SUBMISSION FROM AUSTRALIA

The following submission has been received from the delegation of Australia with the request that it be circulated to members of the Negotiating Group on Natural Resource-Based Products.

Introduction

1. The initial phase of the negotiations which is scheduled to conclude by the end of 1987, is to determine the relevant issues, establish a factual basis for negotiations, elaborate negotiating techniques and establish a common negotiating basis.

2. The following proposals have as their objective the liberalization and expansion of trade in natural resource-based products including their processed and semi-processed forms.

Scope of the negotiations

3. Australia has proposed (MTN.GNG/NG3/W/7) that the negotiations on NRBPs should include all ferrous and non-ferrous minerals, metals and energy such as oil, coal, natural gas and uranium together with forestry products and fisheries products.

4. These sectors represent the major problem areas in resources trade. World trade in these sectors accounted for more than $A 803 billion in 1985 representing approximately 30 per cent of total world trade.

5. The major measures of assistance to industry which distort trade in natural resource-based products are tariffs (and their application in such a way which causes tariff escalation), subsidies and other non-tariff measures.

6. Papers provided to this group, including work by the secretariat, have demonstrated that measures distorting trade in natural resource-based products take a variety of forms. The mix of measures and the degree of assistance differ not only as among countries but also within sectors and among different stages of processing.
7. It is against this background that Australia considers that a systematic and integrated approach is necessary in several areas of the negotiations in order to tackle the complex of problems facing trade in natural resource-based products.

Product coverage

8. In order to provide a consistent and comparable basis for the negotiations across all relevant natural resource-based products, it is suggested that the negotiations should address the problems of natural resources trade from crude production through to broadly equivalent stages of primary processed products. The problems of trade in more elaborately transformed products should be addressed initially by other appropriate market access negotiating groups. However, this should not preclude the NRBP Group from considering the implications of such issues and referring any views to other relevant negotiating groups.

9. The suggested product coverage for the negotiations on NRBP is listed in the attachment to this paper.

Negotiating objectives

10. Australia considers that in fulfilling the negotiating mandate, the NRBP Group should agree by the end of the Uruguay Round to achieve:

- A phased elimination within ten years of all import barriers involving tariffs and non-tariff measures which have a direct effect on trade in NRBP. In the case of non-tariff measures, countries which maintain them should bring forward proposals for their progressive elimination over the same time-frame;

- bindings on all tariffs;

- an immediate freeze leading to phased elimination within ten years of all export subsidies preferably on an accelerated time-table;

- a phased elimination within ten years of all subsidies provided either directly or indirectly by governments affecting market access and/or which otherwise distort or restrict trade;

- agreement on rules which proscribe the use of all such subsidies on natural resource-based products;

- the phased elimination within ten years of government and other regulations affecting market access and which have a protective effect.

11. The effect of the negotiating objectives proposed here would be to reduce and eventually eliminate all forms of industry assistance to NRBP which have a direct or indirect trade effect.
12. All participating countries would commit themselves to binding all tariffs for NRBPs as part of the negotiated outcome of the Uruguay Round.

13. Non-tariff border and other measures which have a direct effect on trade would be eliminated.

14. Subsidies which have a trade effect would be eliminated while new and more effective rules would prevent their use in future.

15. Notwithstanding the above, countries would be entitled to implement, under specified conditions, measures aimed at assisting structural adjustment which do not impact negatively on trade.

Time-table

16. The Ministerial Declaration provides for the negotiations to be completed by the end of 1990. In order to complete these negotiations within this time-frame the Australian Delegation proposes that all participating countries should provide relevant information in accordance with the above negotiating modalities by June 1988.

Contributions by participating countries

17. To facilitate the negotiations all participating countries should by June 1988 provide comprehensive data on their own trade in NRBPs. This should include trade statistics and data on tariffs, non-tariff measures, subsidies and government and other regulations affecting market access and which have a protective effect. Countries should then be in a position to provide additional information on particular measures of concern to them applying in other markets.
## ATTACHMENT A

**Natural Resource-Based Products**

<table>
<thead>
<tr>
<th>Harmonized tariff No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fish and crustaceans, molluscs and other aquatic invertebrates</strong></td>
<td></td>
</tr>
<tr>
<td>0301</td>
<td>Live fish</td>
</tr>
<tr>
<td>0302</td>
<td>Fish, fresh or chilled, excluding fish fillets</td>
</tr>
<tr>
<td>0303</td>
<td>Fish, frozen, excluding fish fillets</td>
</tr>
<tr>
<td>0304</td>
<td>Fish fillets and other fish meat, fresh, chilled or frozen</td>
</tr>
<tr>
<td>0305</td>
<td>Fish, dried, salted or in brine; smoked fish, fish meal for human consumption</td>
</tr>
<tr>
<td>0306</td>
<td>Crustaceans, whether in the shell or not, live, fresh, chilled, frozen, dried, salted or in brine; cooked by steaming or by boiling in water</td>
</tr>
<tr>
<td>0307</td>
<td>Molluscs, whether in the shell or not, live, fresh, chilled, frozen, dried, salted, or in brine; aquatic invertebrates other than crustaceans and molluscs, live, fresh, chilled, frozen, dried, salted or in brine</td>
</tr>
<tr>
<td><strong>Mineral products</strong></td>
<td></td>
</tr>
<tr>
<td>2501</td>
<td>Salt</td>
</tr>
<tr>
<td>2502</td>
<td>Unroasted iron pyrites</td>
</tr>
<tr>
<td>2503</td>
<td>Sulphur of all kinds</td>
</tr>
<tr>
<td>2504</td>
<td>Natural graphite</td>
</tr>
<tr>
<td>2505</td>
<td>Natural sands of all kinds</td>
</tr>
<tr>
<td>2506</td>
<td>Quartz (other than natural sands); quartzite, whether or not roughly trimmed or merely cut into blocks or slabs</td>
</tr>
<tr>
<td>2507</td>
<td>Kaolin and other kaolinic clays, whether or not calcined</td>
</tr>
</tbody>
</table>
Other clays, andalusite, kyanite and sillimanite, whether or not calcined; mullite; chamotte or dinas earths

Chalk

Natural calcium phosphates, natural aluminium calcium phosphates and phosphatic chalk

Natural barium sulphate (barytes); natural barium carbonate (witherite) whether or not calcined

Siliceous fossil meals and similar siliceous earths, whether or not calcined, of an apparent specific gravity of one or less

Pumice stone; emery etc.

Slate

Marble, travertine, ecaussine and other calcareous monumental or building stone

Granite, phorphy, basalt, sandstone and other monumental or building stone

Pebbles, gravel, broken or crushed stone, etc.

Dolomite

Magnesium carbonate

Gypsum; anhydrate; plasters (consisting of calcined gypsum or calcium sulphate)

Limestone flux; limestone and other calcareous stone, of a kind used for the manufacture of lime or cement

Quicklime, slaked lime and hydraulic lime

Asbestos

Mica, including splittings; mica waste

Natural steatite

Natural cryolite; natural chyolite

Natural borates and concentrates and certain concentrated thereof

Feldspar; leucite; nepheline and nepheline synete; fluor spar

Mineral substances not elsewhere specified or included ores, slag and ash
2601 Iron ores and concentrates, including roasted iron pyrites
2602 Manganese ores and concentrates
2603 Copper ores and concentrates
2604 Nickel ores and concentrates
2605 Cobalt ores and concentrates
2606 Aluminium ores and concentrates
2607 Lead ores and concentrates
2608 Zinc ores and concentrates
2609 Tin ores and concentrates
2610 Chromium ores and concentrates
2611 Tungsten ores and concentrates
2612 Uranium or thorium ores and concentrates
2613 Molybdenum ores and concentrates
2614 Titanium ores and concentrates
2615 Niobium, tantalum, vanadium or zirconium ores and concentrates
2616 Precious metal ores and concentrates
2617 Other ores and concentrates
2618 Granulated slag
2619 Slag, dross (other than granulated slag), scalings and other waste from the manufacture of steel
2620 Ash and residues containing metals or metallic compounds
2621 Other slag and ash, including seaweed ash, mineral fuels, mineral oils and products of their distillation
2701 Coal
2702 Lignite
2703 Peat
2704  Coke and semi-coke
2705  Coal gas, water gas, producer gas and similar gases, other than petroleum gases and other gaseous hydrocarbons
2706  Tar distilled from coal, lignite or peat, other mineral tars
2707  Oils and other products of the distillation of high temperature coal tar
2708  Pitch and pitch coke, obtained from coal tar or from other mineral tars
2709  Petroleum oils and oils obtained from bituminous minerals, crude
2710  Petroleum oils and oils obtained from bituminous minerals, containing by weight 70 per cent or more of petroleum oils, etc.
2711  Petroleum gases and other gaseous hydrocarbons
2712  Petroleum jelly; paraffin wax, micro-crystalline petroleum wax, slack wax, other mineral waxes
2713  Petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals
2714  Bitumen and asphalt, natural; bituminous or oil shale and tar sands; asphaltites and asphaltic rocks
2715  Bituminous mixtures based on natural asphalt, etc.

Forest products and articles of wood; wood charcoal

4401  Fuel wood
4402  Wood charcoal
4403.1 Wood in the rough, treated with paint, stains, creosote or other preservatives
4403.2 Wood in the rough, untreated coniferous
4403.9 Wood in the rough, untreated including oak, beech
4404  Hoopwood, split poles; pickets etc.
4405  Wood wool; wood flour
4406  Railway or tramway sleepers
4407 Wood sawn or chipped lengthwise, sliced or peeled etc. (but excluding tropical woods of 4407.2 and 4407.99.9)

Cork

4501 Natural cork, debacked or simply prepared
4502 Natural cork, debacked or roughly squared etc.
4503 Articles of natural cork

Pulp of wood

4701 Mechanical wood pulp
4702 Chemical wood pulp, dissolving grades
4703 Chemical wood pulp, soda or sulphate, other than dissolving grades
4704 Chemical wood pulp, sulphite, other than dissolving grades
4705 Semi-chemical wood pulp
4706 Pulps of other fibrous cellulosic material
4707 Waste and scrap of paper or paperboard

Metal products

Steel

7201 Pig iron and spiegeleisen in pigs, blocks or other primary forms
7202 Ferro-alloys
7203 Ferrous products obtained by direct reduction of iron ore and other spongy ferrous products
7205 Ferrous waste and scrap; remelting scrap ingots of iron or steel
7206 Iron and non-alloy steel in ingots or other primary forms

Copper

7401 Copper mattes; cement copper (precipitated copper)
7402 Unrefined copper; copper anodes for electrolytic refining
7403 Refined copper and copper alloys, unwrought
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7405</td>
<td>Master alloys of copper</td>
</tr>
<tr>
<td>7406</td>
<td>Copper powders and flakes</td>
</tr>
<tr>
<td>7407</td>
<td>Copper bars, rods and profiles</td>
</tr>
<tr>
<td>7501</td>
<td>Nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy</td>
</tr>
<tr>
<td>7502</td>
<td>Unwrought nickel</td>
</tr>
<tr>
<td>7504</td>
<td>Nickel powders and flakes</td>
</tr>
<tr>
<td>7505.1</td>
<td>Nickel bars, rods and profiles</td>
</tr>
<tr>
<td>7601</td>
<td>Unwrought aluminium</td>
</tr>
<tr>
<td>7603</td>
<td>Aluminium powders and flakes</td>
</tr>
<tr>
<td>7604</td>
<td>Aluminium bars, rods and profiles</td>
</tr>
<tr>
<td>7801</td>
<td>Unwrought lead</td>
</tr>
<tr>
<td>7803</td>
<td>Lead bars, rods, profiles and wire</td>
</tr>
<tr>
<td>7804.2</td>
<td>Lead powders and flakes</td>
</tr>
<tr>
<td>7901</td>
<td>Unwrought zinc</td>
</tr>
<tr>
<td>7903</td>
<td>Zinc dust, powders and flakes</td>
</tr>
<tr>
<td>7904</td>
<td>Zinc bars, rods, profiles and wire</td>
</tr>
<tr>
<td>8001</td>
<td>Unwrought tin</td>
</tr>
<tr>
<td>8003</td>
<td>Tin bars, rods, profiles and wire</td>
</tr>
<tr>
<td>8005</td>
<td>Tin powders and flakes</td>
</tr>
</tbody>
</table>
Other base metals

8101.1 Tungsten powder
8101.91 Unwrought tungsten
8102.10 Molybdenum powders
8102.91 Unwrought molybdenum
8103.10 Unwrought tantalum
8104.1 Unwrought magnesium
8105 Cobalt mattes and other intermediate products of cobalt metallurgy
8106 Bismuth
8107.1 Unwrought cadmium; waste and scrap; powders
8108.1 Unwrought titanium; waste and scrap
8109.1 Unwrought zirconium; waste and scrap; powders
8110 Antimony and articles thereof including waste and scrap
8111 Manganese and articles thereof including waste and scrap
8112 Beryllium, chromium, germanium, vanadium, gallium, hafnium, indium, niobium (columbium), rhenium and thallium, and articles of these metals, including waste and scrap

Cermets

8113 Cermets and articles thereof including waste and scrap