

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG3/W/9
18 November 1987

Special Distribution

Group of Negotiations on Goods (GATT)
Negotiating Group on NRBP's

Original : English

SUBMISSION FROM AUSTRALIA

The following submission has been received from the delegation of Australia with the request that it be circulated to members of the Negotiating Group on Natural Resource-Based Products.

Introduction

1. The initial phase of the negotiations which is scheduled to conclude by the end of 1987, is to determine the relevant issues, establish a factual basis for negotiations, elaborate negotiating techniques and establish a common negotiating basis.
2. The following proposals have as their objective the liberalization and expansion of trade in natural resource-based products including their processed and semi-processed forms.

Scope of the negotiations

3. Australia has proposed (MTN.GNG/NG3/W/7) that the negotiations on NRBP's should include all ferrous and non-ferrous minerals, metals and energy such as oil, coal, natural gas and uranium together with forestry products and fisheries products.
4. These sectors represent the major problem areas in resources trade. World trade in these sectors accounted for more than \$A 803 billion in 1985 representing approximately 30 per cent of total world trade.
5. The major measures of assistance to industry which distort trade in natural resource-based products are tariffs (and their application in such a way which causes tariff escalation), subsidies and other non-tariff measures.
6. Papers provided to this group, including work by the secretariat, have demonstrated that measures distorting trade in natural resource-based products take a variety of forms. The mix of measures and the degree of assistance differ not only as among countries but also within sectors and among different stages of processing.

7. It is against this background that Australia considers that a systematic and integrated approach is necessary in several areas of the negotiations in order to tackle the complex of problems facing trade in natural resource-based products.

Product coverage

8. In order to provide a consistent and comparable basis for the negotiations across all relevant natural resource-based products, it is suggested that the negotiations should address the problems of natural resources trade from crude production through to broadly equivalent stages of primary processed products. The problems of trade in more elaborately transformed products should be addressed initially by other appropriate market access negotiating groups. However, this should not preclude the NRBPs Group from considering the implications of such issues and referring any views to other relevant negotiating groups.

9. The suggested product coverage for the negotiations on NRBPs is listed in the attachment to this paper.

Negotiating objectives

10. Australia considers that in fulfilling the negotiating mandate, the NRBPs Group should agree by the end of the Uruguay Round to achieve:

- A phased elimination within ten years of all import barriers involving tariffs and non-tariff measures which have a direct effect on trade in NRBPs. In the case of non-tariff measures, countries which maintain them should bring forward proposals for their progressive elimination over the same time-frame;
- bindings on all tariffs;
- an immediate freeze leading to phased elimination within ten years of all export subsidies preferably on an accelerated time-table;
- a phased elimination within ten years of all subsidies provided either directly or indirectly by governments affecting market access and/or which otherwise distort or restrict trade;
- agreement on rules which proscribe the use of all such subsidies on natural resource-based products;
- the phased elimination within ten years of government and other regulations affecting market access and which have a protective effect.

11. The effect of the negotiating objectives proposed here would be to reduce and eventually eliminate all forms of industry assistance to NRBPs which have a direct or indirect trade effect.

12. All participating countries would commit themselves to binding all tariffs for NRBP's as part of the negotiated outcome of the Uruguay Round.

13. Non-tariff border and other measures which have a direct effect on trade would be eliminated.

14. Subsidies which have a trade effect would be eliminated while new and more effective rules would prevent their use in future.

15. Notwithstanding the above, countries would be entitled to implement, under specified conditions, measures aimed at assisting structural adjustment which do not impact negatively on trade.

Time-table

16. The Ministerial Declaration provides for the negotiations to be completed by the end of 1990. In order to complete these negotiations within this time-frame the Australian Delegation proposes that all participating countries should provide relevant information in accordance with the above negotiating modalities by June 1988.

Contributions by participating countries

17. To facilitate the negotiations all participating countries should by June 1988 provide comprehensive data on their own trade in NRBP's. This should include trade statistics and data on tariffs, non-tariff measures, subsidies and government and other regulations affecting market access and which have a protective effect. Countries should then be in a position to provide additional information on particular measures of concern to them applying in other markets.

ATTACHMENT ANatural Resource-Based Products

<u>Harmonized tariff No.</u>	<u>Description</u>
<u>Fish and crustaceans, molluscs and other aquatic invertebrates</u>	
0301	Live fish
0302	Fish, fresh or chilled, excluding fish fillets
0303	Fish, frozen, excluding fish fillets
0304	Fish fillets and other fish meat, fresh, chilled or frozen
0305	Fish, dried, salted or in brine; smoked fish, fish meal for human consumption
0306	Crustaceans, whether in the shell or not, live, fresh, chilled, frozen, dried, salted or in brine; cooked by steaming or by boiling in water
0307	Molluscs, whether in the shell or not, live, fresh, chilled, frozen, dried, salted, or in brine; aquatic invertebrates other than crustaceans and molluscs, live, fresh, chilled, frozen, dried, salted or in brine

Mineral productsSalt, sulphur, earths and stone, plastering materials and lime

2501	Salt
2502	Unroasted iron pyrites
2503	Sulphur of all kinds
2504	Natural graphite
2505	Natural sands of all kinds
2506	Quartz (other than natural sands); quartzite, whether or not roughly trimmed or merely cut into blocks or slabs
2507	Kaolin and other kaolinic clays, whether or not calcined

- 2508 Other clays, andalusite, kyanite and sillimanite, whether or not calcined; mullite; chamotte or dinas earths
- 2509 Chalk
- 2510 Natural calcium phosphates, natural aluminium calcium phosphates and phosphatic chalk
- 2511 Natural barium sulphate (barytes); natural barium carbonate (witherite) whether or not calcined
- 2512 Siliceous fossil meals and similar siliceous earths, whether or not calcined, of an apparent specific gravity of one or less
- 2513 Pumice stone; emery etc.
- 2514 Slate
- 2515 Marble, travertine, ecaussine and other calcareous monumental or building stone
- 2516 Granite, porphy, basalt, sandstone and other monumental or building stone
- 2517 Pebbles, gravel, broken or crushed stone, etc.
- 2518 Dolomite
- 2519 Magnesium carbonate
- 2520 Gypsum; anhydrate; plasters (consisting of calcined gypsum or calcium sulphate)
- 2521 Limestone flux; limestone and other calcareous stone, of a kind used for the manufacture of lime or cement
- 2522 Quicklime, slaked lime and hydraulic lime
- 2524 Asbestos
- 2525 Mica, including splittings; mica waste
- 2526 Natural steatite
- 2527 Natural cryolite; natural chryolite
- 2528 Natural borates and concentrates and certain concentrated thereof
- 2529 Feldspar; leucite; nephiline and nephiline synete; fluorspar
- 2530 Mineral substances not elsewhere specified or included ores, slag and ash

- 2601 Iron ores and concentrates, including roasted iron pyrites
- 2602 Manganese ores and concentrates
- 2603 Copper ores and concentrates
- 2604 Nickel ores and concentrates
- 2605 Cobalt ores and concentrates
- 2606 Aluminium ores and concentrates
- 2607 Lead ores and concentrates
- 2608 Zinc ores and concentrates
- 2609 Tin ores and concentrates
- 2610 Chromium ores and concentrates
- 2611 Tungsten ores and concentrates
- 2612 Uranium or thorium ores and concentrates
- 2613 Molybdenum ores and concentrates
- 2614 Titanium ores and concentrates
- 2615 Niobium, tantalum, vanadium or zirconium ores and concentrates
- 2616 Precious metal ores and concentrates
- 2617 Other ores and concentrates
- 2618 Granulated slag
- 2619 Slag, dross (other than granulated slag), scalings and other waste from the manufacture of steel
- 2620 Ash and residues containing metals or metallic compounds
- 2621 Other slag and ash, including seaweed ash, mineral fuels, mineral oils and products of their distillation
- 2701 Coal
- 2702 Lignite
- 2703 Peat

- 2704 Coke and semi-coke
- 2705 Coal gas, water gas, producer gas and similar gases, other than petroleum gases and other gaseous hydrocarbons
- 2706 Tar distilled from coal, lignite or peat, other mineral tars
- 2707 Oils and other products of the distillation of high temperature coal tar
- 2708 Pitch and pitch coke, obtained from coal tar or from other mineral tars
- 2709 Petroleum oils and oils obtained from bituminous minerals, crude
- 2710 Petroleum oils and oils obtained from bituminous minerals, containing by weight 70 per cent or more of petroleum oils, etc.
- 2711 Petroleum gases and other gaseous hydrocarbons
- 2712 Petroleum jelly; paraffin wax, micro-crystalline petroleum wax, slack wax, other mineral waxes
- 2713 Petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals
- 2714 Bitumen and asphalt, natural; bituminous or oil shale and tar sands; asphaltites and asphaltic rocks
- 2715 Bituminous mixtures based on natural asphalt, etc.

Forest products and articles of wood; wood charcoal

- 4401 Fuel wood
- 4402 Wood charcoal
- 4403.1 Wood in the rough, treated with paint, stains, creosote or other preservatives
- 4403.2 Wood in the rough, untreated coniferous
- 4403.9 Wood in the rough, untreated including oak, beech
- 4404 Hoopwood, split poles; pickets etc.
- 4405 Wood wool; wood flour
- 4406 Railway or tramway sleepers

4407 Wood sawn or chipped lengthwise, sliced or peeled etc. (but excluding tropical woods of 4407.2 and 4407.99.9)

Cork

4501 Natural cork, debarked or simply prepared

4502 Natural cork, debarked or roughly squared etc.

4503 Articles of natural cork

Pulp of wood

4701 Mechanical wood pulp

4702 Chemical wood pulp, dissolving grades

4703 Chemical wood pulp, soda or sulphate, other than dissolving grades

4704 Chemical wood pulp, sulphite, other than dissolving grades

4705 Semi-chemical wood pulp

4706 Pulps of other fibrous cellulosic material

4707 Waste and scrap of paper or paperboard

Metal products

Steel

7201 Pig iron and spiegeleisen in pigs, blocks or other primary forms

7202 Ferro-alloys

7203 Ferrous products obtained by direct reduction of iron ore and other spongy ferrous products

7205 Ferrous waste and scrap; remelting scrap ingots of iron or steel

7206 Iron and non-alloy steel in ingots or other primary forms

Copper

7401 Copper mattes; cement copper (precipitated copper)

7402 Unrefined copper; copper anodes for electrolytic refining

7403 Refined copper and copper alloys, unwrought

7405 Master alloys of copper

7406 Copper powders and flakes

7407 Copper bars, rods and profiles

Nickel

7501 Nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy

7502 Unwrought nickel

7504 Nickel powders and flakes

7505.1 Nickel bars, rods and profiles

Aluminium

7601 Unwrought aluminium

7603 Aluminium powders and flakes

7604 Aluminium bars, rods and profiles

Lead

7801 Unwrought lead

7803 Lead bars, rods, profiles and wire

7804.2 Lead powders and flakes

Zinc

7901 Unwrought zinc

7903 Zinc dust, powders and flakes

7904 Zinc bars, rods, profiles and wire

Tin

8001 Unwrought tin

8003 Tin bars, rods, profiles and wire

8005 Tin powders and flakes

Other base metals

- 8101.1 Tungsten powder
- 8101.91 Unwrought tungsten
- 8102.10 Molybdenum powders
- 8102.91 Unwrought molybdenum
- 8103.10 Unwrought tantalum
- 8104.1 Unwrought magnesium
- 8105 Cobalt mattes and other intermediate products of cobalt metallurgy
- 8106 Bismuth
- 8107.1 Unwrought cadmium; waste and scrap; powders
- 8108.1 Unwrought titanium; waste and scrap
- 8109.1 Unwrought zirconium; waste and scrap; powders
- 8110 Antimony and articles thereof including waste and scrap
- 8111 Manganese and articles thereof including waste and scrap
- 8112 Beryllium, chromium, germanium, vanadium, gallium, hafnium, indium, niobium (columbium), rhenium and thallium, and articles of these metals, including waste and scrap

Cermets

- 8113 Cermets and articles thereof including waste and scrap