

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## MINUTES OF THE MEETING OF THE INFORMAL GROUP OF DEVELOPING COUNTRIES HELD ON 1 OCTOBER 1969

Prepared by the Secretariat

1. The Informal Group of Developing Countries in GATT met on 1 October 1969 under the Chairmanship of H.E. Mr. C.H. Archibald, Ambassador of Trinidad and Tobago. The meeting was attended by the representatives of Argentina, Chile, Colombia, Cuba, Gabon, Indonesia, Israel, Ivory Coast, Korea, Pakistan, Trinidad and Tobago, Turkey, United Arab Republic, Uruguay and Yugoslavia.
2. The Group addressed itself to a number of matters of interest to developing countries which would be taken up in GATT meetings over the coming months. The discussions are summarized below.

### Cotton Textiles Committee

3. It was noted that the Committee would, inter alia, initiate discussion on any proposals for extension, or modification etc. of the Cotton Textiles Arrangement. Some members of the Group suggested that in view of the important issues involved, developing countries should make a concerted effort to ensure that the Arrangement was phased out and that a similar arrangement was not contemplated for other textiles.

### Agriculture Committee

4. In response to a question concerning the treatment of those non-tariff barriers affecting semi-processed and processed agricultural products which had been transferred to the Agriculture Committee by the Committee on Trade in Industrial Products, Mr. M.G. Mathur, Assistant Director-General, said that the Committee would consider the problem of vegetable oils in the light of the discussions which had taken place in the Special Group on Trade in Tropical Products and subsequently in the Committee on Trade and Development, it being understood that it would not interfere with the established work programme of the Agriculture Committee. Certain proposals with regard to some kind of international arrangement on vegetable oils and oilseeds had been submitted to the Council of the European Economic Community by the EEC Commission. The attitude of the European Economic Community concerning the treatment of these problems in the Agriculture Committee was not yet known. As far as non-tariff barriers on processed agricultural products were concerned, the Committee was expected to take note of the non-tariff barriers transferred to it by the Industrial Committee, without as yet taking a decision as to the substantive discussion of the problem. Contracting parties had been invited to notify non-tariff barriers affecting other agricultural products not covered by the original

six product groups included in the work programme of the Committee. The Committee would proceed to a discussion of the problems involved after the submissions were received. Some delegations suggested that the non-tariff barriers already transferred to the Committee might be taken up without waiting for the new submissions from governments. One delegation recalled that it had been opposed to the transfer of the notifications in question to the Agriculture Committee as there was a danger that these might fall by the wayside.

5. In the discussion concern was expressed on the recent measures introduced by Germany to safeguard the interests of her agricultural producers. Attention was also drawn to a report according to which agricultural surpluses would continue to increase in the EEC until 1985, unless some very drastic measures were taken to stabilize production. It was suggested that the secretariat might undertake an analysis of the situation reported and evaluate its effects on the trade potential of developing countries in the agricultural sector. This aspect might be included in the work programme of the Agriculture Committee.

6. On behalf of the secretariat, it was stated that no communication on the measures taken by the Federal Republic of Germany had so far been received in the GATT which would come into the picture if some incompatibility with the Federal Republic's obligations under the General Agreement was involved. Referring to the suggestions made for a study of the impact of agricultural surpluses in the EEC on the trade potential of developing countries, Mr. Mathur assured the Group that he would bring the matter to the notice of his colleagues who were more directly concerned with the subject. The secretariat was actively addressing itself to the task of focusing the work of the Agriculture Committee on proposals which would alleviate the burden of some of the more immediate problems in the area of agricultural trade; what may be done to ensure that third country suppliers, including developing countries, did not have to bear all the burden of domestic agricultural support systems was evidently a major question.

7. Mr. M.G. Mathur also invited the attention of the Group to certain suggestions in regard to the further development of existing procedures set out in the secretariat paper on the disposal of commodity surpluses (COM.AG/16). It had been suggested that the CONTRACTING PARTIES adopt a new resolution relating to concessional disposal of agricultural commodities. This might provide for regular notifications of the nature, extent and effect of such transactions and a procedure for bilateral consultations on the effect of such transactions to be held at the request of interested contracting parties. The secretariat proposal had supplemented certain suggestions which emanated from the recent discussions held in the Food and Agriculture Organization Working Group on the Role and Terms of Reference of the Consultative Sub-Committee on Surplus Disposal. There had been a reference to this subject in the report of the last UNCTAD Board, which suggested that a number of governments felt the need for a further strengthening of the machinery for consultation in this respect.

Committee on Trade in Industrial Products

8. In response to a question concerning the criteria which the Committee would follow in establishing priority between different types of non-tariff barriers, it was explained that the Committee might suggest the establishment of a number of groups to deal with the different kinds of barriers based on the classification attempted in the secretariat paper on the subject, without however necessarily attempting to establish an order of priorities between different types of barriers at this stage. In response to certain concerns that were expressed regarding the treatment of barriers of more particular interest to the developing countries, it was indicated that if the secretariat suggestions were adopted, there would be a possibility of directing particular attention in each group to barriers which more particularly affected exports originating in the developing countries.

Group on Residual Restrictions

9. Members of the Group noted that progress in the removal of residual restrictions had been negligible and that while the New Zealand proposal which was put forward at the last session had received some support it had not been accepted. As it was probable that the proposal might meet the same fate at the next session of the CONTRACTING PARTIES, it could be useful if the secretariat were to analyze the situation and suggest some other solutions.

Committee on Trade and Development

10. It was generally agreed that members of the Group would urge their governments to expedite the submission of notifications in connexion with the examination of the operation of Part IV so that an effective review could be undertaken at the next meeting of the Committee.