The following communication, dated 10 November 1987, has been received from New Zealand with the request that it be circulated to the members of the Group.

In accordance with the Negotiating Plan for this Group New Zealand proposes that:

(a) Contracting parties agree to a formula for reducing all tariffs on processed and unprocessed tropical products to a maximum level of X per cent.

(b) Contracting parties agree to bind all tariffs on tropical products at the maximum level of X per cent, from a date to be agreed. All tariffs on tropical products currently below X per cent would be bound at their existing levels.

(c) Request and offer negotiations could be held to achieve reductions below X per cent. Such rates would be bound at their new reduced levels from a date to be agreed.

(d) Contracting parties agree to a formula and timetable for the reduction or elimination, as appropriate, of all NTMs.

(e) These elements of the agreement would be implemented by all contracting parties.

(f) Agreement should be reached within the next twelve months and liberalization begin in 1989.