

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Market Access for Industrial Goods, Including Fish and Fish Products

Communication from Norway

The following communication, dated 19 May 1999, has been received from the Permanent Mission of Norway.

1. Although tariff rates have been significantly reduced during previous negotiating rounds, there is still scope for substantial additional improvements. The upcoming round should therefore include traditional market access negotiations. These negotiations should comprise all tariff lines on industrial goods, including fish and fish products. To ensure that the negotiations lead to real market access, due consideration should also be given to non-tariff barriers and trade facilitation. As part of the negotiations, the effects on sustainability of further liberalization should be considered and/or reviewed.

2. The basis for the negotiations regarding further liberalization of trade in industrial goods, including fish and fish products, should be a global and comprehensive approach, involving significant market access improvements through substantial reductions of tariff rates as achieved during the Uruguay Round. Furthermore, a broader product coverage of bound tariffs should be sought, and the problem of tariff escalation should be properly addressed. The need for special and differential treatment for developing countries, especially LDCs, should be taken into account.

In the Uruguay Round, peak tariffs were defined as rates above 15 per cent. Peak tariffs were significantly reduced as a result of the Uruguay Round. Further reductions should be sought.

Through previous rounds of negotiations, many tariff rates have been reduced to very low levels without being eliminated. A tariff around 2 per cent, or lower, is generally considered as a nuisance tariff. Nuisance tariffs may result in higher collection costs than actual revenues, and they should therefore be eliminated.

Due consideration should be given to the appropriate conversion of non-*ad valorem* duties to *ad valorem* tariff rates.

Tariffs have often been bound at higher levels than the level of the actual applied tariff rates. Due consideration should be given to the issue of spread between bound rates and applied rates.

3. Non-tariff barriers have been addressed in past negotiations and should be included also in the next round of market access negotiations, without undermining the legitimate domestic regulations regarding *inter alia* environmental, health and consumer protection. Special attention should be given

to clarification and interpretation of existing WTO agreements. The goal should be to eliminate non-tariff measures which unduly prevent effective market access following from tariff reductions.

A wide range of barriers related to border control have been identified. Such procedural barriers have increased in number and have led to increased cost of international trade transactions. This underscores the necessity to evaluate the prevailing customs procedures with a view to harmonizing and simplifying documentation requirements and procedures in order to facilitate trade.

4. A wide range of sectoral agreements were proposed during the Uruguay Round. Where such agreements were concluded, they led to zero-for-zero agreements for the participants. Initiatives on similar arrangements in conjunction with the up-coming round have already been presented, and the negotiation should open up for such zero-for-zero sectoral agreements in specifically identified product areas.
