

MAINT

M A L A W I

Statement of contribution

Draft Schedule

SECRET

G.A.T.T.

KENNEDY ROUND

OFFER BY MALAWI

On 8th August, 1966 Malawi notified its intention to participate in the Kennedy Round negotiations.

2. Having become an independent state on 6th July, 1964 and a republic within the British Commonwealth of Nations on 6th July, 1966, Malawi has been engaged for some time in an intensive review of its trade, economic and customs tariff policies and arrangements. An earlier offer was not, therefore, possible. Indeed, the process of review is still far from complete and a number of aspects are still awaiting final decisions, including the final form of the new customs tariff, based on the Brussels Tariff Nomenclature which it is intended to introduce in the near future. For these reasons and because, in a number of important respects Malawi's access to world markets for some of its major exports is vulnerable to existing and possible future policies by certain major trading countries among the Contracting Parties, the present offer must be treated as provisional only.

3. In making this offer, Malawi recalls specifically the principle of non-reciprocity by the developing countries, and the aim of achieving in the negotiations a major lowering of barriers to the exports of these countries, which were subscribed to by Ministers at their meeting in May 1963 and which were embodied in the terms of the new Part IV of the General Agreement.

4. Notwithstanding this aim and principle, Malawi accents that those developing countries in a position to do so should play their part in a general effort to facilitate multilateral trade. It believes that taken together, the developing countries can make a significant contribution in this direction, to their own benefit as well as to that of world trade as a whole. Malawi, within the limitations set by its fiscal requirements and development needs, and with due regard to the real benefits it sees forthcoming from the final negotiations, is accordingly prepared to make its contribution to the total.

5. Having regard to the inevitable effect on Commonwealth Preference margins in the British market of reductions to be made by the United Kingdom in its most-favoured-nation rates in the course of the negotiations, Malawi wishes to place on record its view, shared by others in a similar position, that these reductions in preference should themselves be accepted as the principal, and a very material, contribution by Malawi and other Commonwealth countries concerned, to the overall result. Such reduction will inevitably affect Malawi's immediate and long-term market position in the United Kingdom. Malawi will, therefore, expect to see direct reciprocity for these reductions in the form of a lowering of barriers in other markets, to provide at least as great a

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compensatory increase in market opportunities for the same commodities as those which suffer reduced preferences in Britain. At its present stage of development, Malawi cannot accept as a substitute for a loss of preference on an existing export commodity an easing of barriers to some other potential future export.

6. In general, at this stage of its growth, there would be a very real potential impediment to its future economic development if Malawi were to offer any extensive binding of its customs tariff rates. Both on fiscal and protective grounds therefore, such offers by Malawi must be limited in number, and narrow and specific in scope. Indeed, Malawi is likely shortly to find it necessary to propose the deletion of a number of the items in the Schedule at present deemed to apply to it. However, Malawi is prepared to make the following token offer of new bindings in this respect at the levels specified. Malawi will also consider individual requests for bindings of this nature, which may be made by Contracting Parties who feel that such concessions are warranted by the benefit to Malawi of their own offers.

<u>Malawi Tariff</u> <u>Item</u>		<u>B.T.N.</u>	<u>Description</u>	<u>Proposed</u> <u>Binding</u>
12(a)		18.01	Cocoa beans, whole or broken, raw or roasted	5%
15(a)(i)		10.01	Wheat and meslin (mixed wheat or rye)	5%
ex 82(1)	ex	88.02	Aeroplanes and helicopters	10%
103(1)(a)	ex	84.06	Internal combustion piston engines specially constructed for stationery use.	5%
ex 119	ex	85.01	Electric motors, exceeding 1 h.p., complete	10%
128	ex	90.26	Meters, electric supply	10%
ex 178(a)	ex	25.15	Marble, rough or sawn	Free
ex 202(a)	ex	15.07	Palm kernel oil	5%
ex 268		45.01	Natural Cork, unworked: crushed, granulated or ground, and waste cork	Free
ex 268		45.02	Natural Cork in blocks, plates, sheets or strips (including cubes or square slabs, cut to size for corks or stoppers)	Free
ex 314 327 and 331(2)		90.06	Astronomical instruments, and mountings therefor, microscopes	5%
ex 331(2)		04.01	Milk and cream, fresh, not concentrated or sweetened	Free
ex 331(2)	ex	12.07	Pyrethrum flowers	Free

7. The foregoing offer is made subject to Malawi's being satisfied towards the conclusion of the negotiations, that the outcome would reflect an adequate balance of advantage to it. In particular, Malawi will take into consideration, firstly the degree of compensation likely to be found in wider markets for its probable losses of Commonwealth preference, and, secondly, the modification offered in the negotiations of existing barriers to its more important exports, including changes in agricultural support and disposal policies by major industrialised countries. Meanwhile the right is reserved to modify or withdraw all or any of the present offers.

Zomba,
6th September, 1966.

G. A. T. T.

KENNEDY ROUND

FINAL OFFER BY

MALAWI

<u>Malawi Tariff Heading</u>	<u>B.T.N.</u>	<u>Description</u>	<u>Binding Offered</u>
04.01	04.01	Milk and cream, fresh, not concentrated or sweetened.	Free
10.01	10.01	Wheat and meslin (mixed wheat and rye).	5%
ex 12.07	ex 12.07	Pyrethrum flowers.	Free
15.07.01	15.07 L.	Palm kernel oil.	5%
ex 18.01	18.01	Cocoa beans, whole or broken, raw or roasted.	5%
ex 25.00.01	ex 25.15	Marble, not further worked than roughly split, roughly squared or squared by setting.	5%
ex 45.01	45.01	Natural cork, unworked, crushed, granulated or ground; waste cork.	Free
ex 45.01	45.02	Natural cork in blocks, plates, sheets or strips (including cubes or square slabs, cut to size for corks or stoppers).	Free
ex 84.06.04	ex 84.06	Internal combustion piston engines, specially constructed for stationary use.	5%
ex 85.01.99	ex 85.01	Electric motors, exceeding 1 h.p., complete.	10%
ex 88.00	ex 88.02	Aeroplanes and helicopters.	10%
90.06	90.06	Astronomical instruments (for example, reflecting telescopes, transit instruments and equatorial telescopes), and mountings therefor, but not including instruments for radio astronomy.	5%
ex 90.11	ex 90.11	Microscopes.	5%
ex 90.26	90.26 A.	Electricity supply meters.	10%