Alternative Suggestion for Paragraph 2
proposed by United Kingdom Member of the Sub-Group

The main principles of the French plan, which the Sub-Group has followed in the version which it now submits for consideration are the following:

(a) A reduction in the average incidence of tariffs by 30 per cent spread evenly over three years, the reduction being less for countries with low tariffs and tapering down to nothing where tariffs are very low. Countries would be able to choose, within certain limits, which tariffs would be reduced.

(b) The reduction of individual rates of duty to standard levels in the course of the three years. (Tentative figures suggested are 5 per cent for raw materials, 15 per cent for semi-manufactured products, 30 per cent for finished products and 27 per cent for agricultural products).

(c) It is suggested that the plan should last for a period of five years, the reduced tariffs remaining bound until the end of the period.

(d) Countries in process of economic development would not have to make reductions affecting their development programmes.

(e) The plan would operate between countries which decided to participate. Non-participants would not lose their most-favoured-nation rights but would be at a disadvantage under some of its provisions.

(f) Its obligations would be superimposed upon those already undertaken under the GATT, but countries wishing in future to negotiate tariff reductions would not be discouraged since reductions so obtained would count under the plan.