

GENERAL AGREEMENT ON
TARIFFS AND TRADEMultilateral Trade Negotiations
Group "Tariffs"

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SPECIAL PROCEDURES FOR DEVELOPING COUNTRIESStatement made by the United States Delegation at
the October Meeting of the Group

In May and again in July, this Group discussed the question of special procedures for developing countries. In our deliberations thus far, there has been a certain, perhaps to be expected, confusion between special procedures and differentiated results. Although there is an obvious relation between procedures and results, keeping a distinction in mind may aid us in developing special procedures.

At one of our earlier meetings, one delegation defined special procedures as implying "procedures of an additional or exceptional character to the general procedures established for negotiations between the developed trading partners". As our discussions have progressed, it has become clear to my delegation that some type of additional procedures should be established to take into account the special interests of developing countries. The general procedures that developed countries will follow are the application of a tariff-cutting hypothesis agreed upon by this Group. While the United States expects all developed countries to apply the general tariff-cutting hypothesis, we would anticipate that developing countries, particularly those that are advanced economically, will find it in their interest and in keeping with the spirit of these negotiations (paragraph 5 of the Tokyo Declaration) to make selective tariff reductions.

If developing countries are not to follow this general procedure, then what procedure can be designed to best meet their needs? And at what time should the Group establish this procedure, after agreement on a general procedure or at some earlier date?

Since the Group's last meeting in July, my delegation has given some thought to these questions and has consulted with several other delegations, from both developed and developing countries. While we have not developed a formal proposal, we do believe that any special procedure in the Tariffs Group should move in parallel with the more general procedures followed by developed countries. We have also considered in our bilateral discussions the outlines of an additional procedure that is worth exploring further.

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Under this procedure, developing countries would notify to developed countries on a bilateral basis those products of priority export interest on which they seek tariff reductions (including items affected by tariff escalation). These lists could be clarified in bilateral consultations between delegations and would be considered as a primary step toward more clearly defining individual developing countries' priority trade interests in the tariff area. Such a procedure would move our deliberations from the philosophic discussion of general principles and criteria to an examination of the specific concerns of developing countries, and could allow a meaningful dialogue to commence. The results of these bilateral discussions, that is, the clarified trade interest lists would then be available for use by delegations in assessing the feasibility of specific actions by developed countries, such as deeper than formula cuts, aimed at giving differentiated treatment where feasible and appropriate to items of priority export interest to developing countries. It would also seem appropriate, in keeping with the principle that developing countries gradually accept the same obligations of reciprocity as they progress toward higher stages of development, that developed countries indicate to developing countries tariff items on which the latter could make a meaningful contribution to the negotiations.

As you can see, this is only the germ of an idea. Many questions remain to be answered. One would be that of timing. Some delegations might prefer a clearer idea of general procedures before accepting an additional procedure of this nature.

There is also the question of coverage. Clearly, it would serve no useful purpose if these lists included all or nearly all of the items in the tariff schedules of developed countries. Some means of limiting the list to priority items seems to be indicated, perhaps an indication of current or potential trade flows. At the same time we would want a flexible approach for the addition of new items.

I have outlined this additional procedure today, as I have said, not as a definite United States proposal but as an idea for consideration by the Group. If the idea appears to have merit, my delegation would be willing, after bilateral discussions with other delegations, to prepare a more detailed outline of this procedure for submission to the Group at our next meeting.