of 1 October 1991. The number of items subject to quantitative restrictions was reduced from 2,204 in 1988 to 200 in 1991 (other quantitative restrictions will be eliminated by 1995). In 1991 the customs service fee was reduced from 5 to 1 per cent and the export subsidy programme was abolished for all industrial exports. On 1 October 1991, tariffs on new cars were lowered from 40 to 25 per cent for cars priced under US$15,000 and from 80 to 40 per cent for cars priced over US$15,000, and the tariff on trucks was lowered to 10 per cent.

Yugoslavia: In September 1989, the LBO régime (which limited imports by an enterprise to its foreign exchange entitlement) was abolished and a majority of products became free. In December 1989, a liberalization of the import licensing régime was introduced with the result that at the end of 1990, 87.5 per cent of the value of imports were "liberalized products" compared to 10 per cent in 1987. As of October 1991, additional items previously subject to quantitative restrictions had been shifted to the category of free imports.

Zimbabwe: On 1 October 1990, a trade liberalization program was initiated with the purpose of shifting the conduct of international trade from the basis of an allocation of foreign exchange to tariffs by 1995. In 1990, 58 product categories were placed on an Open General Licence System.

ANNEX II

DEVELOPING COUNTRIES' PARTICIPATION IN TOKYO ROUND CODES

(1986 - 1991)

1. **Technical Barriers to Trade**

1986	1991 (New participants: status as at 28 November 1991)
Argentina (S); Brazil (A); Chile (A); Egypt (A); Hong Kong (A); India (A); Korea (A); Pakistan (A); Philippines (A); Romania (A); Rwanda (S); Singapore; Yugoslavia (A); Tunisia (A).	A: Israel; Mexico S: None O: Bangladesh; Colombia; Côte d'Ivoire; Cuba; Dominican Republic; Gabon; Ghana; Indonesia; Madagascar; Malaysia; Malta; Nicaragua; Nigeria; Peru; Senegal; Sri Lanka; Tanzania; Thailand; Trinidad and Tobago; Turkey; Zaïre; Zimbabwe; China[1]; Ecuador[1].

A: Accepted; S: Signed; O: Observer.

[1]Non-contracting parties.

2. Government Procurement

1986	1991 (New participants: status as at 28 November 1991)
Hong Kong (A); Israel (A); Singapore (A)	A: None S: None O: Argentina; Bangladesh; Brazil; Cameroon; Chile; Côte d'Ivoire; Cuba; Dominican Republic; Egypt; Gabon; India; Indonesia; Jamaica; Kenya; Korea; Malaysia; Malta; Nicaragua; Nigeria; Peru; Philippines; Romania; Thailand; Trinidad and Tobago; Turkey; Zaïre; Zimbabwe; China[1]; Ecuador[1]

3. Subsidies and Countervailing Duties

1986	1991 (New participants: status as at 28 November 1991)
Brazil (A); Chile (A); Egypt (A); Hong Kong (A); India (A); Indonesia (A*); Israel (A*); Korea (A); Pakistan (A); Philippines (A*); Turkey (A); Uruguay (A); Yugoslavia (S)	A*: Colombia S: Argentina O: Bangladesh; Côte d'Ivoire, Cuba, Gabon, Ghana, Jamaica;

A: Accepted; S: Signed; O: Observer; *Reservation, condition and/or declaration.

[1]Non-contracting parties.

3. Subsidies and Countervailing Duties[1] (cont'd)

1986	1991 (New participants: status as at 28 November 1991)
	Malaysia; Malta; Mexico; Nicaragua; Nigeria; Peru; Romania; Senegal; Singapore; Sri Lanka; Tanzania; Thailand; Trinidad and Tobago; Tunisia; Venezuela; Zaïre; Ecuador[1]

4. Bovine Meat

1986	1991 (New participants: status as at 28 November 1991)
Argentina (A); Belize (A); Brazil (A); Colombia (A); Egypt (A); Nigeria (A); Romania (A); Uruguay (A); Yugoslavia (A); Guatemala (A*); Tunisia (A)	A: None S: None O: Bangladesh; Chile; Côte d'Ivoire, Cuba; Gabon; India; Kenya; Madagascar; Malta; Mexico; Nicaragua; Thailand; Trinidad and Tobago; Turkey; Zaïre; Panama[1] P: Paraguay[1]; Belize

A: Accepted; S: Signed; O: Observer; *Reservation, condition and/or declaration; P: Provisional.

[1]Non-contracting parties.

5. <u>Dairy</u>

1986	1991 (New participants: status as at 28 November 1991)
Argentina (A); Egypt (S); Romania (A); Uruguay (A)	A: Egypt S: None O: Bangladesh; Brazil; Chile; Côte d'Ivoire; Cuba; Gabon; Haiti; India; Israel; Jamaica; Malta; Mexico; Nicaragua; Nigeria; Trinidad and Tobago; Tunisia; Turkey; Yugoslavia; Panama[1]

6. <u>Customs Valuation Agreement</u>

1986	1991 (New participants: status as at 28 November 1991)
Argentina (S*); Brazil (A*); Hong Kong (A); India (A*); Malawi (A*); Romania (A); Yugoslavia (A)	A: Korea; Lesotho; Mexico*; Turkey*; Zimbabwe* S: None O: Cameroon; Chile; Colombia; Côte d'Ivoire; Cuba; Egypt; Indonesia; Israel; Malaysia; Nicaragua; Nigeria; Pakistan; Peru; Philippines; Singapore; Sri Lanka; Thailand; Trinidad and Tobago; Zaïre; China[1]; Ecuador[1]

A: Accepted; S: Signed; O: Observer; *Reservation, condition and/or declaration.

[1]Non-contracting parties.

7. Import Licensing

1986	1991 (New participants: status as at 28 November 1991)
Argentina (S); Chile (A); Egypt (A); Hong Kong (A); India (A); Nigeria(A); Pakistan (A); Philippines (A); Romania (A); Singapore (A); Yugoslavia (A)	A: Mexico S: None O: Bangladesh; Bolivia; Brazil; Colombia; Côte d'Ivoire; Cuba; Dominican Republic; Gabon; Ghana; Indonesia; Israel; Jamaica; Korea; Malaysia; Malta; Nicaragua; Peru; Senegal; Sri Lanka; Tanzania; Thailand; Trinidad and Tobago; Tunisia; Turkey; Venezuela; Zaïre; China[1]; Ecuador[1]

8. Civil Aircraft

1986	1991 (New participants: status as at 28 November 1991)
Egypt (S); Romania (A)	A: Egypt S: None O: Argentina, Bangladesh; Brazil; Cameroon; Gabon; Ghana; India; Indonesia; Israel; Malta; Nigeria; Singapore; Trinidad and Tobago; Tunisia; Turkey; Yugoslavia

A: Accepted; S: Signed; O: Observer; *Reservation, condition and/or declaration.

[1]Non-contracting parties.

9. **Anti-Dumping**

1986	1991 (New participants: status as at 28 November 1991)
Brazil (A); Egypt (A); Hong Kong (A); India (A); Korea (A); Pakistan (A); Romania (A); Singapore (A*); Yugoslavia (A)	A: Mexico S: Argentina O: Bangladesh; Chile; Colombia; Côte d'Ivoire; Cuba; Ghana; Indonesia; Israel; Malaysia; Malta; Nicaragua; Nigeria; Peru; Philippines; Senegal; Sri Lanka; Tanzania; Thailand; Trinidad and Tobago; Tunisia; Turkey; Uruguay; Zaïre; China[1]; Ecuador[1]

A: Accepted; S: Signed; O: Observer; *Reservation, condition and/or declaration.

[1]Non-contracting parties.

ANNEX III

Preferential Arrangements Among Developing Countries Currently Justified Under the Enabling Clause

Arrangement	Date	Nature / Objective	GATT Action
Unified Economic Agreement among the Gulf Cooperation Council's member States	1982	Immediate elimination of tariffs among member States and gradual establishment of an external customs tariff within five years.	First notification to GATT in 1984 (L/5676) noted by the CTD (L/5735). No further notification since 1984.
Cartagena Agreement (Andean Group)	1988	Sub-regional trade liberalization and adoption of a common external tariff. Successor of the 1969 Cartegena Agreement concluded in the context of regional integration provided for by the 1960 Treaty of Montevideo. In 1988 the Cartegena Agreement became independent as regards aspects relating to the 1960 Treaty of Montevideo which had expired.	Notified to GATT in 1990 (L/6737) and noted by CTD (L/6744). Further notification in 1991 (L/6841) reviewed by CTD (COM.TD/131). Latest notification in 1992 (L/7088 and L/7089) to be reviewed by CTD.
Latin American Integration Agreement (LAIA)	1981	Gradual establishment of a common market in accordance with the 1980 Montevideo Treaty (successor of the 1960 Montevideo Treaty for the establishment of LAFTA).	First notification to GATT in 1982 (L/5342) reviewed by the CTD in 1982 (COM.TD/112). Subsequent reports: 1984 (L/5869) reviewed by the CTD (Part IV consultation with LAIA countries - COM.TD/118); 1985 (COM.TD/W/423) reviewed by the CTD (COM.TD/120); 1987 (L/6158 and Add.1) supplemented in 1988 (L/6158/Add.1 and COM.TD/W/469) reviewed by the CTD in 1987, 1988 and 1989 (COM.TD/126, L/6241, L/6418, COM.TD/129); 1989 (L(6531) reviewed by the CTD (L/6605); 1991 (L/6946).

Arrangement	Date	Nature / Objective	GATT Action
LAIA Economic Complementary Agreements			
1) Bilateral Agreements			L/5689, L/6158 and Add.1, COM.TD/W/469, L/6531, L/6946.
2) Southern Common Market - MERCOSUR			Notified in 1992 (L/6985 and Add.1).
Association of South-East Asia Nations (ASEAN)	1977	Preferential trading arrangements.	- Authorized initially through a waiver from Art. I (26S/244). Subsequently justified under the Enabling Clause. Reports in 1983 (L/5455) reviewed by CTD (COM.TD/114), 1989 (L/6569) reviewed by CTD (L/6605).
	1922	Formation of FTA in 15 years	- Notification pending.
Asian Trade Expansion Programme (Bangkok Agreement)	1975	Preferential trading arrangements.	Authorized initially through a waiver from Art.I (25S/6). Subsequently justified under the Enabling Clause. Reports in 1982 (L/5243) reviewed by CTD (COM.TD/112), 1990 (L/6718) reviewed by CTD (L/6744).
Tripartite Agreement (Egypt/India/Yugoslavia)	1967	Preferential trading arrangement on a limited number of products.	Authorized initially through a waiver from Art.I (16S/17). Subsequently justified under the Enabling Clause. Annual review required in case of extension.
Trade agreement between Thailand and the Lao People's Democratic Republic	1991	Unilateral preferences granted to Lao by Thailand.	First notification in 1991 (L/6947).

Arrangement	Date	Nature / Objective	GATT Action
Protocol relating to Trade Negotiations among Developing Countries ("Protocol of 16")	1971	Preferential concessions among participants.	Authorized initially through a waiver from Art.I (18S/26). Subsequently justified under the Enabling Clause. Activities in the framework of the Protocol are annually reviewed by CTD. In a communication received on 29 September India notified its withdrawal from the Protocol, effective from 29 March 1993.
Global System of Trade Preferences (GSTP)	1989	Preferential concessions among members of the Group of 77.	First notification in 1989 (L/6564 and Add.1). Reviewed by CTD in 1989 (L/6605) and 1990 (COM.TD/130).
Additional Protocol on Preferential Tariffs (Organization for Economic Co-operation)	1992	Preferential concessions among Iran, Pakistan and Turkey	Notified in 1992 (L/7047). To be reviewed by the CTD.