

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG6/LT/6
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Special Distribution

Group of Negotiations on Goods (GATT)
Negotiating Group on Tropical Products

Original: English

TROPICAL PRODUCTS

Indicative List Submitted by Austria

The following communication dated 12 April 1988 has been received from the delegation of Austria with the request that it be circulated to the members of the Group.

Further to my letter of 22 January 1988, ref. No. 114-G/88, by which I transmitted to you the Austrian offer on tropical products and with reference to documents MTN.GNG/NG6/W/21 and MTN.GNG/NG6/W/23 I have been instructed to inform you of a recently decided elaboration of the original proposal.

I should be grateful for circulating the attached list of items and envisaged measures with the following comments as an official document to all contracting parties in advance of the Negotiating Group's next meeting on 25/26 April 1988.

Elaboration of the Austrian Offer
on Tropical Products as Contained in
Document MTN.GNG/NG6/W/21

I.

Austria is now putting in concrete terms the original offer to improve the Scheme of Tariff Preferences in Favour of Developing Countries (see Part I of MTN.GNG/NG6/W/21 of 27 January 1988) by the following intended specific measures.

- 1) In chapters 1 to 24 of the Austrian Customs Tariff the preferential margin for a considerable number of tropical items is to be improved. In addition, a few tropical items for which no tariff preferences existed up to now are to be included in the Austrian Scheme for the first time (mainly tropical fruit products). It is particularly noteworthy that in the field of tropical spices - a hard-core sector where Austria maintains quite a considerable level of tariffs for crushed or ground products - very substantial reductions are offered. There are only a few exceptions, mainly because some spices are not considered to be typical tropical products (e.g. seeds of fennel or juniper).
- 2) In chapters 25 to 97 of the Austrian Customs Tariff an additional effort has been made in the sector of jute

and hard fiber products. For these products at present only a GSP reduction of 35 per cent of MFN rates applies. These preferential rates are to be reduced to 50 per cent of the MFN rates.

The additional offer provides furthermore for a 50 per cent reduction in presently applied GSP rates for certain categories of rubber products and manufactures. Finally, there are some selective offers for veneer and plywood and wooden furniture.

- 3) Care has been taken to formulate additional offers in such a way as to maintain a special preferential margin for least developed countries (Group II in the Austrian GSP Scheme).
- 4) In order to facilitate the reading and evaluation of the specific Austrian offer the attached list has been arranged according to the system of document MTN.GNG/NG6/W/6/Rev.1 showing for each product listed there the following information:
 - Austrian MFN rate
 - present GSP rate for the bulk of beneficiary countries (GSP I) and for the group of least developed countries respectively (GSP II)
 - additional offers, if any, again separately for the two groups of beneficiaries.
 - Those items which are exempted from the Austrian offer because they are not considered to be typical tropical products are marked with two asterisks (one asterisk hints to the existence of a variable levy).

II)

The intention to improve the Austrian GSP Scheme with regard to tropical products is based on the assumption stated in the introduction of the original proposal. The parts of that proposal relating to MFN concessions, to non-tariff measures and to modalities - in particular the Austrian readiness to consult or negotiate forthwith bilaterally on all tariff matters relating to tropical products - are upheld in their entirety.