TOKYO ROUND AGREEMENTS TAKE EFFECT

All but two of the agreements on liberalizing trade and improving the international trading rules reached in the Tokyo Round of multilateral trade negotiations (1973-1979) have now taken effect.

1 January 1980 was the date for entry into force of seven multilateral agreements: three which reduce or regulate non-tariff measures affecting trade; two which cover trade in agricultural products; one covering trade in civil aircraft; and one which revises an earlier agreement on anti-dumping. It was also the date on which most of the nearly fifty countries which have agreed to reduce their import duties began the series of annual tariff cuts which will extend to 1 January 1987.

The multilateral agreements which have now entered into force in GATT are those on:

(i) Subsidies and countervailing measures (formally: Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade);

(ii) Technical barriers to trade (also known as the Standards Code);

(iii) Import licensing procedures;

(iv) Bovine meat;

(v) Dairy products;

(vi) Trade in civil aircraft;

(vii) Revision of 1967 GATT Anti-Dumping Code

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The first meetings of the councils or committees which will oversee the operation of each of these agreements are expected to take place over the coming weeks.

The only Tokyo Round multilateral agreements not yet in force are two arrangements governing customs valuation practices and government procurement. They will take effect on 1 January 1981.

The Tokyo Round tariff reductions begun yesterday by most of the industrialized countries are the first of a series of eight annual cuts that, when completed, will have reduced the average duties they impose on imports of manufactured goods by about one-third. In general, the largest reductions are being made in the highest duties, and significant cuts are also being made in duties on agricultural products. Signatories of the civil aircraft agreement are abolishing tariffs on aircraft and parts immediately. A number of countries are following faster schedules for reducing tariffs on products imported from developing countries. Some twenty developing countries are themselves making tariff concessions.

The series of "framework" agreements also reached in the Tokyo Round came into effect when approved by the 85 GATT member governments in November 1979. They modify a number of rules of the General Agreement on Tariffs and Trade, the treaty which regulates international trade among countries responsible for more than four-fifths of world trade.

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For fuller information about the various Tokyo Round agreements, see GATT press releases 1234, 1241, 1251 and 1253. "The Tokyo Round of Multilateral Trade Negotiations" (report by the Director-General of GATT, published by GATT in April 1979) gives a detailed account of both the issues and the results.

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