

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Twenty-Fifth Session

SUMMARY RECORD OF THE FIRST MEETING

Held at the Palais des Nations, Geneva on
Tuesday, 12 November 1968, at 3 p.m.

Chairman: Mr. S. Chr. SOMMERFELT (Norway)

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Opening address by the Chairman¹

The CHAIRMAN said that the past twelve months had witnessed serious situations in a number of countries. Fortunately the repercussions on trade and trade policies had not had as profound consequences as might have been feared. Some contracting parties had felt compelled to take exceptional short-term measures, but pressures to revert to national protectionism had largely been resisted. GATT had exerted, and should continue to exert, its influence to prevent an erosion of past achievements.

After the climax of twenty years' work had been reached with the successful outcome of the Kennedy Round, it was felt that it would not suffice to rest on one's laurels. In parallel with the implementation of the Kennedy Round results, a programme of work had been agreed upon. To ensure the full implementation of the Kennedy Round and to pursue activities within the work programme were now the principal tasks of the CONTRACTING PARTIES. There were some elements in the prevailing situation which called for close attention and could cause dislocation in international trade relations. A significant task for the CONTRACTING PARTIES was to confront and to contain such problems. The overall objective which was set out in the Preamble to the General Agreement was to work for liberalization of world trade. Thus the responsibility fell upon governments to pursue policies which made it possible for the international trading community to implement this objective.

¹Reproduced in GATT Press Release - 1037.

It had to be admitted that uncertainty and disquiet existed. Policies of self-sufficiency or elements thereof could lead to serious disturbances in world trade and, thus, also have detrimental repercussions for those who introduced such policies. But he was confident that through combined efforts the contracting parties would prove able to continue to make progress in accordance with their basic interests, and for the benefit of the international community at large.

The Chairman then commented on a few of the principal points in the work of the twenty-fifth session. Concrete discussions had been initiated, within the Committee on Trade in Industrial Products, on the tariff situation after the Kennedy Round and on the inventory of non-tariff and para-tariff barriers. Important work was also going on in the Working Party on Border Taxes. The Agriculture Committee had now taken up the problems of protectionism and its effects on trade in agricultural products which had long been a matter of concern. The need for further advances was keenly felt in many quarters and he hoped that the deliberations would contribute to this end. Further to the agreement reached at the twenty-fourth session, consultations on trade in dairy products and poultry were taking place. This sector approach should prove helpful in finding solutions to the longer-term problems of agricultural trade.

The trading opportunities of developing countries remained in the forefront of the CONTRACTING PARTIES' concern and constituted an important element of the work programme. Some developed countries had found it possible to implement in one step the Kennedy Round tariff concessions for a range of products of particular export interest to the developing countries. However, the major obstacles to an expansion of these countries' trade still remained. He praised the efforts being made by developing countries themselves within the Trade Negotiations' Committee for Developing Countries to enlarge the exchange of goods among each other. Developing countries which were not contracting parties to GATT had been invited to join this Committee and it was encouraging that they were participating in increasing numbers.

The tasks entrusted to the International Trade Centre as a joint venture of GATT and UNCTAD had general support, and it was the feeling of all that the Centre's activities were an important contribution. The question of preferential treatment for exports from developing countries did not appear on the agenda of this session but it remained an important element in the present situation and a matter which the contracting parties would be called upon to deal with at a later stage. A concrete proposal had been put forward for dealing with residual import restrictions and he hoped that a satisfactory solution would be found.

The Chairman then welcomed the growing number of countries which were adhering to the GATT or seriously studying the advantages of joining. He hoped the latter would take affirmative decisions and soon assist in the CONTRACTING PARTIES' endeavours to work for liberalization of trade.

1. Adoption of agenda

The agenda proposed in document L/3073/Rev.1 was adopted.

2. Order of business: recommendations of the Council (W.25/2)

The CHAIRMAN referred to the plan for plenary meetings recommended by the Council of Representatives. These recommendations should be considered in the light of the suggestion by the Director-General, in his airgramme issued on 24 October, that it would be desirable for officials of the highest level possible from capitals to be present during the last four days of the session when the contracting parties would have reached the point of taking decisions. The Director-General had had particularly in mind decisions that might be taken concerning Item 3, Expansion of Trade, and generally the work programme and the main activities of the CONTRACTING PARTIES over the next few years. The order of business recommended by the Council provided for the introduction of Item 3 by the Director-General and the Chairmen of Committees on 13 November and for a general discussion of this item on 15 November. Item 14, Import Restrictions Applied Contrary to GATT and Not Covered by Waivers, would also be taken up on that day. It was envisaged that most of the other business of the session would be concluded by Monday, 25 November, so that matters requiring important decisions, particularly Items 3 and 14, could be taken up in the last four days when it was expected that many senior officials from capitals would have come to Geneva to join the deliberation.

The order of business set out in document W.25/2 was approved.

3. Request for observer status - Commonwealth Caribbean Regional Secretariat

The CHAIRMAN stated that the governments which were members of the Caribbean Free Trade Association had established a permanent administrative organ called the Commonwealth Caribbean Regional Secretariat. The Secretary-General of this Secretariat had written to the Director-General stating that the work of his organization would be greatly facilitated if he could send observers to meetings of the CONTRACTING PARTIES, and accordingly requested observer status for his Secretariat.

The CONTRACTING PARTIES invited the Director-General to respond positively to this request.