

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Multilateral Trade Negotiations

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Group "Tariffs"

SPECIAL PROCEDURES FOR DEVELOPING COUNTRIES

Statement made by the Delegation of the European Communities
at the Group "Tariffs" Meeting, March 1976

The Community has considered the proposals or suggestions already made in the Group "Tariffs" with a view to the establishment of special procedures for negotiations between developing and developed countries, as well as the initial reactions to these proposals.

A number of positive elements have been introduced into this discussion. Furthermore, it seems to us that the hesitations elicited by the various proposals are perfectly comprehensible. At the present stage of our deliberations, it seems indeed difficult to set up, in all its details, a certain type of special procedure for the negotiations between developed and developing countries, while so much remains unknown regarding many aspects of the tariff negotiating plan, including the technique for tariff cutting, the staging of tariff cuts, exceptions, etc.

Nevertheless, we feel that we might usefully, in a pragmatic way, undertake our work in this field, in parallel with the gradual elaboration of general procedures and rules for negotiations on tariffs.

For this reason, the Community offers the following suggestions to the Group. These suggestions, of course, relate to products other than agricultural products, inasmuch as the Group "Agriculture" is dealing with the procedures applicable to agricultural products.

1. In the first place, we might agree on the principles of measures tending to ensure special and more favourable treatment for imports originating in the developing countries. A number of these measures have already been referred to by many delegations, including our own, in the course of earlier discussions within this Group. For our part, we might, according to circumstances, consider the following measures:

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- (a) varying the extent of the reduction (most-favoured-nation tariff cuts deeper or less deep than those resulting from the general formula);
- (b) maintenance of the preferential margins under the generalized system of preferences through the exclusion of a limited number of products from the general formula;
- (c) measures for the improvement of the generalized system of preferences;
- (d) opening of new tariff sub-headings;
- (e) varying the staging of the tariff cuts: either advance implementation according to modalities to be specified, or implementation staggered over a certain period, with the object of maintaining a certain preferential margin for a longer period.

2. These special measures are not, of course, all capable of being applied simultaneously to the same products. For example, it is impossible at one and the same time to attempt to maintain a certain preferential margin and proceed to most-favoured-nation tariff cuts that would be deeper than the general formula. In addition, they might also not be applicable to the entirety of the industrial products but might be concentrated on certain products of export interest to the developing countries. In other words, one would have to choose the measure or measures that would be most appropriate to the products in question.

Accordingly, what is needed is a list of products of interest to developing countries. In this respect various methods have been considered, but the one which to our mind is the most suitable, in that it makes it possible to obtain a list of such products very quickly, would be to make a selection on the basis of objective criteria, such as the share accounted for by the developing countries in the total imports of the developed countries. We think the secretariat probably possesses a good deal of statistical data making it possible to identify such products, both as regards the developed and developing countries as a whole and as regards the individual supplying or importing countries.

We have no preconceived notion with regard to the selection criteria to be adopted, but it seems to us that such an approach deserves discussion, and we would be happy to hear the reactions of the developing countries.

It would, of course, be possible at a later stage to add other products to the list on the basis of additional information that might be provided by individual developing countries.

3. The two points we have just mentioned would make it possible for us to initiate a special procedure forthwith, in conformity with the Tokyo Declaration. The advantages of such a procedure would be:

- it would define the special measures already now, which would make it possible to establish a certain parallel with the work proceeding on the general formula;
- it would speed up, at the appropriate time, the implementation of special measures in favour of the developing countries.