

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

CPC/13

15 November 1974

Special Distribution

Preferential Arrangements
Among Developing Countries
Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Summary of Discussion at Sixth Meeting Held on 2 October 1974

Prepared by the Secretariat

1. The Committee of Participating Countries provided for in the Protocol Relating to Trade Negotiations Among Developing Countries held its sixth meeting on 2 October 1974 under the Chairmanship of Dr. H. Villar (Spain).
2. The draft agenda for the meeting contained in CPC/W/9 was adopted.

Ratification of the Protocol

3. The Chairman said that since the previous meeting of the Committee, Mexico and Greece had completed ratification procedures, thus bringing to thirteen the number of countries having ratified the Protocol.
4. The representative of Mexico stated that the Protocol had entered into force for Mexico on 29 August 1974 and that all internal administrative procedures to make the arrangement operational had been completed. The representative of Greece said the Greek instrument of ratification had been deposited on 2 October 1974 and that the Protocol would enter into force for Greece on 1 November 1974.
5. The representative of Uruguay informed the Committee that after obtaining ministerial approval, the Protocol had been submitted recently to the Council of State for consideration. It could be expected that the Council of State would adopt a decision in the near future. The representative of Peru said that the Ministries of Trade and Foreign Affairs had recommended ratification of the Protocol which was now subject to legislative approval. This process could take some time to be completed.

6. The Committee welcomed the information conveyed by the representatives of Mexico and Greece concerning ratification and by Uruguay and Peru concerning recent developments in their countries relating to ratification. The Committee decided to reiterate its invitation to the signatory countries which have not yet completed ratification procedures¹ to do so at the earliest possible date.

Enlargement of the Protocol

7. The Chairman recalled that as proposed by the Committee at its July 1974 meeting, the secretariat had written to those delegations which had been represented at the special meetings of the Committee of Participating Countries, drawing their attention to the procedures for accession to the Protocol contained in document CPC/S/1 and inviting them to make use of those procedures. At the same time, these delegations had been asked to indicate any particular problems they might have in relation to the Protocol so that possible approaches to such questions could be considered. As indicated in secretariat note CPC/W/11, replies had been received from the delegations of Bangladesh, Madagascar, Sri Lanka and Thailand. The delegations of Bangladesh and Madagascar had requested the secretariat's assistance in the process of exploring possibilities for seeking concessions on products of trade interest in the markets of participating countries, as well as in the identification of the relevance to their trade of existing concessions. The secretariat had also been in touch with a number of delegations having expressed some preliminary interest in exploring possibilities for accession to the Protocol. The delegation of Romania had informally indicated its intention of making use of the procedures for exploring the possibilities of accession at an early date and would communicate with the Committee on the matter.

8. The Committee decided to continue to keep under consideration possibilities for expanding the product coverage of the Protocol, improving existing concessions and expanding participation in the arrangement. To this effect, the necessary preparatory work could be undertaken.

Certification and rules of origin

9. The Chairman referred to paragraph 5 of Annex A of the Protocol which provides that the Committee, no later than one year after entry into force of the arrangement, shall undertake a review of the rules of origin applied by the participating countries with a view to improving or harmonizing those rules or their application to products accorded preferential treatment, or for establishing common rules of origin including treatment of imported components. He recalled that delegations had been invited to inform the secretariat of any problems which may have arisen in trading relationships under the Protocol in connexion with certification and rules of origin. As mentioned in background note CPC/W/12,

¹Philippines, Peru and Uruguay.

replies had been received from the delegations of Brazil and India. The Brazilian delegation had indicated that, at this stage, the Brazilian authorities had no comments on the question, while the Indian delegation had informed the secretariat that, so far, the Indian authorities had not come across any problems in this respect.

10. The representatives of Yugoslavia, Spain, Korea and Turkey stated that their authorities had not encountered any problems in their trading relationships under the Protocol with respect to rules of origin. The desirability of considering the harmonization of rules of origin at some future date, was stressed by the representatives of Korea and Turkey, the delegation of Turkey indicating that it would be ready to put forward some concrete proposals in this respect in due course.

11. The Committee, having undertaken its review of the rules of origin, noted that no problems had been reported by participating countries in the implementation of these rules. In the light of comments made concerning possible harmonization, the Committee agreed that it would revert to the subject at a later date.

Annual report

12. The Chairman recalled that at its last meeting, the Committee had asked the secretariat to prepare a draft annual report to the CONTRACTING PARTIES on the operation of the Protocol. The draft was circulated as document CPC/W/10. In adopting the report¹ as amended in the light of suggestions made by members, the Committee urged those participating countries which had not done so to provide the necessary statistical information for inclusion in the third section of the document.

Election of officers

13. The Chairman said that in accordance with the rules of procedure contained in document CPC/1, his term of office had come to an end. He expressed his appreciation for the support which delegations had given to the activities of the Committee during his tenure of office and the encouragement provided to the efforts being made to bring about the enlargement of the Protocol, both in membership and product coverage.

14. The representative of India, Mr. I.S. Chadha assumed the Chairmanship of the Committee for the forthcoming period, the Vice-Chairman being the representative of the Republic of Korea.

Next meeting

15. It was agreed that the date of the next regular quarterly meeting of the Committee would be fixed by the Chairman in consultation with delegations.

¹Issued as L/4091