

GENERAL AGREEMENT ON TARIFFS AND TRADE

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GENERAL ANALYSIS OF INDUSTRIAL TARIFFS AND TRADE

Chapter III: Imports Originating in Developing Countries

At its meeting of 11-14 March Group 3(a) requested the secretariat to update the charts and statistical tables included in document COM.IND/W/62/Add.1. At the same time it was agreed that the secretariat would update the section of the text that relates to developing countries. The updated version of this chapter is attached hereto.

The data are based on n.f.n. duty rates, generally, as of 1 January 1973 and on imports in 1971 with respect to all industrial products classified in BTN Chapters 25-99, for Australia, Austria, Canada, European Communities, Finland, Japan, Norway, New Zealand, Sweden, Switzerland and United States, as published in the four volumes of the Basic Documentation for the Tariff Study which were recently circulated to delegations. The explanatory notes in these four volumes include all the necessary information concerning methods and definitions.

When comparing the attached data with those published in document COM/IND/W/62/Add.1, it should be noted that Australia and New Zealand were not covered at that time by the tariff study. It should also be noted that the tariff data are based on the rates in force when all Kennedy Round concessions have been implemented, while the import figures refer in most cases to a period preceding the full implementations of the concessions. Moreover, the data for the EC refer to the nine countries of the enlarged EC, while in 1971, Denmark and the United Kingdom were still members of the European Free Trade Association and trade between EFTA and the original European Economic Community was based on the n.f.n. clause. Consequently, the tabulations set out information for 1971 in terms of groups of countries and trade regions which did not in fact exist during that period.

Imports from Developing Countries1. Industrial products as a whole and degrees of processing

Imports of all industrial products from developing countries accounted in 1971¹ for one quarter (\$35,787 million) of total imports. More than 88 per cent (\$31,576 million) of imports from developing countries were subject to most-favoured-nation rates, representing 31 per cent of total m.f.n. trade.²

At the level of product classification by degree of processing, developing countries supplied 64 per cent of raw material imports of m.f.n. origin (\$20,744 million), nearly 18 per cent of imports of semi-manufactures (\$3,835 million) and 14.5 per cent of imports of finished manufactures (\$6,966 million). Crude energy products, coal, coke, gas and petroleum account for a large share of raw materials (\$15,329 million), representing nearly half of the industrial products and nearly three quarters of the raw materials imported from developing countries under m.f.n. rates.

With respect to m.f.n. imports from the developing areas as a whole, sixteen countries listed in Table 1 below, together supplied more than 70 per cent of all industrial products; more than three quarters of the raw materials and close to 60 per cent of the semi-manufactures and finished manufactures.

Taking industrial products as a whole, the table shows that with the exception of Hong Kong, the eight leading suppliers are petroleum producing countries. This order of importance consequently prevails at the level of raw materials, with Iran in the lead followed by Saudi Arabia, Libya, Kuwait, Venezuela, Iraq, Indonesia and Algeria. Table 1 shows that for each of these countries, excluding Indonesia, the relative share of crude petroleum ranges between 86 per cent (Venezuela) and 100 per cent (Libya).³ Crude petroleum

¹For Australia, import figures are for the fiscal year 1971/72; New Zealand, for the year 1970/71.

²It has not been possible to take account of the generalized system of preferences in this presentation. Imports admitted under the GSP are included in m.f.n. trade.

³Table 1 does not mention other Middle Eastern countries for which separate statistics are not available; nevertheless, those countries together supply a significant share of petroleum import (\$962 million).

Table 1 - Tableau 1

Imports of m.f.n. origin into the eleven markets combined - 1971/
Importations d'origine n.p.f. dans l'ensemble des onze marchés - 1971
All industrial products/Ensemble des produits industriels

(million dollars and percentages/millions de dollars et pourcentages)

	All industrial products/ Ensemble des produits industriels		Raw materials/ Matières premières		Semi-manufactures/ Demi-produits		Finished manufactures/ Produits finis	
	Value/Valeur	%	Value/Valeur	%	Value/Valeur	%	Value/Valeur	%
Total imports/ Importations totales	142 315	100	37 994	100	32 474	100	71 847	100
of which/dont: DGC/PVD	35 787	25.1	23 144	60.9	5 161	15.9	7 481	10.4
Total m.f.n. imports/ Importations n.p.f. totales	102 093	100	32 294	100	21 696	100	48 103	100
of which/dont: DGC/PVD	31 576	30.9	20 744	64.2	3 835	17.7	6 996	14.5
of which/dont: coal, coke, gas and petroleum/ charbon, coke, gaz et pétrole ^a	15 329	15.0	15 329	47.5	-	-	-	-
Main DGC suppliers/Principaux PVD fournisseurs:								
Iran	2 941		2 681		-		260	
Saudi Arabia/Arabie Saoudite	2 854		2 667		-		-	
Libya/Libye	2 374		2 369		-		-	
Kuwait/Koweït	2 173		1 968		-		-	
Venezuela	2 045		1 486		10		549	
Hong Kong/Hong-kong	1 873		53		113		1 707	
Indonesia/Indonésie	1 017		876		-		-	
Iraq/Irak	1 004		994		-		-	
Malaysia/Malaisie	914		521		-		-	
Mexico/Mexique	872		251		361		32	
India/Inde	848		364		204		417	
Chile/Chili	821		219		359		125	
Brazil/Brésil	776		525		601		1	
Korea, Rep./Rép. de Corée	740		83		154		97	
Algeria/Algérie	704		675		221		436	
Yugoslavia/Yugoslavie	694		48		238		408	
Sub-total/Sous-total	22 650	22.2	15 780	48.9	2 261	10.4	4 032	8.4
as per cent of total m.f.n. DGC/ en pourcentage du total n.p.f. PVD		71.7		76.1		59.0		57.6

^aNot including products derived from coal, petroleum or gas/Non compris les produits dérivés du charbon, pétrole ou gaz

DGC = Developing countries PVD = Pays en voie de développement

accounts for about one half of imports of raw materials from Indonesia, the other raw materials consisting largely of wood, cork and rubber.

The largest supplier of semi-manufactures is Chile with \$601 million, of which unwrought copper accounts for 95 per cent (\$569 million). Next comes Malaysia with \$361 million, of which unwrought tin accounts for 68 per cent

As regards supplies of finished manufactures, Hong Kong ranks first with \$1,707 million, of which one half consists of products of the textile and clothing industries (\$848 million). Among the petroleum producing countries only Iran and Venezuela hold a significant place among countries supplying finished manufactures.

Table 2 refers to the same trade as Table 1, but does not include imports of coal, coke, gas and crude petroleum. With the exclusion of these products m.f.n. imports from developing countries account for only 20 per cent of imports of all industrial products and 40 per cent of m.f.n. imports of raw materials.

The thirteen principal suppliers mentioned in Table 2 include eleven shown in Table 1, of which three are petroleum producers - Venezuela, Indonesia and Iran, the last of these being preceded here in order of importance by the Philippines and Peru which were not, among the principal suppliers, listed in Table 1. These thirteen countries together supply more than 62 per cent of m.f.n. imports of all industrial products (other than energy products) from developing countries, and Hong Kong alone accounts for more than 11 per cent of the value of those imports.

Here the largest supplier of raw materials is Brazil - \$525 million of which more than two thirds are accounted for by metallic ores and concentrates and 20 per cent by textile fibres; next comes Malaysia with \$521 million of which 60 per cent for crude rubber and 35 per cent for wood and cork, and the Philippines (\$440 million).

Nearly 60 per cent (\$18.2 billion) of total industrial imports from developing countries (\$31.5 billion) were admitted duty free, nearly one fifth (approximately \$6 billion) were dutiable at rates below 10 per cent, and about another fifth at rates between 10 and 20 per cent. The proportion of imports admitted duty free was highest for raw materials (more than three-quarters out of a total of \$20.7 billion); nevertheless it reached 50 per cent for semi-manufactures (out of a total of \$3.8 billion). About one third of semi-manufactures were dutiable at rates of 10 per cent or less, while 15 per cent of these imports were subject to duties in excess of 10 per cent. Imports of

Table 2 - Tableau 2

IMPORTS OF MFN ORIGIN INTO THE ELEVEN MARKETS COMBINED - 1971/
IMPORTATIONS D'ORIGINE NPF DANS L'ENSEMBLE DES ONZE MARCHES - 1971

ALL INDUSTRIAL PRODUCTS EXCLUDING FUELS^a/ENSEMBLE DES PRODUITS
INDUSTRIELS SAUF LES COMBUSTIBLES^a

(Million dollars and percentages/Millions de dollars et pourcentages)

	All industrial products Ensemble des produits industriels		Raw materials Matières premières	
	Value/Valeur	%	Value/Valeur	%
Total imports/Importations totales	<u>121 868</u>	<u>100</u>	<u>17 547</u>	<u>100</u>
of which/dont: DGC/PVD	19 198	15.8	6 556	37.4
Total MFN imports/ Importations NPF totales	<u>83 363</u>	<u>100</u>	<u>13 564</u>	<u>100</u>
of which/dont: DGC/PVD	16 247	19.5	5 415	39.9
Main DGC suppliers/ Principaux PVD fournisseurs:				
Hong Kong/Hong-kong	1 873		53	
Malaysia/Malaisie	914		521	
Mexico/Mexique	868		247	
India/Inde	848		364	
Chile/Chili	821		219	
Brazil/Brésil	776		525	
Venezuela	753		194	
Korea, Rep./Rép. de Corée	740		83	
Yugoslavia/Yougoslavie	694		48	
Indonesia/Indonésie	554		413	
Philippines	475		440	
Peru/Pérou ^b	471		268	
Iran	335		75	
Sub-total/Sous-total	10 122	12.1	3 450	25.4
As per cent of total MFN DGC/ En pourcentage du total NPF PVD		62.3		63.7

^ai.e. crude petroleum, coal, coke and gas but including products derived therefrom./soit: le pétrole brut, le charbon, le coke et le gaz, mais inclus les produits dérivés de ces matières premières.

^bPeru also supplies 201 million dollars of semi-manufactures./Le Pérou fournit également 201 millions de dollars de demi-produits.

DGC = Developing countries. PVD = Pays en voie de développement.

finished manufactures (\$7 billion) were equally divided between customs duty rates below and above 10 per cent; but 15 per cent of these imports were dutiable at rates of more than 20 per cent.

Table 3 below presents a comparison by duty levels of imports from developing m.f.n. countries with imports from all m.f.n. sources. It should be noted that for all industrial products and for semi-manufactures the percentage of duty-free imports is higher for imports from developing countries (57.8 and 50.2 per cent respectively) than for imports from all sources (41.2 and 37.8 per cent). On the other hand the percentage of duty-free imports of finished manufactures from developing countries, is 6.9 as against 18.9 per cent for the same imports from all sources. For finished products, too, there is an inverse difference of 12 percentage points in the "10.1-20 per cent" duty range (33.1 per cent against 21.1 per cent).

The comparison is less significant for raw materials since nearly two thirds of these are imported from developing countries. Relatively high import percentages can be noted however in the "10.1-20 per cent" duty range (14.6 per cent and 9.7 per cent), largely reflecting duty rates of 11.1 per cent and 13.2 per cent respectively applied in two of the eleven markets studied on imports of crude petroleum with a total value of \$3 billion. This tariff structure is naturally reflected at the level of "all industrial products".

2. Product categories and sub-categories

As mentioned above, developing countries supplied about one quarter (\$35.8 billion) of combined imports, of which 88 per cent (\$31.6 billion) entered on a most-favoured-nation basis.

About 55 per cent (\$17.4 billion) of most-favoured-nation imports from developing countries were under category 09, coal, petroleum and gas, 87 per cent of which was accounted for by crude petroleum imports. The two other principal product categories, ores and metals (08) and textiles (05) accounted for \$4.3 billion and \$3.7 billion respectively, together constituting one quarter of most-favoured-nation imports from developing suppliers.

As for categories consisting exclusively of finished manufactures, the most important in absolute terms were electrical machinery and apparatus (\$765 million), footwear and travel goods (\$344 million) and toys (\$272 million).

Generally, the developing countries do not export over the whole range of products within any product category. Table 4 below lists those sub-categories for which developing countries were suppliers of over 25 per cent of combined most-favoured-nation imports. The most important in absolute terms apart from

Table 3 - Tableau 3

SIMPLE FREQUENCY DISTRIBUTION OF IMPORTS OF MFN ORIGIN INTO THE ELEVEN MARKETS COMBINED BY LEVEL OF DUTY - 1971/
DISTRIBUTION DE FREQUENCES SIMPLES DES IMPORTATIONS D'ORIGINE NPF DANS L'ENSEMBLE DES ONZE MARCHES
SELON LE NIVEAU DES DROITS - 1971

(Percentages/Pourcentages)

Provenance	Duty level Niveau de droits	All industrial products Ensemble des produits industriels	Raw materials Matières premières	Semi-manufactures Demi-produits	Finished manufactures Produits finis
Developing countries/ Pays en voie de développement	Free/Exempt 0.1 - 5% 5.1 - 10% 10.1 - 20% 20.1 - 30% Over/Plus de 30%	57.8 11.6 8.3 18.7 1.1 2.5	76.4 8.3 0.6 14.6 0.0 0.1	50.2 13.2 20.7 14.6 0.9 0.3	6.9 20.1 24.5 33.1 4.5 10.9
All MFN provenances/ Toutes provenances NPF	Free/Exempt 0.1 - 5% 5.1 - 10% 10.1 - 20% 20.1 - 30% Over/Plus de 30%	41.2 18.1 19.5 16.9 2.0 2.3	76.7 13.3 1.2 9.7 0.0 0.1	37.8 15.4 24.4 17.9 3.3 1.2	18.9 23.2 29.7 21.1 2.8 4.3

crude petroleum (\$15.2 billion), were metallic ores and concentrates, including metal waste (\$2.4 billion), products derived from coal, petroleum or gas (\$2.0 billion), textile clothing and clothing accessories (\$1.7 billion), unwrought copper (\$1.0 billion), and wood and cork in the rough (\$0.8 billion).

Table 5 shows the degree to which sub-categories of m.f.n. imports from developing countries are subject to duty. Just over three quarters of the value of raw material imports from developing countries enter free of duty, the only category subject to any significant duty being crude petroleum, 19 per cent of which fell in the 10.1 to 20.0 per cent range of duties.

About one half of the value of imports of semi-manufactures entered free of duty. The interesting things to note from the table are the relatively high incidence of duties on textile yarns (only 8 per cent entering free of duty with 36 per cent falling in the 10.1 to 20 per cent range), and on textile fabrics (with 36 per cent entering free of duty and 37 per cent in the 10.1 to 20 per cent range), and the relatively low incidence of duties on unwrought non-ferrous metals, and on chemical elements, inorganic acids, oxides and halogens.

The incidence of duties on imports of finished manufactures in which developing countries are important suppliers, is much higher than for raw materials and semi-finished manufactures. In fact the incidence of duties in general rises with the degree of processing involved. The structure of duties facing petroleum products have already been described.¹ Other interesting features are the structure of duties on imports of clothing and clothing accessories (46 per cent falling in the 10.1 to 20.0 per cent range, and 51 per cent in the 20.1 per cent and over range), and on made-up textile articles and toys, of which 77 per cent and 75 per cent respectively fell in the 10.1 to 20.0 per cent range of duties. On the other hand 62 per cent of imports of transport equipment entered free of duty, and most of the remainder from this sub-category were subject to duties of less than 10 per cent.² Fifty-four per cent of footwear imports were subject to duties of 10.1 per cent or more.

Table 6 below lists those product categories (or sub-categories from 1-10) made up of finished manufactures in order of their relative importance to developing countries, along with the respective averages for the eleven tariffs combined. It can be seen that for nine of the twelve categories or sub-categories where developing countries supply over 10 per cent of combined most-favoured-nation imports, the combined averages are higher than those for finished manufactures as a whole.

¹See page 6

²A large proportion of this trade consists of used ships.

TABLE 1

SUB-CATEGORIES WHERE DEVELOPING COUNTRIES ARE SIGNIFICANT SUPPLIERS

(Percentages and million dollars)

Sub-category		MFN imports from developing countries	
		Share of combined MFN imports	Value
05.01.04	Jute fibres and waste	99.1	91
05.02.05	Hard fibre yarns	96.2	9
05.03.04	Jute fabrics	95.5	233
09.03	Crude petroleum	93.8	15,185
08.03.01.07	Unwrought tin	91.3	360
05.01.05	Hard fibres and waste	90.7	60
05.02.04	Jute yarn	86.1	4
02.01	Raw rubber	70.4	621
05.02.02	Cotton yarn	68.1	68
09.04	Products derived from coal, petroleum or gas	68.0	2,048
05.05	Clothing and clothing accessories	64.8	1,668
05.01.02	Cotton fibres and waste	62.7	584
08.03.01.01	Unwrought copper	55.3	1,023
03.02	Wood based panels	53.1	218
01.02	Semi-manufactured hides, skins and furskins	49.9	189
03.01	Wool and cork in the rough	49.4	784
08.01	Metallic ores and concentrates, metal waste	49.2	2,354
05.03.02	Cotton fabrics	46.7	269
10.02.01	Tanning materials	44.6	12
05.04	Made-up textile articles and related products	43.1	361
23	Manufactured articles not elsewhere specified	38.2	256
15.02	Travel goods, handbags, etc	38.1	72
05.01.06	Textile fibres and waste other than wool, cotton, jute, hard fibres and man-made fibres	35.7	55
07.01	Pearls, precious and semi-precious stones	34.8	340
08.03.02.05	Semi-manufactured zinc products other than unwrought zinc	32.7	4
10.01.02	Chemical elements, inorganic acids, oxides and halogens	31.7	211
01.03	Leather and fur skin manufactured articles	31.4	73
07.03	Articles of precious stones and precious metals	31.2	49
10.04.02	Articles of plastic materials	29.7	102
19	Toys	29.5	272
10.05.01	Essential oils and perfumery raw materials	27.7	47
03.04	Wood and cork manufactured articles	26.5	64
13.03	Ships and boats	26.3	177
15.01	Footwear	26.2	272
07.02	Unworked or semi-manufactured precious metals	26.1	117

Table 5

FREQUENCY DISTRIBUTION BY LEVEL OF DUTY OF MFN IMPORTS
FROM DEVELOPING COUNTRIES - 1971

(million dollars and percentages)

Sub-category		Value	Free	0.1-5.0%	5.1-10.0%	10.1-20.0%	20.1% and ov
<u>Raw materials</u>		<u>20,774</u>	<u>76.4</u>	<u>8.3</u>	<u>0.6</u>	<u>14.6</u>	<u>0.1</u>
09.05	Crude petroleum	15,185	71.4	9.2	0.0	19.4	-
08.01	Metallic ores and concentrates, metal waste	2,354	96.9	0.0	3.1	-	-
05.01	Textile fibres and waste	909	89.0	4.9	5.4	0.3	0.4
03.01	Wood and cork in the rough	784	99.3	0.3	0.4	-	-
02.01	Raw rubber	621	99.4	0.6	-	-	-
07.01	Pearls, precious and semi- precious stones	340	41.4	58.5	0.0	0.0	0.1
<u>Semi-finished manufactures</u>		<u>3,835</u>	<u>50.2</u>	<u>13.3</u>	<u>20.7</u>	<u>14.6</u>	<u>1.2</u>
08.03.01	Unwrought non-ferrous metals	1,523	63.6	16.0	20.3	0.0	0.1
05.03	Textile fabrics and similar products	607	35.6	0.9	20.4	36.9	6.2
07.02-03	Wood and cork semi-manufactured products	529	42.4	6.9	10.5	39.7	0.5
10.01.02	Chemical elements, inorganic acids, oxides and halogens	211	79.5	5.4	8.8	6.3	-
01.02	Hides, skin and furskin semi- manufactured products	189	30.9	39.5	28.9	0.5	0.2
05.02	Textile yarns	131	7.6	3.6	51.3	35.9	1.6
<u>Finished manufactures</u>		<u>6,996</u>	<u>6.9</u>	<u>20.1</u>	<u>24.5</u>	<u>33.1</u>	<u>15.4</u>
09.04	Products derived from petroleum, coal or gas	2,048 ^a	10.6	46.8	27.0	10.9	4.7
05.05	Clothing and clothing accessories	1,668	0.0	0.0	3.3	46.1	50.6
12.02	Telecommunication, radio and t.v. transmission and reception apparatus	371	0.0	45.7	11.9	41.3	0.6
05.04	Made-up textile articles and related products	361	8.7	4.2	4.4	77.1	5.6
12.04	Electrical equipment and parts	285	0.5	1.7	32.9	14.0	0.9
15.01	Footwear	272	0.0	4.3	41.8	40.3	13.6
19	Toys	272	0.4	0.9	22.7	74.6	1.4
13	Transport equipment	266	62.4 ^b	19.3	11.4	6.3	0.6
23	Manufactured articles not elsewhere specified	256	2.7	3.2	73.8	15.7	4.6
11	Non-electric machinery	216	2.3	31.0	59.5	6.9	0.3

^aOf sub-category 09.04, \$20.8 million fall under semi-finished manufactures (BTN 27.06, 27.08, 27.14, 27.16 and 38.04) and \$3.1 million under raw materials (BTN 27.07).

^bOf which \$129 million (45.3%) are ships which used to be registered under the Liberian and Panamanian flags.

Table 6

COMBINED MFN IMPORTS OF FINISHED MANUFACTURES FROM DEVELOPING COUNTRIES - 1971

(million dollars and percentages)

Category or sub-category	Share of combined m.f.n. imports (%)	Value	11 combined tariff averages			
			No 1	No 2	No 3	No 4
05.05 Textile clothing and clothing accessories	64.8	1,668	19.6	21.0	24.5	24.6
05.04 Made-up textile articles and related products	43.1	361	13.9	14.9	15.1	15.8
23 Manufactured articles, n.e.s.	38.2	256	11.5	12.3	10.4	12.1
01.03 Leather and furskin manufactured articles	31.3	73	16.0	17.5	13.5	13.7
07.03 Articles of precious stones and precious metals	31.2	49	12.7	13.1	14.3	13.1
10.04.02 Plastic articles	29.7	102	13.6	13.6	14.6	14.6
19 Toys	29.5	272	12.2	12.9	15.0	14.3
15 Footwear and travel goods	28.0	344	14.5	16.6	15.9	16.2
03.04 Wood and cork manufactured articles	26.5	64	10.0	10.0	7.9	8.7
17 Furniture	23.4	69	11.4	11.5	11.1	11.4
12 Electrical machines and apparatus	15.1	765	9.2	9.0	9.8	9.9
10.03 Medical and pharmaceutical products	10.7	78	10.2	11.2	7.6	7.9
20 Works of art and collectors' pieces	8.4	29	1.5	1.5	0.0	0.0
06.05 Mineral manufactures other than glass and fertilizers	7.8	47	10.1	10.5	12.1	10.9
10.06.02 Chemical finished products other than plastics, paints, varnishes, etc, medical and pharmaceutical products, perfumery, cosmetics, washing and cleaning preparations	7.3	12	9.8	8.4	9.3	8.9
06.06.02 Glass manufactured other than flat glass	6.7	21	11.4	12.3	13.0	12.6
08.04 Metal manufactures	6.0	121	10.1	9.2	9.7	9.7
04.04 Paper and paperboard manufactured articles other than printed matter	5.5	10	10.3	10.5	11.1	11.5
02.03 Rubber manufactured articles	5.2	29	9.8	9.9	8.4	9.1
21 Firearms, ammunition, etc	4.3	4	11.8	12.2	12.0	12.2
18 Musical instruments, sound recording or reproduction apparatus	3.7	29	8.5	8.2	8.8	8.8
04.03 Paper and paperboard printed matter	3.4	22	4.6	2.5	1.6	2.1
22 Office and stationary supplies	2.7	2	10.6	12.0	12.7	12.9
14 Professional, scientific and controlling instruments, photographic apparatus, clocks and watches	2.6	65	12.8	10.5	9.7	9.7
10.05.02 Perfumery, cosmetics, washing and cleaning preparations	2.3	3	11.0	11.6	12.3	12.9
13 Transport equipment	2.2	266	9.1	9.1	6.0	7.8
11 Non-electric machinery	1.9	216	7.7	7.5	7.2	7.4
16 Photographic and cinematographic supplies	1.2	5	8.2	9.2	11.0	11.5
All finished manufactures	14.5	6,996	11.2	9.8	9.4	9.8

3. BTN headings of special interest to developing countries

Of the combined imports from developing countries 83 per cent, or \$29,672 million, entered under twenty major BTN headings. Imports of crude petroleum accounted for \$16,442 million (55 per cent of the value of imports under the twenty headings), metallic ores and concentrates for \$2,659 million (9 per cent), and petroleum other than crude for \$2,205 million (7 per cent). Duty free imports accounted for 67 per cent of trade under the twenty headings, the bulk being duty free imports of crude petroleum. For all these headings developing countries are important suppliers and, under the following ones, they supply more than half of combined (most favoured nation plus preferential) imports into the eleven countries under study¹:

Raw materials: (per cent)

40.01	Natural rubber	99
27.09	Petroleum oils, crude	93
55.01	Cotton, not carded or combed	61
25.10	Natural calcium phosphates, etc	57
44.03	Wood in the rough	53

Semi-finish manufactures:

57.10	Woven fabrics of jute and other textile bast fibres	93
80.01	Tin, unwrought and waste	90
74.01	Copper matte, unwrought copper, copper waste	63
28.20	Aluminium oxide and hydroxide, artificial corundum	52

Finished manufactures:

58.01	Carpets, carpeting and rugs, knotted	89
27.10	Petroleum oils, other than crude	56
60.05	Outer garments, knitted or crocheted	55
61.01	Men's and boys' outer garments	51

¹It is interesting to note that of the twenty BTN headings five are listed in COM.TD/W/203/Rev.1 as being "of particular interest to developing countries" (BTN headings 57.10, 60.05, 61.01, 61.02 and 85.15).

The twenty major BTN headings are distributed by stages of processing as follows: seven cover raw materials, seven semi-finished manufactures, and six finished manufactures. The simple and weighted average duty rates of each of these headings were compared with the corresponding averages of the sub-sector in which it is classified (i.e. the comparison was with the sub-sectoral averages Nos. 1 and 3). It was found that a large majority (76 per cent) of these headings carry duty averages equal to or lower than the average for their sub-sector.

This result was predictable for raw materials as those imports from developing countries can be expected to be subject to zero duties more often than those which are also produced in developed countries. The only raw material headings whose averages were higher than the corresponding sub-sectoral ones were metallic ores and concentrates (BTN 26.01), and cotton, not carded or combed (BTN 55.01), and in these cases the averages were very low (0.5 per cent and 1.8 per cent respectively).

Only two of the seven headings relating to semi-manufactures carried a simple average higher than the corresponding sub-sectoral one. Among the six finished manufactures' headings however, five showed higher simple averages (BTN 27.10, 60.05, 61.01, 61.02 and 85.15), of which three also show higher weighted averages (BTN 27.10, 60.05 and 85.15). On BTN 58.01 - carpets, carpeting and rugs, knotted - both averages were lower than that for the sub-categories.