

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Special Distribution

Multilateral Trade Negotiations

Group "Tropical Products"

CHAIRMAN'S SUMMING-UP AND RECORD OF DECISIONS AT MEETING OF 30 JUNE-1 JULY 1976

1. The Group noted that initial offers had been made by developed countries to which request lists had been addressed in accordance with the procedures agreed at its February meeting. It reviewed the status of the bilateral and plurilateral negotiations and heard comments on the scope and content of the initial offers. The Group agreed to invite the Secretary-General of UNCTAD or his representative to attend this meeting as an observer.
2. Representatives of many requesting countries expressed disappointment at the size, scope and content of the initial offers which in their judgement did not in many instances correspond to the requests made. In this respect, particular reference was made to the exclusion of several products of special export interest to developing countries included in the request lists, the insufficiency of tariff cuts, the limitation in the case of some offer-making countries to offers on products falling within CCCN Chapters 1-24, the exclusion of non-tariff measures in general, and also the situation where the initial offers for concessions or contributions presented by some countries were entirely on a GSP or on an MFN basis.
3. The Group took note of a proposal made on behalf of a group of countries in the form of a statement made available to it.¹
4. A number of delegations of requesting countries expressed their understanding that all MFN concessions would eventually be bound in the GATT. The question of the security of GSP contributions was also raised.
5. Several representatives of offer-making countries made particular reference to the overall value of their offers, the efforts made by their governments to respond to the requests for concessions, the depth of tariff cuts, that offers were made

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without regard to the traditional definition of tropical products and that the offers included processed as well as raw materials. In this connexion, several representatives referred to the considerations underlying the presentation of their offer lists on a GSP or an MFN basis, the limitation for the present of the offers to products appearing in CCCN Chapters 1-24, and the exclusion of certain products and non-tariff measures. Some delegations invited attention to certain offers on non-tariff measures made by them.

6. The Group expressed the hope that as a result of further bilateral and plurilateral negotiations it would be possible to adopt a more flexible approach and noted the hope expressed by a large number of delegations that there would be a substantial improvement in the offers tabled. Several delegations confirmed that the offer-lists presented by them were of an initial character and their governments were willing to consider improvements in the light of the bilateral or plurilateral negotiations which were taking place and of the discussions in the Group. Some delegations indicated that they were awaiting additional information from requesting countries which would permit them to consider further improvements in their offers.

7. It was noted that the process of consultation or negotiation on the basis of the offer-lists was still incomplete. The Group agreed that a serious effort should be made to accelerate this process. In this connexion, some delegations stressed the importance of plurilateral negotiations with respect to selected products or groups of products.

8. It was proposed that with a view to facilitating the bilateral or plurilateral negotiations and also with the objective of permitting a more meaningful multilateral discussion of the offer-lists at a future meeting of the Group "Tropical Products", the secretariat should be asked to prepare a consolidated list of requests to and offers for concessions or contributions made by different offer-making countries. It was also suggested that such a tabulation might show existing duty rates. The Group agreed to the secretariat, in consultation with offer-making and requesting countries, preparing such a tabulation, it being understood that it should not reflect a static position and that the possibility of further changes in the offers should be taken into account.

9. Some delegations indicated that a certain number of improvements effected by them in their respective GSP schemes had taken into account requests made in the context of negotiations on tropical products and would be implemented as of 1 July 1976. Some delegations indicated that the concessions or contributions offered by them could be expected to be implemented as from 1 January 1977, irrespective of whether these were made on a GSP or an MFN basis.

10. It was noted that if the objective of reaching an agreement on tropical products by the end of the year was to be met and in order that countries might be in a position to implement their offers as of 1 January 1977, it would be important to complete the process of bilateral or plurilateral negotiations well in time. In this connexion, several developing countries stressed the priority attached by them to an improvement in the scope and content of the offers in the light of the requests made and their reactions to the offers.

11. Representatives of requesting countries drew attention to the provisions of paragraph 5 of the Tokyo Declaration and section 2(ii) of the "Guidelines" (MTN/TP/1) in terms of which they stated that the question of a contribution by them to the objectives of the negotiations could be considered only in the light of the additional benefits accruing to them from the negotiations as a whole and, while affirming their intention to consider such a contribution, they indicated that they were not obliged to make reciprocal concessions in the context of the offers on tropical products. They pointed out that section 1(i) of the "Guidelines" (MTN/TP/1) provided for requests for concessions being made only by developing countries. Several offer-making countries indicated that they were not seeking contributions from developing countries in the context of their offers on tropical products. One offer-making country, referring to paragraph 5 of the Tokyo Declaration and section 2(ii) of the "Guidelines" (MTN/TP/1), reaffirmed its intention to seek contributions from countries which will receive substantial benefits from its tropical products offers. To facilitate this process, the country in question noted that it had identified contributions which it is seeking from certain requesting countries. It expressed the hope that it would be possible to make progress on this and other points in the course of the bilateral negotiations.

12. The Group agreed to revert to these matters at its next meeting to be held in October 1976 with a view to: (i) reviewing the progress of the bilateral or plurilateral negotiations to be held in the meantime; (ii) carrying forward the multilateral discussion of the offers made; and (iii) reviewing any other outstanding problems including the question of finalization of concessions.

13. The Group reviewed the points covered by sections 1(v), 1(ix) and 2(iii) of the "Guidelines" (MTN/TP/1) in the light of the discussions of items 2(A), 2(B) and 2(C) of the agenda. It also took note of the comments on the document prepared by the secretariat in respect of the Draft Standards Code (MTN/TP/W/16) and agreed to revert to these matters as appropriate.