

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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PROGRAMME OF CONSULTATIONS ON TRADE LIBERALIZATION

TROPICAL PRODUCTS

SPECIFIC SUGGESTIONS MADE BY DEVELOPING COUNTRY DELEGATIONS FOR IMPROVED CONDITIONS OF ACCESS¹

As indicated in COM.TD/W/363, paragraph 1, the following specific suggestions put forward by a number of developing countries for consideration by the developed countries concerned have been extracted from the informal records, prepared by the secretariat, of each of the consultations on tropical products made available in documents Spec(82)19 to Spec(82)32. Further details relating to these suggestions and the exchange of views concerning possibilities for further progress may be obtained by reference to the informal records.

COFFEE AND COFFEE PRODUCTS

- Austria: reduction of GSP on solid extracts of coffee from 10 per cent to 5 per cent.
- EEC: on solid extracts of coffee, reductions in bound m.f.n. duty from 18 per cent to 9 per cent, and in GSP from 9 per cent to free.
- Finland: removal of duty on raw coffee.
- Japan: reduction of duty on instant coffee from 17.5 per cent to 9 per cent.
- Switzerland: removal of m.f.n. duties on green coffee and reduction of GSP rate on solid extracts of coffee to free.
- United States: binding of zero duty on instant coffee.
- Belgium, Denmark, Germany F.R., Italy and Japan: elimination or substantial reduction of internal taxes.
- Netherlands: no increase in the internal tax on coffee.

¹ Certain details of these suggestions are available at the secretariat.

COCOA AND COCOA PRODUCTS

- Austria: reduction of the GSP rate on unsweetened cocoa powder from 7 per cent to 0 per cent.
- Canada: reduction from 5 per cent to 0 per cent of the GSP rate on cocoa or chocolate preparations in powder form.
- EEC: reduction of the bound tariff on cocoa paste from 15 per cent to 7 per cent.

reduction of GSP rate on cocoa paste from 11 per cent to 5 per cent.

reduction from 12 per cent to 6 per cent in the bound tariff on cocoa butter,

reduction from 8 per cent to 4 per cent in the GSP rate on cocoa butter,

reduction from 16 per cent to 8 per cent in the bound tariff on unsweetened cocoa powder,

reduction from 9 per cent to 4 per cent in the GSP rate on unsweetened cocoa powder.

reduction or elimination of internal taxes.
- Japan: reduction in the bound tariff from 20 per cent to 10 per cent and in the GSP rate from 10 per cent to 5 per cent on defatted cocoa paste.

reduction in the bound tariff from 21.5 per cent to 11 per cent and in the GSP rate from 15 per cent to 0 per cent on cocoa powder.

reduction or elimination of internal taxes.
- New Zealand: reduction in the GSP rate on cocoa paste from 15 per cent to 0 per cent and the removal of quantitative restrictions applying to cocoa paste and powder.
- Norway: reduction or elimination of internal tax.
- Switzerland: reduction in the GSP rate on unsweetened cocoa powder from SwF 0.20/kg. to zero.

TEA AND INSTANT TEA

- Denmark: tea and instant tea - elimination of selective internal taxes.
- F.R. Germany: tea and instant tea - elimination of selective internal taxes.
- Japan: black tea in bulk - duty-free treatment under the GSP.

black tea in small packages - duty-free treatment under the GSP.

instant tea - duty-free treatment under the GSP.
- New Zealand: packed tea - duty-free treatment and elimination of quantitative restrictions.

instant tea - duty-free treatment.
- General: tea and instant tea - application of the lowest VAT rate or reduction of VAT rates.

SPICES AND SPICE PRODUCTS

- Austria: elimination of tariff escalation and a reduction in GSP rates to zero for cinnamon, pepper, curry powder and other spices.
- EEC: GSP rates for cinnamon, pepper and other spices (unprocessed and processed) be reduced to zero.
- Japan: duty-free treatment under the GSP with respect to curry powder.
- New Zealand: elimination of tariff escalation and quantitative restrictions applicable to all ground spices and spices in retail packages, including ground cinnamon.
- All countries: technological assistance for the development and improvement of processing and quality control in developing countries. The promotion of consumption in selected markets so as to increase imports by them of ground spices and spices in retail packages.

ESSENTIAL OILS

- United States: 45234 lemon oil - duty-free treatment under the GSP.

CUT FLOWERS

- Austria: Duty-free treatment under the GSP throughout the year and the removal of the import prohibition for phytosanitary reasons (carnations).
- Canada: Reduction of GSP rate on orchids to zero per cent.
- EEC: Extension of GSP to cut flowers not yet covered by the GSP, reduction of GSP rate on orchids to zero per cent at least in the November-May period, and reduction of the m.f.n. rate on June-October imports from 24 per cent to 17 per cent.
- Finland: Removal or relaxation of quantitative restrictions and duty-free treatment under the GSP.
- Norway: Removal or relaxation of quantitative restrictions and duty-free treatment under the GSP.
- Sweden: Duty-free treatment under the GSP.
- Switzerland: Elimination or relaxation of quantitative restrictions and extension of GSP treatment to imports in the period 26 October - 30 April.
- United States: Inclusion of roses in the US GSP scheme, reduction of the m.f.n. rate on carnations from 8 per cent to 4 per cent and sub-division of TSUS No. 19221 into four headings (carnations, pompon chrysanthemums, other chrysanthemums and other cut flowers).

PLANTS, VEGETABLE MATERIALS, LACS, ETC.

- Japan: Duty-free treatment under the GSP for shellac.

Note: Proposals for possible action were submitted for the following products not covered by the background document:

mats and matting of plaiting materials (CCCN ex 4602), basket-work, wicker-work and other articles of plaiting materials including luggage, handbags and flatgoods of bamboo, rattan or of palm leaf (4603), chairs and other furniture of wicker, bamboo and cane (ex 9401 and ex 9403) and abaca cordage (ex 5904).

OILSEEDS AND VEGETABLE OILS

- Austria:

Elimination of tariff escalation with respect to all vegetable oils, in particular palm oil and coconut oil refined or in small containers, groundnut oil and castor oil.

M.f.n. duty-free access for coconut oil, fit for human consumption (ex 15.0702(a)).

M.f.n. duty-free access for olive oil.
- Canada:

Elimination of tariff escalation with respect to crude and refined vegetable oils, in particular crude palm oil and refined palm oil for industrial and human consumption, coconut oil refined or in small containers, castor oil and derivatives as well as groundnut oil.

Improvements in the GSP treatment of vegetable oils.
- EEC:

Elimination of tariff escalation with respect to all crude and refined vegetable oils, in particular coconut oil, palm oil, castor oil and derivatives, and groundnut oil.

M.f.n. duty-free access for palm oil refined for industrial use and for human consumption.

Improvements in the GSP treatment for castor oil and hydrogenated castor oil and inclusion of dehydrated castor oil in the GSP

Development of international standards for dealing with the question of aflatoxin.

Duty-free treatment under the GSP for coconut oil, crude, refined and in small containers for industrial and edible uses.

Coconut oil, crude (ex 15.07 DI(a)3).

 - For technical or industrial uses other than the manufacture of foodstuffs for human consumption: reduction of m.f.n. duty (5 per cent) to zero.
 - For the manufacture of foodstuffs for human consumption: reduction of m.f.n. duty (10 per cent) to 2.5 per cent per cent.

Coconut oil, refined (ex 15.07 DI(b)2).

- For technical or industrial uses other than the manufacture of foodstuffs for human consumption: reduction of m.f.n. duty (8 per cent) to zero.
- For the manufacture of foodstuffs for human consumption: reduction of m.f.n. duty (15 per cent) to 6.5 per cent.
- Finland: Reduction of m.f.n. duties applicable to tropical vegetable oils, and removal of quantitative restrictions, in particular with respect to coconut oil, palm oil and castor oil.

Coconut oil unfit for human consumption, for use in soap, leather, lubricating oils and sulphonated oil, industrial (1507 CIb): removal of quantitative restrictions, reduction of m.f.n. duty to zero.
- Japan: Elimination of tariff escalation with respect to crude and refined tropical vegetable oils, in particular coconut oil, and palm oil for industrial use and human consumption.

Reduction of m.f.n. duties for castor oil.

Coconut oil fluid or solid, crude, refined or purified (1507-7): reduction of m.f.n. duty to zero or 5 per cent.
- New Zealand: Duty-free treatment under the GSP for coconut oil and elimination of quantitative restrictions.

Reduction of the m.f.n. rate for coconut oil (15.07.41) to 10 per cent, removal of quantitative restrictions and internal taxes.
- Norway: M.f.n. duty-free access for coconut oil, crude or refined (ex 1507.600).
- Switzerland: Elimination of tariff escalation with respect to tropical vegetable oils. GSP duty-free treatment for coconut oil and palm oil.

M.f.n. duty-free treatment for coconut oil, crude for human consumption.

Elimination of taxes applied to tropical vegetable oils.

M.f.n. duty-free access for olive oil and elimination of automatic licensing.

Coconut oil, crude for human consumption (1507.10): reduction of m.f.n. rate (SwF 10/100 kg.) to zero.

TOBACCO AND TOBACCO PRODUCTS

- Austria: Elimination of duties on oriental and black tobacco¹, favourable treatment under State-trading for oriental and black tobacco and inclusion of cigars in the GSP with a preferential margin of 50 per cent.
- Canada: Separate tariff classification for "stemmed unmanufactured tobacco imported by cigar manufacturers for use exclusively in the manufacture of cigars in their own factories (ex 14204-2)" and reduction of the m.f.n. duty on the item.
- Czechoslovakia: Reduction of the m.f.n. duty on oriental tobacco to zero and favourable treatment for oriental tobacco under State trading.
- EEC: An increase of GSP quotas for virginia-type tobacco, reduction of the GSP rate on "other tobacco" (black tobacco, etc.), in particular "a minimum rate of 33 EUA per 100 kg.", and reduction of duties on unmanufactured and manufactured tobacco as well as internal taxes and other restrictive measures.
- Japan: Reduction of duties on manufactured tobacco, in particular cigars.
- New Zealand: Duty-free treatment for oriental tobacco.
Reduction of the m.f.n. rate on black tobacco to \$35 per 100 kg.

Relaxation of quantitative restrictions and reduction of duties on manufactured tobacco, tobacco extracts and essences.
- Norway: Duty-free treatment under the GSP for cigars.
- Switzerland: Duty-free treatment under the GSP for cigars.

¹ Imports by the Tobacco Monoply are already duty-free.

- United States: 17010 wrapper tobacco, not stemmed - duty-free treatment under the GSP
- 17015 wrapper tobacco, stemmed - duty-free treatment under the GSP
- 17028 oriental tobacco, not stemmed, not over 8.5 inches in length - duty-free treatment
- 17032 other unstemmed tobacco - duty-free treatment
- 17060 scrap tobacco - duty-free treatment on an m.f.n. basis or under the GSP
- 17065 cigarettes - duty-free treatment under the GSP and reduction or removal of excise taxes
- 17066 cigars and cheroots, valued 15¢ or more - duty-free treatment under the GSP
- 17072 cigars and cheroots, valued less than 15¢ - inclusion in the GSP

RICE

- EEC: special treatment for basmati rice by way of separate tariff classification.
- New Zealand: elimination of quantitative restrictions.
- Finland: duty-free entry on an m.f.n. basis or under the GSP for basmati rice.
- Norway: duty-free entry under the GSP for basmati rice.
- United States: duty-free treatment under the GSP for basmati rice.

MANIOC, ETC.

- Japan: 07.06 manioc for purposes other than feedstuff - reduction of m.f.n. duty from 15 per cent to 6 per cent.

11.08 manioc starch - reduction of m.f.n. duty from 25 per cent to 6 per cent and the improved allocation of quotas for duty exemption.

BANANAS AND BANANA PRODUCTS

- EEC and member countries: Fresh bananas
 - Reduction of m.f.n. duty from 20 per cent to 15 per cent
 - Extension of duty-free tariff quotas to certain EEC countries, e.g. Benelux, Denmark and Ireland
 - Increases in import quotas (France, Italy and the United Kingdom)
 - Accelerated alignment of the duty of Greece with the EEC common external duty

Bananas and banana products

 - Elimination or reduction of selective internal taxes (Italy) and reduction of value-added taxes (EEC members)
- Finland: Fresh bananas imported in the months of June-December
 - Advance implementation of Tokyo Round concession and further tariff reduction; elimination of quantitative restrictions
- Japan: Banana flour other than for feeding purposes
 - Duty-free treatment under the GSP
- Switzerland: Fresh bananas
 - Duty-free treatment or tariff reduction to SwF 15/100 kg. under the GSP
- United States: Banana flour
 - M.f.n. concession at zero per cent
- Czechoslovakia, Hungary and Poland: Fresh bananas
 - To develop measures designed to increase imports and consumption in their countries

TROPICAL NUTS AND PRODUCTS

- General: reduction of tariff escalation on processed tropical nuts (ex 2006) on an m.f.n. basis or under the GSP
 - New Zealand: elimination of quantitative restrictions
 - EEC: examination of sanitary controls on the aflatoxin level (groundnut products).
- Note: A developing country addressed requests for tariff reductions and other actions with respect to chestnuts, hazel nuts, walnuts and pistachio nuts to the following countries: Australia, Austria, Canada, Czechoslovakia, Japan, Poland, Switzerland and the United States.

OTHER TROPICAL FRUITS AND PRODUCTS

- All importing developed countries: separate tariff classification or sub-classification of processed tropical fruits for the purpose of granting more favourable tariff treatment.
- Austria: 2006B5(a) Pineapples, containing added sugar - reduction of m.f.n. duty to 5 per cent.
- EEC and member countries:
 - (a) 2006 BII: ex(a)5(aa), ex(a)5(bb), ex(b)5(bb) Pineapples in syrup not containing added spirit
 - to increase tariff quota on sliced pineapples and lower its GSP rate (12 per cent) equal to pineapples other than sliced.
 - (b) ex 2007 BII(a)4(bb) and ex 2007 BII(b)5(cc) Pineapple juice and concentrates, of a specific gravity of 1.33 or less at 15°C
 - Further GSP rate reduction to 10 per cent and removal of discretionary licensing - Italy.
 - (c) ex 2007 AIII(a) and (b)2; BII(b)7
 - separate tariff classification for tropical fruit juices and duty-free treatment under the GSP.

- (d) Pineapples and papaya, and products thereof
 - duty-free treatment under the GSP.
- (e) Passion-fruit juice
 - duty-free treatment under the GSP.
- Japan:
 - (a) ex 0801-2 Fresh pineapples - reduction of m.f.n. duty (20 per cent) to 10 per cent.
 - (b) 2005 ex 1 Sugared fruit puree and fruit pastes
 - separate tariff classification for tropical fruit and duty-free treatment under the GSP.
 - (c) ex 2006 (0102 HA) Fruit otherwise prepared or preserved in pulp form containing added sugar or spirit, n.e.s.
 - separate tariff classification for tropical fruit and duty-free treatment under the GSP
 - (d) ex 2006-1(1) Pineapples containing added sugar in cans, bottles or pots, not more than 10 kg. each including container - removal of quantitative restrictions
- Finland:
 - 2006.600 Pineapple otherwise prepared or preserved, whether or not containing added sugar or spirit
 - M.f.n. duty-free treatment and removal of quantitative restrictions.
 - removal of quantitative restrictions
- New Zealand:
 - 2006.13 Pineapples prepared or preserved
 - reduction of m.f.n. duty to 15 per cent and removal of quantitative restrictions
- Norway:
 - ex 2006.209 Pineapples, other than containing added spirit and containing added sugar, in containers weighing with contents, 3 kgs. or more
 - Advance implementation of Tokyo Round concessions (0 per cent).

- Switzerland:
 - ex 0801.30 Coconuts, Brazil nuts, avocados, mangoes, guavas and mangosteens, fresh or dried, shelled or not.
 - reduction of m.f.n. rate to zero
 - ex 2006.20 Pineapples, otherwise prepared or preserved, whether or not containing added sugar or spirit
 - reduction of m.f.n. rate to zero.
 - ex 2006.24 Mixed fruits (tropical fruit salad)
 - duty-free treatment under the GSP.
- United States:
 - 14898.20 Pineapples, prepared or preserved
 - Reduction of m.f.n. rate (0.25¢/lb.) to zero.
 - 15002 Mixtures of two or more fruits, prepared or preserved, in airtight containers and not containing apricots, citrus fruits, peaches or pears.
 - reduction of m.f.n. rate to zero or advance implementation of Tokyo Round concession rate (7 per cent).
 - 15276 Fruit pastes and fruit pulps, n.e.s.: papaya, etc.
 - duty-free treatment under the GSP
 - 16544 Pineapples, not concentrated or having a degree of concentration of not more than 3.5 degrees (as determined before correction to the nearest 0.5 degree).
 - reduction of m.f.n. rate (20¢/gal. or 27.9 per cent) to zero or duty-free treatment under the GSP.
 - 16546 Pineapples, other than not concentrated, or having a degree of concentration of not more than 3.5 degrees (as determined before correction to the nearest 0.5 degrees)
 - reduction of m.f.n. rate (5¢/gal. or 15.2 per cent) to zero.
 - Passionfruit juice
 - duty-free concessions.

WOOD AND WOOD PRODUCTS

- Austria:

- ex 44.14C Veneer sheets and veneer corestock of Philippine mahogany - m.f.n. rate of 12 per cent to be reduced to 6 per cent.
- ex 44.15 Plywood, blockboard, laminboard and similar laminated wood products (including veneered panels and sheets), inlaid wood and wood marquetry: of Philippine mahogany
- m.f.n. rate of 18 per cent to be reduced to 9 per cent.
- ex 44.24 Household utensils of Philippine mahogany and/or rain tree (acacia)
- m.f.n. rate of 6 per cent to be reduced to zero or at least 3 per cent.

- Australia:

- ex 44.14.900 Veneer sheets and sheets for plywood, of a thickness not exceeding 5 mm: of Philippine mahogany
- separate tariff classification, and reduction of m.f.n. duty of 15 per cent to 7.5 per cent.
- 44.15.110,190 Plywood - reduction of m.f.n. duty (40 per cent etc.) or GSP treatment.
- 44.15.900 Blockboard, laminboard, etc.
- reduction of m.f.n. duty of 30 per cent or GSP treatment.

- Canada:

- ex 50715-1 Plywood of Philippine mahogany, other than those imported by manufacturers of picker sticks for use in the manufacture of such articles of plywood of okoume and softwood.
- separate tariff classification and the reduction of m.f.n. duty of 8 per cent to zero.
- 50600-1 Manufactures of wood, n.o.p. - reduction of m.f.n. duty from 9.2 per cent to 4 per cent.

- EEC:

ex 4414B) Veneer sheets, etc. of coniferous species
ex 4415) Plywood, etc. of coniferous species

- GSP quota for non-coniferous species equivalent to the quota for coniferous species

ex 44.15 Plywood - increase of GSP quotas.

9401BII) Chairs and other furniture of wood
9403B)

- reduction of m.f.n. duty to zero or an increase in the individual ceiling for duty-free entry under the GSP

- Japan:

44.05-4 Sawn timber - duty-free GSP without quantitative limitations.

ex 44.15 Plywood - reduction or elimination of m.f.n. duty, or duty-free treatment under the GSP without quantitative limitations.

- New Zealand:

ex 44.15.001 Plywood of Philippine mahogany - reduction in m.f.n. duty from 35 per cent to 17 per cent and elimination of quantitative restrictions

ex 44.24.001) Spoons and forks of Philippine mahogany and other
ex 44.24.009) household utensils of Philippine mahogany.

- reduction in m.f.n. duty from 30 per cent to 15 per cent and removal of quantitative restrictions.

ex 94.03. Other furniture and parts thereof - reduction in m.f.n. duties from 40 per cent to 20 per cent and elimination of quantitative restrictions.

- United States:

24017-20 Meranti plywood - inclusion in GSP.

ex 24017 Plywood, not face finished or face finished, with a clear or transparent material which does not obscure the grain, texture or markings of the face ply: of Philippine mahogany

- reduction of m.f.n. rate to zero or advance implementation of Tokyo Round concession rate (8 per cent).

ex 24038.20

Wood-veneer panels, with veneer faces on both sides, not face finished or face finished with a clear or transparent material which does not obscure the grain, texture, or markings of the face ply: with a face ply of Philippine mahogany

- reduction of m.f.n. rate to 4 per cent.

ex 24040

Wood veneer panels, with veneer faces on both sides, face finished with a clear or transparent material which does not obscure the grain, texture, or markings of the face ply, of Philippine mahogany

- reduction of m.f.n. rate to 4 per cent.

RUBBER AND RUBBER PRODUCTS

- **Australia:** Rubber products falling under tariff positions 40.07, 40.08, 40.14 and 40.11.300: reduction of GSP rates (to 15 per cent, 10 per cent, 10 per cent and 10 per cent respectively).

Rubber products under 40.11.900: preferential duty under the GSP.
- **Finland:** Reduction of m.f.n. duties on rubber tyres and tubes.
- **New Zealand:** Rubber and rubber products falling under 40.01.001, 40.08, 40.13: reduction of GSP rates (to 5 per cent, 20 per cent and 15 per cent respectively).

Rubber products falling under 40.14: m.f.n. tariff reduction or preferential duty under GSP.
- **United States:** Rubber gloves falling under TSUS 70582 and 70586 (CCCN 40.13): introduction of GSP free.