CONCLUSIONS CONCERNING EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES, ADOPTED BY THE MEETING OF LATIN AMERICAN GOVERNMENT EXPERTS ON COMMERCIAL POLICY, HELD AT BRASILIA, 20-26 JANUARY 1964

This paper, which is an extract from the General Conclusions of the meeting referred to above, is circulated at the request of some Latin American countries.

1. The developed countries should grant preferential treatment, without requiring reciprocity, to imports of manufactures and semi-manufactures from the developing countries. Such preferences should be granted by all the developed countries vis-à-vis all the developing countries, in accordance with the following criteria:

(a) Finished manufactures

(i) The industrialized countries should grant immediate access free of customs duties and other charges with equivalent effect to imports of all finished manufactures from developing countries, on the share of such imports which represents, in the case of each product, not more than 5 per cent of internal consumption in the importing country concerned. Furthermore, any industrialized country may grant a similar preference on imports over and above this limit, without extending it to other industrialized countries but must apply it to imports from all developing countries.

(ii) The limits for duty-free importation, as referred to in (i) above, would not include imports from developing countries under preferences established in the past, without prejudice to the provisions of paragraph 4 below.

(iii) Imports from developing countries which exceed the limits indicated in (i) above would be subject to the applicable duties and, where appropriate, to the provisions of the most-favoured-nation clause.
(b) Semi-manufactures

The developed countries should gradually reduce, so as to eliminate them within the period provided under the development decade, customs duties on imports of semi-manufactures from developing countries. This process of liberalization should commence before 31 December 1965.

2. In applying the foregoing conclusions the developed countries must consider the requisite measures for adjusting their production structure in order to stimulate larger purchases of semi-manufactures or manufactures from the developing countries, thus co-ordinating trade in manufactures with those countries.

3. In order that the benefits deriving from the preferences referred to in point 1 above may effectively accrue to the relatively less-developed countries among the developing countries taken together, it will be necessary to supplement those preferences by the following measures:

(i) Special programmes should be drawn up for technical assistance and international financing, to enable the countries concerned to avail themselves fully of the preferential treatment granted and to develop real industrial export flows towards the developed countries.

In the case of those developing countries which are engaged in a process of economic integration, such supplementary programmes should preferably be channelled through the regional institutions already established.

(ii) The appropriate organs of the world trade organization which results from the Conference should periodically assess the extent to which such preferences are benefiting the less-developed countries in general, and suggest any appropriate additional measures which may be necessary in order to extend such benefits to countries which, because of their relatively lesser stage of development, have not succeeded in making sufficient use of the possibilities offered by such preferential treatment.

4. The preferences granted to some under-developed countries by some developed countries should be eliminated immediately wherever they have not resulted in trade flows. Where such trade flows have already been established, the developed countries should limit application of the preference to the volume of trade already attained in recent years, and should nevertheless gradually diminish the preference so as to eliminate it.