

17 June 2004

**PRESS CONFERENCE BY CHAIRMAN OF COMMITTEE**  
**ON GENERAL SYSTEM OF TRADE PREFERENCES**

In addition to launching the third round of the General System of Trade Preferences (GSTP) negotiations yesterday, the Ministers involved decided also to establish a pre-negotiating committee which would meet before November this year and complete the negotiations by November 2006, Ambassador Alfredo Chiaradia (Argentina), Chairman of the GSTP Committee of Participants, said today.

Speaking at a press conference in São Paulo, he said it had also been decided to invite all members of the "Group of 77" developing countries and China to adhere to the agreement and participate in the negotiating process. The launching of the third round of negotiations was a major initiative that put teeth into the GSTP, which needed improvement so that it could do the job for which it had been intended at its creation in 1989.

Asked what was the average tariff between developing countries and by how much it would be cut, he said that would depend on what kind of product was involved. In general, the tariff structures of developing countries were more flat than those of developed countries and had a plateau that was much higher.

Responding to a question as to what concrete results developing countries could expect from the negotiations, he said it was difficult to predict what would happen over the coming two years. Trade among developing countries was growing substantially. Because of that growth, which was making them increasingly important, any instrument that could effectively liberalize access to their markets would have a profound impact.

Emphasizing that the instrument would be constructive, he said it was not meant to oppose or counter other negotiations, but to supplement the efforts of the international community to create a fair and level-playing field, as well as more substantial possibilities for the participation of developing countries in the global trading system.

Noting that there had as yet been no determination regarding the limits or scope of negotiations, he said the understanding was that they would be able to advance beyond trade in goods to include services. The issue of non-tariff barriers would also be included on the agenda, he added.

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