

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG6/LT/40

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Group of Negotiations on Goods (GATT)

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Negotiating Group on Tropical Products

TROPICAL PRODUCTS

Proposal submitted by
Brazil, Colombia, Cuba, Mexico, Nicaragua and Peru

The following communication dated 17 October 1988 has been received from the delegation of Brazil with the request that it be circulated to the members of the Group.

The Permanent Mission of Brazil to the United Nations Office and other International Organizations in Geneva presents its compliments to the General Agreement on Tariffs and Trade and has the honour to send herewith the text of the proposal for negotiations in the Negotiating Group of Tropical Products, which has been presented by the Delegation of Brazil, Colombia, Cuba, Mexico, Nicaragua and Peru, at the informal meeting held on October 5, 1988.

The Permanent Mission of Brazil, on behalf of the Delegations of Brazil, Colombia, Cuba, Mexico, Nicaragua and Peru, requests that the attached document be circulated to the Negotiating Group of Tropical Products, as an official document.

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In the light of the objective of achieving the fullest liberalization of trade in tropical products and with a view to achieving concrete results before the end of 1988 and their implementation at the earliest possible date, in accordance with the Ministerial Declaration, Brazil, Colombia, Cuba, Mexico, Nicaragua and Peru propose the following modalities for negotiations on trade in tropical products:

Tariff measures

- unprocessed tropical products: binding of all tariffs at zero level; concessions should be implemented in January 1989;

- processed and semi-processed tropical products: to reduce duties, by at least 50 per cent, for implementation in January 1989; the time-frame for implementation of the complementary elimination of duties should be agreed to at the Montreal Ministerial meeting, in order to achieve the objectives of the Punta del Este Declaration at the end of the Uruguay Round;

Non-tariff measures

- elimination of para-tariff and non-tariff measures, including internal taxes, in order to ensure the improvement of market access conditions for tropical products' exports; concessions in this area should be implemented as from January 1989.

The liberalization process should cover all the products of the seven product groups, as contained in document MTN.GNG/NG6/W/6/Rev.1. Other tropical products resulting from negotiations should also be covered by the same modalities.

Measures described above should be taken by the developed countries.

If the Negotiating Group agrees on the modalities proposed above, developing countries which are in a position to do so would study modalities for their individual participation, in accordance with Part IV of the General Agreement, the 'Enabling Clause' and the Punta del Este Declaration. Possible contributions by developing countries should be evaluated in the global context of the Uruguay Round and no sectoral balance should be required.