

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG6/14
25 November 1988

Special Distribution

Group of Negotiations on Goods (GATT)

Negotiating Group on Tropical Products

NEGOTIATING GROUP ON TROPICAL PRODUCTS

Meeting of 16 November 1988

Note by the Secretariat

1. The Negotiating Group on Tropical Products held its Twelfth Meeting on 16 November 1988 under the Chairmanship of Mr. P. Leong Khee Seong (Malaysia). The agenda set out in GATT/AIR/2721 dated 8 November 1988 was adopted. No matters were inscribed under "other business".

Assessment of results achieved during the consultations and negotiations held in pursuance to the Arrangements for the further conduct of negotiations (MTN.GNG/NG6/10)

2. The Chairman informed the Group that in accordance with the Procedures for the Further Conduct of Negotiations adopted on 1 July 1988, negotiations were going on among a number of participants with the view to achieving concrete results for the Ministerial Montreal meeting in the tropical products area. He hoped that such negotiations would contribute to the achievement of significant early results before Montreal. After the Ministerial meeting negotiations would continue in order to build upon the results at Montreal and achieve the negotiating objective of fullest liberalization of trade in tropical products as set out in the Punta del Este Ministerial Declaration.

3. The Chairman also informed the Group that his report to the Group of Negotiations on Goods would be submitted on 16 November 1988. Following informal consultations with delegations the brackets in paragraphs 2 and 3 of the Part B of the Report had been removed. Nevertheless the whole Part B remained in brackets pending results to be achieved in the ongoing negotiations among participants on a possible package of early results for the Ministerial meeting in Montreal.

4. The Chairman also recalled his proposal to hold the first meeting of the Negotiating Group in 1989 on 1-3 February. If the Group agreed with this proposal these dates would be set aside subject to final decision by the GNG.

5. A number of participants made statements and comments on the Chairman's Report to the GNG as well as on results achieved so far in negotiations. These statements and comments are reflected in paragraphs 6 to 14 below.

6. The representative of Colombia reiterated the particular importance attached by his country to the achievement of early results in this area of negotiations. He felt that the results obtained so far were not all that satisfactory and expressed readiness to continue negotiations in order to achieve more appropriate results. Until such results would be achieved the Part B of the Chairman's Report should remain in brackets. In his understanding paragraph 3 of the Part B was meant to ensure that the entire mandate given to this Group by the Punta del Este Declaration would be fulfilled. He had accepted the reference to "all" participants to the extent that it might help to improve early results for Montreal as indicated in paragraph 1 of the Part B of the Report. The representative also recalled that the Ministerial Declaration ensured a balance between traditional and new issues for negotiations. If the scope and the objectives of the Declaration would be modified then the balance between those issues would also have to be modified.

7. With respect to paragraph 3 in Part B of Chairman's Report the representative of Peru stated that it was the understanding of her delegation that appropriate contributions in negotiations by developing countries in accordance with relevant provisions of the Punta del Este Ministerial Declaration would not be made necessarily in the sector of tropical products but that such possible contributions could be made in the context of the Uruguay Round as a whole.

8. The representative of Mexico supported the statement by Colombia. He expressed lack of satisfaction for the progress achieved so far in negotiations and in particular with respect to the position maintained by his country's main trading partner to the effect that results on tropical agricultural products would mainly emerge from negotiations in the Group on Agriculture. The representative took exception to this and reiterated his view that the Negotiating Group on Tropical Products was fully autonomous.

9. The representative of Nicaragua associated himself to the statement made by the representative of Colombia and expressed lack of satisfaction with the progress of negotiations in this Group.

10. Referring to paragraph 3 of Part B in the Chairman's Report the representative of the European Communities stated that the Community would certainly engage in further negotiations in the spirit of making appropriate contributions in accordance with relevant provisions of the Punta del Este Ministerial Declaration. In this respect he pointed out that one such relevant provision was contained in Section D of the Declaration. It concerned the subject of "Agriculture" and specified that one negotiating group would have primary responsibility for all aspects of agriculture.

11. The representative of Bangladesh said that his delegation's understanding was that in any arrangements or results emerging from future negotiations the particular problems and situation of the least-developed countries as recognized in the Punta del Este Declaration would be taken into account and that these countries would not be expected to make any contributions in negotiations.

12. Commenting on Part B, paragraph 3 of the Chairman's Report the representative of India reaffirmed his understanding that appropriate contributions by developing countries would not necessarily be limited or restricted to the sector of tropical products and would be in the context of the Uruguay Round as a whole.

13. The representative of Côte d'Ivoire fully subscribed to the principle that contributions in negotiations be made by each and every country in accordance with its individual economic capacity without seeking a mathematical equality of contributions. These contributions could be of a global nature and not necessarily made in this Group but in other groups as well. In this context the representative recalled that trade liberalization measures already undertaken by developing countries under their structural adjustment programmes outside the Uruguay Round should be recognized as contributions in negotiations.

14. The representative of Morocco supported the view expressed by Côte d'Ivoire regarding autonomous trade liberalization measures undertaken by developing countries in the framework of their structural adjustment programmes. He also recalled that at the Summit Meeting in Venice the participating industrialized countries had recognized that such measures would be taken into account as contributions in the Uruguay Round.

15. The Group took note of the statements and comments made. The Group also agreed to hold its first meeting in 1989 on 1-3 February subject to a final decision by the GNG.