

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Group of Negotiations on Goods (GATT)
Negotiating Group on Market Access

AUTONOMOUS LIBERALIZATION MEASURES

El Salvador

The following communication, dated 2 October 1991, has been received from the Permanent Mission of El Salvador.

Through this communication El Salvador wishes to renew its support for the multilateral effort aimed at the satisfactory conclusion of the Uruguay Round, in particular as concerns the outcome of the negotiations on tropical products.

It therefore wishes to express its resolve to contribute to that effort by shortly submitting a revised offer in this sector.

It considers this a suitable occasion to recall some important aspects of its economic liberalization and modernization process, launched in June 1989, in which it has displayed its openness to international trade.

The economic policy measures adopted include the progressive reduction of tariffs, the substantial elimination of import prohibitions and of the protective effect of internal taxes, as well as the repeal of discriminatory tax exemptions.

The monetary and fiscal disciplines applied have allowed significant progress in the deregulation of markets through the elimination of controls, monopolies, subsidies and other measures.

Economic, fiscal and trade policy is completely transparent, and domestic and foreign products are afforded equal treatment.

As far as tariff policy is concerned, when El Salvador acceded to the General Agreement it bound much of its customs tariff at a maximum rate of 50 per cent ad valorem, and 40 per cent ad valorem as from 31 December 1993.

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Given El Salvador's status as a developing country, the tariff reductions it has made that are contained in the bindings in Schedule LXXXVII should be considered in the context of the Uruguay Round: El Salvador should be granted credit for them, as well as recognition for the economic reform programme it has carried out as a result of its accession to the GATT.

For a country that still has a fragile social structure and production system, these efforts should be viewed as a substantial contribution to the Uruguay Round negotiations and a demonstration of the country's special interest in contributing to the achievement of the objectives of the negotiations and hence to a successful outcome for the Uruguay Round.