NEGOTIATIONS ON TROPICAL PRODUCTS

Preliminary Points put forward by the United States Delegation

1. Tropical products would constitute a special sector of the multilateral trade negotiations;

2. negotiations would be undertaken at the beginning of the multilateral trade negotiations;

3. would deal only with those tropical agricultural products (e.g. coffee, cocoa, tea, bananas and spices); which are wholly or substantially produced in developing countries and do not directly compete with developed country natural or synthetic products;

4. would deal with (A) residual tariff preferences and quotas, (B) tariff escalation on processed products, and (C) special internal taxes and fiscal charges, and look towards their elimination or substantial reduction;

5. would take account and as appropriate recommend procedures and measures to assist developing countries whose trade in the selected products depended upon preferential arrangements in adjusting to the new marketing situation; and

6. would involve developing countries making concessions and bindings regarding their own trading systems, but on a basis of less than full reciprocity and consistent with their development needs.