IMPLEMENTATION OF THIRD STAGE OF TARIFF CUTS AGREED ON IN TOKYO ROUND

On 1 January 1982, the Tokyo Round participating countries made the third of eight annual tariff cuts agreed upon in the multilateral trade negotiations.

As regards textile products, this will be the first tariff cut implemented by the principal countries concerned, because during the Tokyo Round several participating countries adopted a special timetable for tariff cuts on these products, spread over five years as from 1 January 1982. Those countries made their tariff cuts conditional on extension of the Arrangement Regarding International Trade in Textiles (MFA). The favourable outcome of the negotiations for extending the MFA, on 22 December 1981, allows the reductions to be made effective.

The annual tariff reductions will extend to 1 January 1987 and result in a cut of about one third in the level of tariffs imposed by industrial countries on imports of manufactured goods. The value of trade covered by the tariff cuts was more than $110,000 million in 1976, and current estimates are appreciably higher.

In addition, most of the tariff cuts on agricultural products are following the same schedule of reductions as for industrial products, but spread over seven years. The value of agricultural trade covered by these cuts was $12,000 million in 1976 and is now appreciably higher.
A number of countries are following faster schedules for reducing tariffs on products imported from developing countries. Some twenty developing countries have themselves granted concessions.

All the Tokyo Round agreements\(^1\) have been in force for two years now, except for those on government procurement and on customs valuation which have been in effect since 1 January 1981.

\(^1\)In addition to tariff cuts, these agreements cover trade in civil aircraft, the legal "framework", tropical products, certain non-tariff measures (subsidies and countervailing measures, anti-dumping provisions, technical barriers to trade, import licensing), dairy products and bovine meat.