The final stages in 1979 of the Tokyo Round of multilateral trade negotiations are described, and the results assessed, in a new report just issued by the Director-General of GATT.

The report gives a detailed account of the negotiations from April 1979 to their conclusion at the annual session in Geneva of the GATT Contracting Parties (member countries) in November 1979. It thus supplements and completes the description and assessment given in the Director-General's earlier report issued in April 1979, just after agreements were reached on most elements of the Tokyo Round, the widest-ranging and most ambitious trade negotiations ever carried out. Taken together, the two volumes provide a full record and assessment of the whole six-year negotiations, from their launching in Tokyo in September 1973 to their conclusion.

As this Supplementary Report points out, several important issues remained to be settled after the April 1979 meeting of the Trade Negotiations Committee, the body responsible for guiding the Tokyo Round. Among them, one, the question of revising the GATT safeguard rules, remains unsolved, and negotiations are to continue. Agreement was reached during the remaining months of 1979 on such other outstanding issues as the reconciliation of previously-divergent views on the codes on customs valuation and anti-dumping action, and the completion of bilateral negotiations on the reduction of tariffs and on tropical products. The Supplementary Report

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1The Tokyo Round of Multilateral Trade Negotiations - Volume II: Supplementary Report. Available in English, French and Spanish editions, from the GATT Secretariat, Centre William Rappard, 154 rue de Lausanne, 1211 Geneva 21, Switzerland. Price Sw.Fr. 8.- or US$ 5.-
describes the negotiations on all these issues, and their outcome; it also describes the decisions taken by the Contracting Parties to bring the various Tokyo Round agreements into the GATT framework.

Average industrial tariffs will drop below 5 per cent

The Supplementary Report includes a completely revised assessment of the Tokyo Round tariff reductions, replacing the provisional assessment made in April 1979. Reflecting the additional tariff-cutting commitments entered into after that date, it now estimates at $155 billion the total annual value of trade affected by the most-favoured-nation tariff cuts, on the basis of 1976 or 1977 trade flows: the current figure would certainly be substantially higher. On a weighted basis (that is, in proportion to the actual trade flows), import duties charged on industrial products by the European Communities and eight industrial countries - Austria, Canada, Finland, Japan, Norway, Sweden, Switzerland and the United States - will decline by 34 per cent, from 7.0 per cent to 4.7 per cent. As a result of the harmonizing effect of the tariff-cutting formula used, the difference between the nine tariff levels will be reduced by 25 per cent.

Need for resolute implementation of the Tokyo Round results

The Supplementary Report concludes that the real success of the Tokyo Round "requires the resolute implementation of the results, and a continuing demonstration by governments of the will to extract the maximum benefit, in terms of international trade and trade relations, from this great effort of international co-operation".

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Implementation of the Tokyo Round results has already begun.

1 January 1980 was 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. It was also the date for entry into force of seven multilateral agreements covering the following areas: subsidies and countervailing measures; technical barriers to trade; import licensing procedures; bovine meat; dairy products; trade in civil aircraft; and revision of the GATT Anti-Dumping Code. Committees or Councils are now being set up to oversee implementation of all these agreements.

The only Tokyo Round multilateral agreements not yet in force are those governing customs valuation and government procurement, which will take effect on 1 January 1981.

The series of agreements improving the legal framework for the conduct of world trade, also reached in the Tokyo Round, took effect when they were approved by the 85 GATT member governments in November 1979.

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