

WORLD TRADE ORGANIZATION

TN/MA/W/52
11 March 2005

(05-1015)

Negotiating Group on Market Access

Original: English

MARKET ACCESS FOR NON-AGRICULTURAL PRODUCTS

Elimination of Low Rates

Communication from Canada and Norway

The following communication, dated 10 March 2005, is being circulated at the request of the Delegations of Canada and Norway.

-
1. Canada and Norway propose the elimination of low tariffs because experience has shown us that low rates are ineffective as a form of tariff protection and at the same time are costly and time-consuming for the business community. Their elimination would simplify tariff structures, reduce the administrative burden on governments and industry, and lower input costs, as these low rates often apply to manufacturing inputs.
 2. It is our view that Members should agree to bind at zero, at the conclusion of the round, base rate duties that are below [five] percent.
 3. Canada and Norway would also like to point out that the concentration of low bound tariffs is in developed countries. Thus, the impact of this proposal would be of significant immediate benefit to developing countries and, as such, is a fundamental commitment to the principle of less than full reciprocity in reduction commitments. Nonetheless, we remain open to consider other forms of less than full reciprocity; for example, the threshold rate for elimination could be lower for developing Members than it would be for developed ones.
 4. We look forward to hearing the views and further suggestions of Members on this proposal.
-