

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG6/LT/43

31 October 1988

Special Distribution

Original: English

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

TROPICAL PRODUCTS

Initial Offer List of Canada

The following communication dated 25 October 1988 has been received from the delegation of Canada with the request that it be circulated to all participants.

In accordance with MTN.GNG/NG6/W/25 and consistent with Parts D and B(ii) of the Punta del Este Ministerial Declaration, the Government of Canada submits the attached list containing Canada's initial offer in the Tropical Products Negotiating Group.

The attached list covers thirty-six tariff lines which represent an estimated \$150 million of annual imports of tropical products, including semi-processed and processed. Canada undertakes to bind at free the rates of duty on products on the attached list* at the end of the Uruguay Round, on the basis of a satisfactory conclusion of the Round, which would include participation by all countries - developed as well as developing countries, the latter commensurate with their stage of development. Implementation of duty-free entry for the currently dutiable products listed would proceed at the earliest opportunity following the Mid-Term Review, subject to a satisfactory outcome of the Review.

Canada's offer builds on concessions made in the context of previous Rounds of negotiations in the area of tropical products by eliminating duties altogether on certain products and providing greater security of market access for all products on the attached list. Some 82 per cent of imports of tropical products from developing countries currently enter Canada free of duty either on a MFN or preferential basis. A further 16 per cent enter at reduced rates on a preferential basis. It is also important to note that Canada has not been identified as maintaining any non-tariff barriers of concern with respect to tropical products.

* Seven tariff items subject to confirmation as to product coverage.

It should be emphasized that the attached list constitutes an initial offer. As the second part of its offer, Canada is prepared to consider additional concessions on tropical products, provided real progress is achieved involving all participants, both developed and developing countries, in the related negotiations on market access and agriculture in the Uruguay Round, which both have an important bearing on international trade in tropical products.

TROPICAL PRODUCTS

October 25, 1988

CDN
Offer

Tariff Item	Description	1988 MFN Rate	GPT Rate	CDN Offer
<u>Tropical Beverages</u>				
0902.40.00	Black and partly fermented tea, other than below	13.23¢/kg. (B) (Free applied)	N/A	Free (B)
0902.30.00	Black and partly fermented tea ≤ 3 kg.	13.23¢/kg. (B) (Free applied)	N/A	Free (B)
2101.20.00	Preps. of tea or maté	13.23¢/kg. (B) (Free applied)	N/A	Free (B)
<u>Tropical Spices, Flowers, Planting Materials</u>				
0908.30.10	Cardamoms, neither crushed or ground	Free (U)	N/A	Free (B)
0909.10.10(ex)	Anise, neither crushed or ground	Free (U)	N/A	Free (B)
0909.10.10(ex)	Badian, neither crushed or ground	Free (U)	N/A	Free (B)
0909.20.10	Coriander, neither crushed or ground	Free (U)	N/A	Free (B)
0909.30.10	Cumin, neither crushed or ground	Free (U)	N/A	Free (B)
0909.50.10	Fennel, neither crushed or ground	Free (U)	N/A	Free (B)
0910.20.00	Saffron	Free (U)	N/A	Free (B)
3301.22.00	Essential oils, jasmine	5% (B)	Free	Free (B)
0602.99.99	Certain live plants, for other than propagation purposes *	10% (B)	N/A	Free (B)
0603.90.10	Cut flowers - Dyed, bleached, impregnated - other than fresh cut *	10.2%	6.5%	Free (B)
0603.90.90	Cut flowers - Other than fresh, n.e.s. *	12.5% (B) (BPT Free)	N/A	Free (B)

* Canada will consider introducing extracts of these items to cover specific tropical products of export interest to developing countries.

<u>Tariff Item</u>	<u>Description</u>	<u>1988 MFN Rate</u> Free(U)	<u>GPT Rate</u> (N/A)	<u>CDN Office</u> Free(B)
.1211.90.00	Plants used primarily in perfumery, pharmacy, etc. (other than licorice roots or ginseng roots)	Free(U)	Free	Free(B)
1401.10.00	Bamboos	Free(U)	Free	Free(B)
1404.90.00	Other veg. products. n.e.s.	5.5%(B)	N/A	Free(B)
1521.10.90	Waxes, other than carnauba, sugar cane and ouricury	9%(B)	6%	Free(B)
1521.90.90	Insect wax other than beeswax	8.5%(B)	5.5%	Free(B)
3203.00.10	Colouring matter of vegetable origin or animal origin (edible)			
<u>Tropical Oilseeds and Products</u>				
1207.30.00	Castor oil seeds	Free(U)	N/A	Free(B)
1515.30.90	Castor oil, except crude	17.5%(B)	5%	Free(B)
1515.60.10	Crude jojoba oil	10%(B)	N/A	Free(B)
1515.60.90	Other jojoba oil	17.5%(B) (BPT 12.5%)	N/A	Free(B)
<u>Tropical Roots, Rice, Tobacco</u>				
0714.90.92	Other dried roots and tubers other than manioc, sweet potatoes, arrowroot and sago pith	10%(B)	N/A	Free(B)
1106.20.90	Flours of roots and tubers other than sago or cassava	10%(B)	N/A	Free(B)
<u>Tropical Nuts and Fruits</u>				
1106.30.00	Flours and meals of fruit (including those of bananas)	10%(B)	N/A	Free(B)
0810.90.10	Rose hips	10%(B)	N/A	Free(B)
0811.90.90	Miscell. frozen fruit *	10%(B) (BPT 7.5%)	N/A	Free(B)

* Canada will consider introducing extracts of these items to cover specific tropical products of export interest to developing countries.

Tariff Item	Description	1988 MFN Rate	GPT Rate	CDN Offer
2001.90.10	Fruit and nuts in vinegar *	10%(B)	N/A	Free(B)
2001.90.90	Other veg. or edible parts of plants in vinegar *	12.5%(B)	N/A	Free(B)
2008.99.91	Banana chips	15%(B)	Free	Free(B)
2009.80.19	Juice of miscell. fruit, except passion fruit and prune*	10%(B)	N/A	Free(B)
Natural Rubber and Tropical Wood				
4011.40.00	New pneumatic motorcycle tires	10.7%(B)	7%	Free(B)
4011.50.00	New pneumatic bicycle tires	10.7%(B)	7%	Free(B)
4013.20.00	Inner tubes for bicycle tires	10.2%(B)	6.5%	Free(B)
4407.99.20	Miscellaneous treated wood sawn or clipped lengthwise	6.8%(B)	Free	Free(B)

* Canada will consider introducing extracts of these items to cover specific tropical products of export interest to developing countries.