

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Proposal Regarding the Agreement on Trade-Related
Investment Measures

Communication from Colombia

The following communication, dated 7 September 1999, has been received from the Permanent Mission of Colombia.

Background

The Agreement on Trade-Related Investment Measures provides for the elimination of TRIMs by the end of 1999 at the end of the five-year transition period granted to developing countries. It also provides that account will be taken of the developing countries' development, financial and trade needs.

TRIMs include measures to encourage the use of products of domestic origin, which plays an important role in the process of improving the industrial base of developing countries and the ensuing generation of income, employment and balance-of-payments equilibrium.

Proposal

In the absence of large-scale investment, whether in the form of foreign direct investment or production subsidies, the five years provided for as a transition period are insufficient for restructuring the industrial base of developing countries in order to obtain the income and employment benefits stemming from the application of TRIMs.

Accordingly, bearing in mind the present circumstances of developing countries in terms of unemployment and competitiveness, it is necessary for them to be able to maintain TRIMs indefinitely.
