

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Multilateral Trade Negotiations
Group "Tariffs"

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TARIFF-CUTTING FORMULA

Statement made by the Malaysian Delegation
at the Group "Tariffs" Meeting, October 1976

We now have five formulae before us and more to come perhaps. This delegation had taken a look at them but found them not consistent with our economic needs. Malaysia is basically an exporter of primary commodities (mostly agricultural). This delegation is disturbed to find proposals on the tariff cutting formulae to the effect that agricultural products would be left out of the formulae concerned. The Kennedy Round experiences had been mentioned but the sour experiences of that Round should not be repeated again in the current Multilateral Trade Negotiations. This delegation finds it all the more disturbing when countries which they themselves depend substantially on agricultural imports deem it fit to exclude agricultural items in their tariff cutting formula proposals. In addition this delegation is of the view that none of the tariff-cutting formulae so far proposed have taken into account the special needs of developing countries. This delegation would wish to remind that the provisions of the Tokyo Declaration should be adhered to at all stages of the Multilateral Trade Negotiations.

2. It will be recalled that this delegation had at a previous meeting of the Group sought details on the so-called exceptions lists from countries making tariff-cutting formula proposals. This delegation believes that there can be neither meaningful nor purposeful analysis of the various tariff-cutting formulae proposed until and unless the exceptions are known. This delegation would therefore once again call upon those countries making tariff-cutting formula proposals to table their exceptions lists as early as possible.

3. As regards the tariff-cutting formula which would be eventually agreed upon, this delegation would prefer one which would be applicable to all products, and would give the deepest tariff cut that would effectively eliminate all those duties of 5 per cent and under. In addition, this delegation would not wish to see an exceptions list but should this be not possible, then the exceptions list should contain a minimal number of items.