

GENERAL AGREEMENT ON TARIFFS AND TRADE

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CARIBBEAN BASIN ECONOMIC RECOVERY ACT

United States request for Waiver

Addendum

The following communication, dated 16 November 1983, has been received from the office of the United States Trade Representative in Geneva.

Pursuant to the U.S. request for a waiver for the trade related aspects of the Caribbean Basin Initiative, I am attaching some supporting statistical information for circulation to the contracting parties.

Material Supporting U.S. Request for a
Waiver for the Trade-Related Aspects of
the Caribbean Basin Initiative

Content of Package:

- 1) Table 1 - Showing U.S. Bilateral Trade Balances with Potential Beneficiaries of CBI (3-Year Period)
- 2) Table 2 - Showing the Scope of CBI Coverage Based on 1982 U.S. Imports
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- 5) Table 5 - Effect of CBI Duty-Free Treatment on CB countries

TABLE 1

U.S.-Caribbean Basin Bilateral Trade
(1980-1982)
(\$millions)

<u>CBI Beneficiary</u>	<u>1982</u>		<u>1981</u>		<u>1980</u>	
	<u>X</u>	<u>M</u>	<u>X</u>	<u>M</u>	<u>X</u>	<u>M</u>
Bahamas	585	1,045	435	1,243	391	1,373
Barbados	152	107	146	81	134	96
Belize	60	38	65	42	52	58
Cayman Is.	72	15	58	5	54	3
Costa Rica	327	358	370	365	493	357
Dominican Rep.	649	623	762	922	786	790
El Salvador	264	310	302	259	267	426
Guatemala	385	330	550	347	546	431
Guyana	55	71	105	104	96	120
Haiti	293	310	296	276	303	253
Honduras	261	360	338	431	369	418
Jamaica	460	278	468	357	302	379
Neth. Ant.	648	2,107	485	2,599	438	2,537
Nicaragua	118	87	182	140	247	214
Panama	825	251	633	297	688	324
Suriname	127	60	137	179	134	109
Trinidad & Tobago	880	1,628	681	2,215	673	2,385
Turks & Caicos	8	4	5	4	3	3
Windward & Leeward Is.*	169	27	275	32	149	34
TOTAL	6,339	8,008	6,493	9,899	6,124	10,309
(Minus Petroleum Imports)	6,339	3,416	6,493	4,085	6,124	4,269

*Anguilla, British Virgin Islands, St. Christopher-Nevis, Antigua and Barbuda, Montserrat, Dominica, St. Lucia, St. Vincent and the Grenadines, Grenada

X = U.S. exports to the beneficiary
M = U.S. imports from the beneficiary

TABLE 2

SCOPE OF CBI COVERAGE
1982 IMPORTS

	<u>\$ Million</u>	<u>Percent of Total</u>
Total U.S. Imports from CB	8,007.6	
Duty free - MFN	1,866.2	23
Duty free - GSP	389.2	5
Dutiable of which:	5,389.1	67
Petroleum	4,588.7	57
Other Exclusions	371.9	5
Dutiable - CBI Liberalized	593.1-791.4*	7-10

* A range is used because certain CB imports (\$198 million) did not qualify for GSP, but might qualify under CBI because of the more liberal rules-of-origin under the CBI scheme.

(Reference: 1982 U.S. global imports were \$242,339 million)

TABLE 3 1982 (in millions)

Table 3 - U.S. Tariff Treatment of CBI Imports

Explanatory Note

Table 3 provides country-specific information on the U.S. tariff treatment of Beneficiary Country Imports in 1982, as the most recent year for which such data is available.

The Table shows data for all 27 beneficiary countries which may be designated by the President of the United States to receive the duty-free treatment called for in Title I of the Caribbean Basin Economic Recovery Act.

The Table allows comparison of the amount of trade which will receive improved access to the U.S. market as a result of the CBI, with the amount already entering the U.S. duty-free.

Import values shown on the Table are classified in the following manner:

Total Imports - All U.S. imports from the beneficiary country in 1982.

MFN Free - Imports entering under tariff headings which call for duty-free entry for imports from all most-favored-nation suppliers.

Dutiable - Imports entering under tariff headings which call for application of a duty on most-favored-nation country imports. The statistic includes the value of goods classified under dutiable tariff headings which may have nevertheless entered duty-free under the GSP program.

GSP Dutied - Imports classified under tariff headings which would have permitted duty-free entry under the GSP program, but which entered subject to duty.

GSP Free - Imports classified under tariff headings included in the GSP program, and which were entered duty-free as a result of the provisions of GSP.*

Dutiable Exclusions - The value of imports in products excluded from duty-free treatment under CBI. These products are also excluded from GSP duty-free treatment.

*The figure shown includes goods disqualified from GSP eligibility because of the competitive need ceiling. The value of such imports was \$169 million for all countries shown.

CBI Liberalized - Imports classified as falling within tariff headings which are currently dutiable, but which are duty-free under the CBI.

TABLE 4

EFFECT OF CBI ON U.S. IMPORTS
(U.S. \$1000)

1982 dutiable imports
that would be duty-free
under CBI

Ttl. 1982 non-
petroleum imports

% of Ttl. non-
petroleum imports
affected by CBI

Antigua	6	4,890	• 0%
Barbados	62,560	106,361	59%
Belize	2,285	38,464	6%
British V.I.	375	892	42%
Cayman Islands	463	14,830	3%
Costa Rica	73,422	358,127	20%
Dominica	19	2,372	0%
Dominican Rep.	161,927	622,510	26%
E1 Salvador	74,956	310,022	24%
Grenada	39	401	1%
Guatemala	15,338	286,680	5%
Haiti	57,781	309,860	19%
Honduras	58,790	359,553	16%
Jamaica	3,414	270,108	1%
Montserrat	1	749	0%
Neth. Antilles	5,573	55,224	10%
Nicaragua	34,489	86,875	40%
Panama	23,670	244,835	1%
St. Chris- Nevis -Anguilla	393	11,557	3%
St. Lucia	1,270	4,703	27%
St. Vincent	231	1,394	17%
Surinam	432	60,147	0%
Trinidad	24,872	82,374	18%
Turks & Caicos	0	3,556	0%
Guyana	774	70,647	1%
Bahamas	737	103,725	1%
Total	593,817	3,418,856	17%

*Exclude textiles, petroleum products, canned tuna, certain leather goods and footwear, and GSP items rejected for "administrative reasons"

TABLE 5
Effect of CBI Duty-Free Treatment On CS Countries
(U.S. \$1000)

(1) 1982 dutiable imports that would be newly duty-free under CBI*	(2) 1982 dutiable product exclusions other than petro- leum	(3) Total dutiable non-petroleum imports in 1982	(1) / (3) % of total dutiable imports affected by CBI
Antigua	6	4,476	0%
Barbados	62,560	10,614	67%
Belize	2,285	5,122	25%
British V.I.	375	53	76%
Cayman	463	3	87%
Costa Rica	73,422	40,248	58%
Dominica	19	185	9%
D.R.	161,927	131,053	84%
El Salvador	74,956	16,356	92,732
Grenada	39	5	44
Guatemala	15,338	5,741	89%
Haiti	57,781	90,566	33%
Honduras	58,790	22,096	32%
Jamaica	3,414	12,540	75%
Montserrat	1	19	19%
Neth. Antilles	5,573	58	0%
Nicaragua	34,483	1,812	53%
Panama	23,670	3,943	91%
St. Christopher-Nevis	393	3,830	42%
St. Lucia	1,270	1,800	62%
St. Vincent	231	901	35%
Surinam	432	40	17%
Trinidad	14,872	294	85%
Turks	0	0	0%
Guyana	775	4,115	9%
Bahamas	737	11	4%
Total	593,817	371,681	998,667
CS Countries	604	604	604

*Excludes textiles, petroleum products, canned tuna, certain leather goods and footwear, and GSP items rejected for administrative reasons e.g. rules of origin criteria