

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Trade and Development

TARIFF STUDY

Note by the Secretariat

1. At its meeting 8-11 June, the Working Group on the Tariff Study issued its final instructions to the secretariat which is now proceeding to draft the text of the preliminary Tariff Study to be approved by the Working Group before the next session of the CONTRACTING PARTIES. This version of the Tariff Study is preliminary because it is to be based on trade data of 1967-69; it will be revised next year on the basis of 1970 data for all countries.
2. The meeting accepted, in certain cases with minor amendments, all the suggestions put forward by a representative for developing countries on the Working Group for analytical approaches to particular tariff and trade problems affecting developing countries.
3. The Study will contain a section analyzing tariff escalation by degrees of processing in those trade categories where such a distinction can be made.
4. In addition, each sectoral analysis will contain a section on important BTN headings. Among the criteria for selecting such headings, the following two were established to indicate headings of particular interest to developing countries:
 - (a) Headings in which developing countries supply 20 per cent or more of imports into the countries covered by the Study. These headings, together with the amount of total and less-developed country trade and the tariff averages applying to them, were exhaustively tabulated in Supplementary Table "F" of the Basic Documentation, to be published in the autumn.
 - (b) Headings in which the weighted average is zero or close to zero and the simple average is higher. While the result of the weighted average would indicate that the nil or small tariffs on certain products falling within the heading in question are not an impediment to trade, the higher simple average would suggest that prohibitive rates may exist under the same heading; further analyses will be performed to identify such rates and ascertain their importance.
5. On the basis of this information it will be possible for the secretariat, as well as for individual countries, systematically to survey the tariff situation facing the exports from the developing countries, and to assess and analyze such tariff problems of developing countries as will remain after the application of the generalized scheme of preferences.