

**MARKET ACCESS FOR NON-AGRICULTURAL PRODUCTS**

Proposal for the Treatment of Unbound Tariffs

*Proposal from Congo, Cote d'Ivoire, Cuba, Ghana, Kenya, Mauritius and Zimbabwe*

The following communication, dated 27 June 2005, is being circulated at the request of the Delegations of Congo, Cote d'Ivoire, Cuba, Kenya, Ghana, Mauritius and Zimbabwe.

**I. INTRODUCTION**

This submission addresses the treatment of unbound tariff lines in paragraph 6 of Annex B of the General Council Decision of 1 August 2004 (July Framework).<sup>1</sup>

Several Members submitting this proposal have undergone economic hardships due to prior unilateral liberalization undertaken through structural adjustment programmes. Therefore, this proposal would permit these Members, depending in large measure on a relatively limited number of primary commodities, and relying on tariffs as an important aid for furthering diversification of their economies, to meet their individual development needs.

**II. MANDATE**

It is stated in paragraph 16 of the Doha Ministerial Declaration and the July Framework that negotiations shall take fully into account the special needs and interests of developing countries. Additionally, Annex B reiterates that negotiations shall be conducted in the realm of the principles of less than full reciprocity and special and differential treatment for developing countries.

**III. PROPOSAL**

For the treatment of unbound tariffs for Members in paragraph 6 of Annex B, we propose the following:

- Members with a binding coverage of less than [35] per cent will be exempt from making tariff reductions. This would meet the principle of less than full reciprocity.
- As a contribution to this round, Members in this category should be encouraged to substantially increase their binding coverage of non-agricultural tariff lines.
- Members in this category should also benefit from the principle of special and differential treatment which provides for the necessary flexibility to pursue policy options appropriate for industrialization, diversification and economic development. These Members should

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<sup>1</sup>See WT/L/579, Annex B, paragraph 6.

therefore bind their tariff lines at a level consistent with their individual development, trade, fiscal and strategic needs.

#### **IV. RATIONALE**

This proposal embodies the objectives of the NAMA negotiations and provides the Membership with tariff certainty and market access into a group of developing countries with a significant number of unbound industrial tariffs. Additionally as a further contribution to the negotiations, Members falling under paragraph 6, as appropriate, will participate in eliminating, reducing or further disciplining non-tariff barriers.

\* This proposal will not prejudice other submissions Members may make in the future.

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