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STATEMENT BY THE DELEGATION OF COLOMBIA ON BEHALF OF THE COUNTRIES OF THE ANDEAN GROUP AT THE GROUP "TARIFFS" MEETING, MARCH 1976

With regard to the proposal made by the United States delegation, the countries of the Andean Group would like to express their gratitude for that proposal, which we are sending to our Governments for detailed analysis in the light of the structure of our exports to that market. Accordingly, we are reserving detailed comments for a future occasion. From a very preliminary analysis we can see that this formula has been worked out basically with the object of achieving the maximum liberalization of trade amongst the major market-economy countries participating in this negotiation and hence we do not think that this proposal has any great effect on the preferential measures for the developing countries which our delegations expect within the context of the general formula. In addition, as the representative of Venezuela has said, we consider that in consequence of the application of this formula the generalized system of preferences will inevitably be eroded without as yet any adequate compensation being envisaged.

We endorse the statements made at yesterday's meeting by the developing countries concerning the maintenance and improvement of the generalized system of preferences in the application of the general tariff-cutting formula. That formula, in whatever terms it might be agreed, should contain sufficient technical elements in order to make possible differential treatment for the trade of developing countries. The nature of this formula is, therefore, closely connected with the elaboration of special procedures for the negotiations between developed and developing countries.

A careful analysis of the deliberations conducted shows the need for upholding our decision reached at earlier meetings for ensuring a parallel in the working out of the two procedures, that is the general and the special procedure. Several delegations have shown conclusively that it would be inadvisable to adopt the general tariff-cutting formula proposed by the United States if the intention is to deal with such aspects as, for example, the maintenance of the GSP to which reference is made in the Tokyo Declaration. The reason is that this formula - although the opposite was said at the time it was submitted - does not contain differentiating technical elements. Consequently, we are faced with a typical case of the formulation of a procedure for general negotiation without at the same time and in parallel considering the exception to the rule, that is, its special application.

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It is obvious that the position of the delegations of some developed countries reflects certain proposals made on earlier occasions by our delegations. This is a very positive aspect of this meeting, and we consider it as an important progress in the multilateral trade negotiations in general. In particular, we consider as most useful and positive the position adopted and presented in this connexion by the delegation of the EEC, as reflected in the document which has been circulated. At the same time, we greatly appreciate the statement made subsequently by the representative of the EEC in which he announced a further improvement in the Community's proposal on the basis of the comments made yesterday by developing countries to which we give our full support. It is true that, although it is very progressive, we consider that it does not deal with certain important aspects, for example, the need to establish compensatory mechanisms to offset the loss or erosion of preferential margins nor certain mechanisms mentioned in yesterday's discussion, and that the proposal of the Community is capable of further improvement.

As regards the question of working on the basis of lists of products of export interest to developing countries, we consider that it is as yet premature to initiate a process of submitting lists spelling out the specific interests of the developing countries, let alone initiating a stage of notifications on a bilateral basis. Inasmuch as the parameters which are to govern the tariff cuts to be applied by the industrialized countries, the general formula itself, and the exceptions to be negotiated, are still unknown, we consider that it would be more advisable and appropriate at this stage of our work to prepare a global list of the products of interest to the developing countries on the basis of objective data at present available to the GATT secretariat. Naturally, this indicative initial list to be prepared by the secretariat should allow for the later addition of products notified by developing countries, in the case for example of products which do not figure in the secretariat's statistics because they account for only a small proportion of world exports, but which might nevertheless be of great economic importance for a particular exporting country, as in the case of the least developed countries.

A list of this kind would make it perfectly possible to apply the system of continuing evaluation of the effects of general tariff cuts on the trade of developing countries, that is through the use of the cutting formula to be ultimately adopted, a system which was agreed within the Group last July and which would support and safeguard the parallel that I have mentioned earlier.

With reference to paragraph 3 of the statement by the EEC concerning special procedures for the developing countries, which are to be discussed in the near future, we - that is, the countries of the Andean Group - consider that on that occasion special attention should be given simultaneously and in parallel to the particular situation and problems of the least developed of the developing countries, referred to in paragraph 6 of the Tokyo Declaration, a treatment which, as has been argued ever since the Ministerial Meeting itself, and as has been reiterated at the meetings of the Trade Negotiations Committee and in other bodies, applies also to the island and land-locked developing countries, with the object that these three groups of countries should, within the framework of the Tokyo Declaration, "receive special treatment in the context of any general or specific measures taken in favour of developing countries during the negotiations".