

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG6/TI/1/Add.11

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

RESPONSES TO REQUESTS FOR ADDITIONAL INFORMATION

The following communication received from the delegation of Indonesia in response to requests for additional trade information addressed by the United States (MTN.GNG/NG6/TI/1) is circulated to the members of the Group.

With reference to your letter dated 30 March 1988 concerning your request for information on trade measures affecting tropical products, I would like to submit the following information provided by my government.

It is our view that this information is given without prejudice to our approach to the negotiations. I would also like to reiterate that the focus of the negotiations on tropical products should be full liberalisation of tariff and non-tariff measures in the developed country market.

<u>Product</u>	<u>CCCN</u>	<u>Rate of Duty *)</u>	<u>Measures</u>
Pineapples	0801.500	30% )	
Bananas	0801.110	30 )	
Guavas	0801.631	30 )	..... a)
Mangoes	0801.620	30 )	
Cassava	0706.190	30 )	
Papaya	0809.150	Rp. 500/kg )	

Remarks : \*) unbound.

- a) Imported by licenced importers and producers-importers of fruits, foods and beverages, under the Decree of Trade and Cooperatives Minister no. 505/KP/XII/82 dated 27 December 1982

<u>Products</u>	<u>CCCN</u>	<u>Rate of Duty *)</u>	<u>Measures</u>
Palm oil	1507.610	20% .....	b)
Coconut oil	1507.210	20	
Manioc (tapioca)	0706.000	30 .....	d)
Manioc starch	1104.320	20 ::.....	c)
Stearic acid	1510.120	20	
Olein acid	1510.120	20	
Tobacco	2410.110	15 .....	b)
Coffee	0901.111	30 .....	d)
Tea	0902.000	30	
Crumb rubber	4001.130	5 .....	b)
Rubber gloves	4013.100	20	
Tyres	4011.311	Rp. 600/kg .....	d)

The Government of Indonesia does not apply import limitations on those products.

The tariffs and duties on import of tobacco products (CCCN no. 2402.000) is 60% (instead of 120%).

Rice is considered as a strategic staple-food commodity as this is consumed considerably by about 97 per cent out of 164 million people who rely on it, to obtain 60 per cent of their caloric intake and 50 per cent of their protein consumption.

Any instability occurred either in its production or supply or its price will create a critical socio-economic problem as well as socio-political issue which at the end could hamper our national stability and security. We had a bitter experience in 1972, when we faced critical domestic shortages of basic foodstuff and it could not made up from external sources. Having realized that above mentioned, our Governemnt has been for decades intervening in the

Remarks : \*) unbound

- b) Imported by producer-importers and licences importer of agricultural products, under the Decree of Trade and Cooperatives Minister no. 503/KP/XII/82 dated 27 December 1982.
- c) Imported by licenced importers, under the Decree of Trade and Cooperatives Minister no. 501/KP/XII/82 dated 24 December 1982.
- d) free

determination of production, supply as well as price of rice with the view to achieving the objective of providing food security, obtaining mass production for rice self-sufficiency reason, maintaining rice price stability and expanding rural farmer income as well. Policy measures conducted by Government are managed by the National Logistic Board (BULOG), inter alia, in the form of :

- procuring rice during harvest season up to 10 per cent of the total rice production and sole to the budget groups such as civil servants and the military;
- carrying out market operation to defend ceiling price;
- placing in national stocks in order to maintain floor price as well as other purpose such as structural disaster and calamities;
- providing subsidies on pesticide and fertilizer to farmers.

Statistical data and other informations concerning those measures are widely available, such as in IBRD and IMF annual reports.

I confirm that the ban on export of rattan will take effect in 1989. However, I would like to assure you that this measure was not solely set out for providing assistance to our rattan furniture industry.

In 1983 the People's Consultative Assembly (MPR) has adopted the fourth Five-Year Development Plan (REPELITA IV) 1984/85 - 1989/90 which envisages a set of national policy measures on forestry development that include following programme activities other than assisting domestic rattan industry, inter alia :

- consolidation of the forest land and usage designation;
- extensification of privately cultivated forests;
- enhancement of the value of forest products through reforestation, improved forest management and efficient uses of forest land and improved product processing;
- maintenance of "social forests" to provide for the needs of the communities surrounding the forests;
- development of the scientific, technological and managerial capabilities in the management of tropical rain forest;

- development and utilization of natural reserves, national parks and other protected areas to support the development of tourism;
- other activities which would maximise the yields and benefits from forests through the implementation of the "agroforestry" approach.

Furthermore, from the last decade on, it has been broadly recognized that forest management and land use in our country are among the most critical issues in environmental management, especially those in the Outer Islands where rattan trees are grown. By executing those programme activities in order to improve forestry development, the situation of rattan production as well as domestic supply will unavoidably be affected.