

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Group of Negotiations on Goods (GATT)

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Negotiating Group on Tropical Products

TROPICAL PRODUCTS

Indicative List Submitted by Hungary

The following communication dated 6 May 1988 containing an indicative offer together with the statement delivered by the Hungarian delegation is circulated to all participants.

With a view to contributing to the expeditious fulfilment of the negotiating objectives set out in the Punta del Este Declaration, I wish to introduce the Hungarian offer in respect of liberalizing trade in tropical products.

This offer relates to the seven product groups covered by the 1982-84 consultations on tropical products which have been agreed as a basis for the negotiations in the group.

Taking into account the specific negotiating objectives relating to tropical products and the need to arrive at a meaningful package of decisions in the framework of the mid-term review, my Government seriously considered steps it can take - within the limited possibilities of the Hungarian economy - in response of meeting the objectives of the negotiations in this area.

The Hungarian offer consists of the following main elements:

1. As far as tariffs are concerned, approximately two-third of the tropical products are covered at present by the Hungarian Generalized System of Preferences with zero or preferential duties (see Annex I and II). We are ready to reduce to zero practically all the existing GSP rates of tropical products. Moreover, those tropical products for which no tariff preferences exist, will be included in the Hungarian Preferential Scheme at substantially reduced tariff rates with a view to decrease them to zero within a 3-year time frame (see Annex III). The final aim of these envisaged measures is to provide duty-free market access for all tropical products exported by developing countries.
2. Concerning non-tariff measures, the only quantitative restriction maintained by Hungary is the global-quota on consumer goods. Very few tropical products are covered by this quota: out of the nearly 160 products identified as tropical products only 4 items (09.04-01, 09.10-00, 94.01-00, 94.03-00) are subject to this quota. As a part of our offer we intend to exempt these products from the global quota.

Once again, I would like to emphasize that when making our offer we wanted to underline the importance we attach to the faithful implementation of the negotiating objectives of the Punta del Este Declaration in all fields. Although Hungary is a small importer of tropical products - due mainly to its size and consumption pattern - we are making efforts to improve market access conditions in this area. Nevertheless we believe that as a result of the Uruguay Round negotiations our basic negotiating objectives, especially in the field of agriculture, tariffs and non-tariff measures will also be met.

Annex I.List of tropical products already included with duty-free treatment in the Hungarian GSP scheme

- (08.01 Dates, bananas, coconuts, Brazil nuts, cashew nuts, pineapples, avocados, mangoes, guavas and mangosteens, fresh or dried, shelled or not:)
- 01 Grated coconuts, dates, bananas, pineapples
 - 99 Other
- 08.11-00 Fruit provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption
- 09.05-00 Vanilla
- 09.06-00 Cinnamon and cinnamon-tree flowers
- 09.08-00 Nutmeg, mace and cardamoms
- 09.09-00 Seeds of anise, badian, fennel, coriander, cumin, caraway and juniper
- (12.01 Oil seeds and oleaginous fruit, whole or broken:)
- 01 Groundnuts for human consumption
 - 02 Groundnuts for oil extraction

Four digit tariff descriptions in brackets are given only for reference purposes.

- 03 Fruit classified under heading No. 08.01, of non-edible quality
 - 04 Soya beans
 - 99 Other
- (12.07 Plants and parts (including seeds and fruit) of trees, bushes, shrubs or other plants, being goods of a kind used primarily in perfumery, in pharmacy, or for insecticidal, fungicidal or similar purposes, fresh or dried, whole, cut, crushed, ground or powdered:)
- 01 Liquorice root
 - 02 Quassia
 - 03 Tonka beans
 - 04 Calaber beans
 - 05 Coca leaves
 - 06 Other wood, roots and bark; moss and algae
 - 07 Poppy heads
 - 09 Senna leaves
 - 10 Ipecacuanha root
 - 11 Cinchona bark
 - 99 Other
- (13.02 Shellac, seed lac, stick lac and other lacs; natural gums, resins, gum-resins and balsams:)
- 01 Shellac, seed lac, stick lac and other lacs
 - 03 Turpentine balsam
 - 99 Other
- 14.03-00 Vegetable materials of a kind used primarily in brushes or in brooms (for example, sorgho, piassava, couch-grass and istle), whether or not in bundles or hanks
- (15.07 Fixed vegetable oils, fluid or solid, crude, refined or

- purified:)
 - 01 Wood oil and Japan wax
 - 02 Castor oil
 - 99 Other
- (15.11 Glycerol and glycerol lyes:)
- 01 Crude glycerol, sweet water and glycerol lyes
 - 99 Other (including synthetic glycerol)
- (15.12 Animal or vegetable oils and fats, wholly or partly hydrogenated, or solidified or hardened by any other process, whether or not refined, but not further prepared:)
- 01 Solidified fish oil
 - 02 Solidified palm oil
- 18.01-00 Cocoa beans, whole or broken, raw or roasted
- 18.03-00 Cocoa paste (in bulk or in block), whether or not defatted
- 18.04-00 Cocoa butter (fat or oil)
- 20.05-00 Jams, fruit jellies, marmalades, fruit purée and fruit pastes, being cooked preparations, whether or not containing added sugar
- (20.07 Fruit juices (including grape must) and vegetable juices, whether or not containing added sugar, but unfermented and not containing spirit:)
- 01 Juices of a specific gravity exceeding 1.33 at 15 C
 - 02 Juices of a specific gravity of 1.33 or less at 15 C

- 23.04-00 Oil-cake and other residues (except dregs) resulting from the extraction of vegetable oils

- 40.01-00 Natural rubber latex, whether or not with added synthetic rubber latex; pre-vulcanised natural rubber latex; natural rubber, balata, gutta-percha and similar natural gums

- (40.11 Rubber tyres, tyre cases, interchangeable tyre treads, inner tubes and tyre flaps, for wheels of all kinds:)
 - 01 For passenger motor cars

 - 02 For buses and lorries, size 12-00-20
 - 03 For buses and lorries, other sizes
 - 06 Used vehicle tyres
 - 07 Used interchangeable treads and inner tubes

- (40.14 Other articles of unhardened vulcanised rubber:)
 - 01 For industrial purposes
 - 99 Other

- (44.03 Wood in the rough, whether or not stripped of its bark or merely roughed down:)
 - 01 Tropical wood
 - 02 Temperate-zone wood (for paper-making, pit-props and power-line posts)
 - 03 Other temperate-zone wood

- (44.05 Wood sawn lengthwise, sliced or peeled, but not further prepared, of a thickness exceeding 5 mm:)
 - 01 Tropical wood

-03 Larix decidua

-99 Other

(44.18 Reconstituted wood, being wood shavings, wood chips, sawdust, wood flour or other ligneous waste agglomerated with natural or artificial resins or other organic binding substances, in sheets, blocks or the like:)

-99 Other

(44.23 Builders' carpentry and joinery (including prefabricated and sectional buildings and assembled parquet flooring panels):)

-01 Doors and windows

46.03-00 Basketwork, wickerwork and other articles of plaiting materials, made directly to shape; articles made up from goods falling within heading No. 46.02; articles of loofah

(54.02 Ramie, raw or processed but not spun; ramie noils and waste (including pulled or garnetted rags):)

-01 Fibres

57.02-00 Manila hemp (abaca) ("Musa textilis"), raw or processed but not spun; tow and waste of manila hemp (including pulled or garnetted rags or ropes)

57.03-00 Jute and other textile bast fibres not elsewhere specified or included, raw or processed but not spun; tow and waste thereof (including pulled or garnetted rags or ropes)

- 57.04-00 Other vegetable textile fibres, raw or processed but not spun; waste of such fibres (including pulled or garnetted rags or ropes)
- (57.07 Yarn of other vegetable textile fibres; paper yarn:)
-99 Other
- 59.04-00 Twine, cordage, ropes and cables, plaited or not
- (60.05 Outer garments and other articles, knitted or crocheted, not elastic nor rubberised:)
-99 Other
- (62.03 Sacks and bags, of a kind used for the packing of goods:
-01 Used jute sacks
-02 Packing sacks and bags, of jute
-03 Packing sacks and bags, of other materials)
- 94.01-00 Chairs and other seats (other than those falling within heading No. 94.02) whether or not convertible into beds, and parts thereof
- 94.03-00 Other furniture and parts thereof

Annex II.

List of tropical products already included with preferential duties in the Hungarian GSP scheme and for which Hungary is ready to reduce the preferential rates to zero

- 08.08-00 Berries, fresh
- 08.12-00 Fruit, dried, other than that falling within heading No. 08.01, 08.02, 08.03, 08.04 or 08.05
- 09.02-00 Tea
- (09.04 Pepper of the genus „Piper“; pimento of the genus „Capsicum“ or the genus „Pimenta“:)
- 01 Pepper
- 99 Other
- 09.07-00 Cloves (whole fruit, cloves and stems)
- 09.10-00 Thyme, saffron and bay leaves; other spices
- (10.06 Rice:)
- 01 Rice in the husk or without the husk but still enclosed in the pericarp
- (11.02 Cereal groats and cereal meal; other worked cereal grains (for example, rolled, flaked, polished, pearled or kibbled but not further prepared), except rice falling within heading No. 10.06; germ of cereals, whole, rolled, flaked or ground:)
- 99 Other

Four digit tariff descriptions in brackets are given only for reference.

11.08-00 Starches; inulin

(14.01 Vegetable materials of a kind used primarily for plaiting (for example, cereal straw, cleaned, bleached or dyed, osier, reeds, rushes, rattans, bamboos, raffia and lime bark):)

- 04 Bamboos, raw
- 05 Manila reeds; rattans, raw
- 06 Other raw tropical reeds

(14.02 Vegetable materials, whether or not put up on a layer or between two layers of other material, of a kind used primarily as stuffing or as padding (for example, kapok, vegetable hair and eel-grass):)

- 01 Vegetable hair, raw
- 02 Vegetable hair put up on a backing

(14.05 Vegetable products not elsewhere specified or included:)

- 01 Alfa, raw
- 02 Alfa put up on a backing

15.08-00 Animal and vegetable oils, boiled, oxidised, dehydrated, sulphurised, blown or polymerised by heat in vacuum or in inert gas, or otherwise modified

(18.05 Cocoa powder, unsweetened:)

- 01 Cocoa powder, unsweetened, put up in packagings of 1 kg, or more

20.06-00 Fruit, otherwise prepared or preserved, whether or not containing added sugar or spirit

(24.02 Manufactured tobacco; tobacco extracts and essences:)

- 99 Other

- (33.06 Perfumery, cosmetic and toilet preparations; aqueous distillates and aqueous solutions of essential oils, including such products suitable for medicinal uses:)
 - 01 Perfumery, cosmetics and toilet preparations

- 34.04-00 Artificial waxes (including water-soluble waxes); prepared waxes, not emulsified or containing solvents

- (40.02 Synthetic rubber latex; pre-vulcanised synthetic rubber latex; synthetic rubber; factice derived from oils:)
 - 02 Factice

- 40.12-00 Hygienic and pharmaceutical articles (including teats), of unhardened vulcanised rubber, with or without fittings of hardened rubber

- (40.13 Articles of apparel and clothing accessories (including gloves), for all purposes, of unhardened vulcanised rubber:)
 - 99 Other

- (44.04 Wood roughly squared or half-squared, but not further manufactured:)
 - 01 Tropical wood

- 44.24-00 Household utensils of wood

- 44.27-00 Standard lamps, table lamps and other lighting fittings of wood; articles of furniture, of wood, not falling within Chapter 94; caskets, cigarette boxes, trays, fruit bowls, ornaments and other fancy articles, of

wood; cases for cutlery, for drawing instruments or for violins, and similar receptacles, of wood; articles of wood for personal use or adornment, of a kind normally carried in the pocket, in the handbag or on the person; parts of the foregoing articles, of wood

(44.28 Other articles of wood:)

-99 Other

(46.02 Plaits and similar products of plaiting materials, for all uses, whether or not assembled into strips; plaiting materials bound together in parallel strands or woven, in sheet form, including matting, mats and screens; straw envelopes for bottles:)

-03 Plaits, of bamboo

-99 Other

57.06-00 Yarn of jute or of other textile bast fibres of heading No. 57.03

57.10-00 Woven fabrics of jute or of other textile bast fibres of heading No. 57.03

(57.11 Woven fabrics of other vegetable textile fibres; woven fabrics of paper yarn:)

-02 Woven fabrics of other vegetable textile fibres

(58.01 Carpets, carpeting and rugs, knotted (made up or not):)

-01 Hand-made

-02 Mechanically made

(58.02 Other carpets, carpeting, rugs, mats and matting, and ,,Kelem", ,,Schumacks" and ,,Karamanie" rugs and the

like (made up or not):)

-01 ,,Kelem", ,,Schumacks,"and ,,Karamanie" rugs

-99 Other

59.05-00 Nets and netting made of twine, cordage or rope, and made up fishing nets of yarn, twine, cordage or rope

59.06-00 Other articles made from yarn, twine, cordage, rope or cables, other than textile fabrics and articles made from such fabrics

Annex III.

List of tropical products which will be included in the Hungarian
GSP scheme at substantially reduced tariff rates

- (06.02 Other live plants, including trees, shrubs, bushes,
roots, cuttings and slips:)
-99 Other
- (06.03 Cut flowers and flower buds of a kind suitable for
bouquets or for ornamental purposes, fresh, dried,
dyed, bleached, impregnated or otherwise prepared:)
-99 Other
- (07.04 Dried, dehydrated or evaporated vegetables, whole, cut,
sliced, broken or in powder, but not further prepared:)
-99 Other
- 07.06-00 Manioc, arrowroot, salep, Jerusalem artichokes, sweet
potatoes and other similar roots and tubers with high
starch or inulin content, fresh or dried, whole or
sliced; sago pith
- (08.05 Nuts, other than those falling within heading No.
08.01, fresh or dried, shelled or not:)
-99 Other

Four digit tariff descriptions in brackets are given only for
reference.

08.07-00 Stone fruit, fresh

08.09-00 Other fruit, fresh

08.10-00 Fruit (whether or not cooked), preserved by freezing,
not containing added sugar

(11.01 Cereal flours:)

-04 Of rice

(11.04 Flour of the dried leguminous vegetables falling within
heading No. 07.05 or of the fruits falling within any
heading in Chapter 8; flour and meal of sago and of
roots and tubers falling within heading No. 07.06:)

-01 Flour of bananas

-04 Flour and meal of sago and of roots and tubers falling
within heading No. 07.06

(12.02 Flours or meals of oil seeds or oleaginous fruit, non-
defatted, (excluding mustard flour):)

-99 Other

(13.03 Vegetable saps and extracts: pectic substances,
pectinates and pectates: agar-agar and other mucilages
and thickeners, derived from vegetable products:)

-99 Other

(14.02 Vegetable materials, whether or not put up on a layer
or between two layers of other material, of a kind used
primarily as stuffing or as padding (for example,
kapok, vegetable hair and eel-grass):)

- (14.12)
 - 99 Other

- (14.05 Vegetable products not elsewhere specified or included:)
 - 04 Vegetable materials of a kind used for carving
 - 99 Other

- (15.12 Animal or vegetable oils and fats, wholly or partly hydrogenerated, or solidified or hardened by any other process, whether or not refined, but not further prepared:)
 - 99 Other

- (15.15 Spermaceti, crude, pressed or refined, whether or not coloured; beeswax and other insect waxes, whether or not coloured:)
 - 99 Other

- 15.16-00 Vegetable waxes, whether or not coloured
- 18.02-00 Cocoa shells, husks, skins and waste

- (19.04 Tapioca and sago; tapioca and sago substitutes obtained from potato or other starches:)
 - 99 Other

- 20.01-00 Vegetables and fruit, prepared or preserved by vinegar or acetic acid, with or without sugar, whether or not containing salt, spices or mustard

- 20.03-00 Fruit preserved by freezing, containing added sugar

- 20.04-00 Fruit, fruit-peel and parts of plants, preserved by sugar (drained, glacé or crystallised)

- (21.02 Extracts, essences or concentrates, of coffee, tea or maté and preparations with a basis of those extracts, essences or concentrates; roasted chicory and other roasted coffee substitutes and extracts, essences and concentrates thereof:)
- 01 Tea essences
- (21.07 Food preparations not elsewhere specified or included:)
- 01 Vegetable and fruit products
- (24.01 Unmanufactured tobacco; tobacco refuse:)
- 99 Other
- (32.04 Colouring matter of vegetable origin (including dyewood extract and other vegetable dyeing extracts, but excluding indigo) or of animal origin:)
- 01 Colouring matter of vegetable origin
- 02 Colouring matter of animal origin
- (33.01 Essential oils (terpeneless or not), concretes and absolutes; resinoids; concentrates of essential oils in fats, in fixed oils, or in waxes or the like, obtained by cold absorption or by maceration; terpenic by-products of the deterpenation of essential oils:)
- 99 Other
- 40.05-00 Plates, sheets and strip, of unvulcanised natural or synthetic rubber, other than smoked sheets and crepe sheets of heading No. 40.01 or 40.02; granules of unvulcanised natural or synthetic rubber compounded ready for vulcanisation; unvulcanised natural or synthetic rubber, compounded before or after

coagulation either with carbon black (with or without the addition of mineral oil) or with silica (with or without the addition of mineral oil), in any form, of a kind known as masterbatch

- 40.06-00 Unvulcanised natural or synthetic rubber, including rubber latex, in other forms or states (for example, rods, tubes and profile shapes, solutions and dispersions); articles of unvulcanised natural or synthetic rubber (for example, coated or impregnated textile thread; rings and discs)

- 40.07-00 Vulcanised rubber thread or cord, whether or not textile covered, and textile thread covered or impregnated with vulcanised rubber

- 40.08-00 Plates, sheets, strip, rods and profile shapes, of unhardened vulcanised rubber

- 40.09-00 Piping and tubing, of unhardened vulcanised rubber

- 40.10-00 Transmission, conveyor or elevator belts or belting, of vulcanised rubber

- 40.15-00 Hardened rubber (ebonite and vulcanite), in bulk, plates, sheets, strip, rods, profile shapes and tubes; scrap, waste and powder, of hardened rubber

- (40.16 Articles of hardened rubber (ebonite and vulcanite):)
 - 01 For industrial and hygienic purposes

- (44.09 Hoopwood split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise; chipwood; drawn

wood; pulpwood in chips or particles; wood shavings of a kind suitable for use in the manufacture of vinegar or for the clarification of liquids. Wooden sticks, roughly trimmed but not turned, bent nor otherwise worked, suitable for the manufacture of walking sticks, umbrella handles, tool handles or the like:)

-99 Other

44.13-00 Wood (including blocks, strips and friezes for parquet or wood block flooring, not assembled) planed, tongued, grooved, rebated, chamfered, V-jointed, centre V-jointed, beaded, centre-beaded or the like, but not further manufactured

(44.15 Plywood, blockboard, laminboard, battenboard and similar laminated wood products (including veneered panels and sheets); inlaid wood and wood marquetry:)

-99 Other

(44.19 Wooden beadings and mouldings, including moulded skirting and other moulded boards:)

-99 Other

(44.20 Wooden picture frames, photograph frames, mirror frames and the like:

-99 Other

(44.23 Builders; carpentry and joinery (including prefabricated and sectional buildings and assembled parquet flooring panels):)

-99 Other