

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

LDC/M/75

20 November 1968

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MINUTES OF THE MEETING OF THE INFORMAL GROUP OF DEVELOPING COUNTRIES HELD ON 7 NOVEMBER 1968

Prepared by the Secretariat

1. The informal group of developing countries in GATT met on 7 November 1968 under the Chairmanship of H.E. Mr. H.C. Archibald, Ambassador of Trinidad and Tobago, to continue the exchange of views on matters of interest to developing countries that might be taken up at the twenty-fifth session of the CONTRACTING PARTIES. The meeting was attended by the representatives of Argentina, Chile, Ghana, India, Indonesia, Israel, Ivory Coast, Jamaica, the Republic of Korea, Nigeria, Pakistan, Peru, Trinidad and Tobago, Tunisia, Turkey, United Arab Republic, Uruguay and Yugoslavia.
2. The group addressed itself to the following matters on the provisional agenda of the twenty-fifth session (L/3073/Rev.1):

Expansion of trade

Trade arrangements between India, United Arab Republic and Yugoslavia

Caribbean Free-Trade Agreement

Import restrictions applied contrary to GATT and not covered by waivers

Committee on Anti-Dumping Practices.

3. The Chairman remarked that at this midway point between the conclusion of the Kennedy Round in 1967 and the beginning of the next general round of activities likely to begin in 1969 implications of the results of the 1964-67 trade negotiations seemed to have become discernible. It should by now become possible for contracting parties to draw certain conclusions as regards the major issues involved. The twenty-fifth session of the CONTRACTING PARTIES therefore provided an important occasion for the reviewing and evaluation of the gains in the past years. This discussion would be initiated by a statement by the Director-General on Wednesday, 13 November, under the agenda heading of "Expansion of Trade". In his capacity as the Chairman of the Trade Negotiations Committee of Developing Countries, the Director-General would report to the CONTRACTING PARTIES on the progress of the negotiations. The last few days of the session would be devoted to discussions at the policy level on the major problems faced by contracting parties.

4. The group agreed that the Director-General should be invited to meet with delegations of developing countries prior to the opening of the session, to have an exchange of views with them on matters of policy and on the plans for the session. The purpose would be to impress on him the urgency with which the developing countries viewed the problems faced by them and the importance they attached to the achievement of positive results at this session. The meeting could take place after the close of the Council meeting on Monday, 11 November.

5. Members of the group recognized that although the trade and development problems of developing countries were extremely pressing and required urgent solution, it would be unrealistic to seek solution to all of them at the same time. Further, no one single international forum was competent and sufficiently equipped to deal with all the problems; it would be necessary to seek solutions in all forums having to do with the economic problems of developing countries. It would be useful if developing countries were to draw up a global inventory of their problems, to assign their appropriate priority and to exercise concerted effort with a view to achieving concrete results.

6. It was recalled that a programme of work had been adopted at the last session of the CONTRACTING PARTIES. While reviewing what had been achieved over the past year and what remained to be done, developing countries should press for a precise commitment by developed countries to give early consideration to the problems of developing countries and for their urgent examination by the CONTRACTING PARTIES. The group should develop a programme of work and press for its adoption at the session.

Item 3 - Expansion of trade

7. After a discussion it was generally agreed that developing countries should make a concerted effort at the session for securing agreement with respect to the strengthening of procedures for effective implementation of Part IV and for the work of the Committee on Trade in Industrial Products. The countries which had not accepted Part IV should be urged to do so.

8. It was further agreed that the Chairman of the Trade Negotiations Committee of Developing Countries might report briefly to the CONTRACTING PARTIES on the present status of the negotiations among developing countries. The question concerning the nature and scope of the trade concessions should be worked out by the Trade Negotiations Committee itself and this question should not be the subject of any discussion at the session of the CONTRACTING PARTIES.

Item 5 - Trade arrangements between India, United Arab Republic and Yugoslavia

9. Members of the group agreed to lend support to the trade arrangements between the three countries at the session.

Item 12 - Caribbean Free-Trade Agreement

10. On behalf of the governments parties to the Caribbean Free-Trade Agreement, the representative of Jamaica thanked the delegations that had expressed general support to the Agreement. He added that further information in respect of the Agreement would be provided at the twenty-fifth session. If, however, it was considered that detailed information should be provided for scrutiny by a working party, it would have to be arranged for an appropriate time.

Item 14 - Import restrictions applied contrary to GATT and not covered by waivers

11. The representative of Jamaica said that while appreciating the concern of developing countries over the continued existence of residual restrictions his Government would wish to draw attention to the special problems faced by certain developing countries such as his own. The import restrictions on certain products were applied by the United Kingdom in the interest of Caribbean countries in the Commonwealth and were not designed to protect domestic industries.

12. In the discussion of the New Zealand proposal for the elimination of residual restrictions, members of the group made the following points:

- (a) any waivers granted in the way envisaged in the proposal should not be regarded as providing justification for the restrictions in question but merely a transitional grace to enable the governments concerned to dismantle them;
- (b) annual reviews would take place with a view to ascertaining the progress made; and
- (c) after the expiry date of a waiver, developing countries whose trade was affected by the maintenance of the restrictions would be free to take measures for redress in accordance with the relevant provisions of GATT.

Item 19 - Committee on Anti-Dumping Practices

13. In response to a question concerning the manner in which discussion would be conducted under this item, Mr. M.G. Mathur, Assistant Director-General, explained that an Agreement embodying the Code had been signed by a number of countries and had entered into force between them. It was envisaged that the CONTRACTING PARTIES would now take a formal decision to establish a Committee in accordance with Article 17 of that Agreement. At an earlier meeting of the group certain questions were raised in regard to the application of the provisions of the Code to countries which had not seen their way to acceding to it. He had then indicated that there had been no formal determination on this point. If it were considered useful to seek some clarification on this point, it would have to be raised when the CONTRACTING PARTIES took up this item for discussion.

14. It was pointed out that the UNCTAD Special Committee on Preferences was scheduled to commence its work on 29 November 1968. Though the question concerning the establishment of preferences by developed countries in favour of developing countries was not featuring on the agenda of the CONTRACTING PARTIES it would, nevertheless, be important to obtain an undertaking from the developed countries that they would welcome any arrangements which might emerge as a result of the deliberations of the UNCTAD Special Committee on Preferences.