

MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND

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Trade Negotiations Committee

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LEAST-DEVELOPED COUNTRIES

Draft Decision Presented by Bangladesh

The following communication, dated 20 November 1990, has been received from the Permanent Mission of Bangladesh with the request that it be circulated to the participants of the Uruguay Round for their consideration.

Recognizing the need to arrest the growing marginalization of the least-developed countries in the world trading system, and to take further measures to improve their trading opportunities;

Reaffirming the Decision of the CONTRACTING PARTIES of 28 November 1979 on "Differential and more favourable treatment, reciprocity and fuller participation of developing countries" and in particular paragraphs 2d, 6 and 8 relating to the least-developed countries;

Recalling that in the Ministerial Declaration of 1982 contracting parties were invited to take measures in favour of least-developed countries; and affirming the need to strengthen, complement and expeditiously implement these measures;

Recognizing the continuing erosions in the margin of preferences currently enjoyed by the LLDCs due to reductions in or elimination of m.f.n. duties on products of export interest to them;

Recalling the commitment of the participants as set out in Section B(vii) of Part I of the Punta del Este Declaration;

The CONTRACTING PARTIES decide that:

1. The Least-Developed Countries will be encouraged and assisted by the contracting parties to enable them to participate more effectively in multilateral arrangements and agreements in the conduct of their trade, and

as parties to such multilateral arrangements and agreements they will not be required to undertake any commitments and obligations and to make concessions or contributions which are inconsistent with their development, financial and trade needs or, beyond their administrative and institutional capacities.

2. All m.f.n. concessions on tariffs and non-tariff measures agreed in the Uruguay Round on products originating from the least-developed countries shall be implemented for these countries in advance and without staging.

3. Further improvements in GSP schemes and their full utilization are needed, and to this effect:

- (i) Tariffs on all products originating from the least-developed countries, whether tropical, agricultural, natural resource-based, artisanal, or industrial, shall be eliminated through their inclusion in stable, predictable and simplified long-term GSP schemes under special provisions for the least-developed countries.
- (ii) Exports originating from least-developed countries shall be exempted from quotas, ceilings and other non-tariff measures; safeguard clauses; and conditionalities associated with GSP schemes.
- (iii) Special rules of origin with simplified and flexible rules and procedures on the use of GSP/LLDC schemes shall be put in place for the benefit of the least-developed countries. Such rules should include:
 - lower local content requirements for manufactured exports;
 - global cumulation among countries of which at least one is a least-developed country to meet the content requirement of a national/regional system of tariff preferences on imports from the least-developed countries;
 - outward processing done in a least-developed country shall be deemed to have conferred automatically origin of the least-developed country to the product to meet the content requirement of national/regional system of tariff preferences.
- (iv) Implementation of practical measures, inter alia,:
 - providing least-developed countries with the necessary assistance to enable them to optimize the benefits of GSP schemes, including technical support in respect of administrative procedures;

- establishment of direct trading links with the least-developed countries.
- (v) Preference-giving countries are called upon to ensure that all least-developed countries are included in their respective GSP schemes.
4. Least-developed countries shall be accorded special considerations in the framework of other regional, subregional or global preferential schemes and arrangements.
5. Least-developed countries shall be accorded substantially increased technical and other forms of assistance in the strengthening and diversification of their production and export bases as well as in trade promotion to enable them maximize the benefits from liberalized access to markets.
6. Expeditious implementation of all special and differential measures taken in favour of least-developed countries including those taken within the context of the Uruguay Round shall be ensured through, inter alia, regular reviews as provided for under the Enabling Clause.