

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

CPC/22

2 May 1975

Special Distribution

Preferential Arrangements Among Developing Countries Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Summary of Discussions at Eighth Meeting held on 14 April 1975

Prepared by the Secretariat

1. The Committee of Participating Countries provided for in the Protocol Relating to Trade Negotiations Among Developing Countries held its eighth meeting on 14 April 1975 under the Chairmanship of Mr. I.S. Chadha (India).
2. On behalf of the Committee, the Chairman welcomed the representatives of Iran, Romania and Sri Lanka to the meeting for the purpose of exchanging views with members under item 1 of the Agenda dealing with enlargement of the Protocol.
3. The draft agenda for the meeting, contained in document CPC/W/17 was adopted.

Enlargement of the Protocol

4. Referring to document CPC/W/18 concerning recent developments in relation to the enlargement of the Protocol, the Chairman said that there were three different items for the Committee to consider. Firstly, Paraguay had applied for accession, pursuant to paragraph 14 of the Protocol without negotiations. Secondly, Romania, Sri Lanka and Iran had expressed interest in exploring the possibilities of accession in accordance with the procedures established in document CPC/S/1, and thirdly, Bangladesh, the Dominican Republic and Madagascar had received the assistance of the secretariat in order to determine the products of export interest to them which were benefiting from existing concessions under the Protocol. It was suggested that the three points should be dealt with separately, commencing with an exchange of views on the procedures for exploring the possibilities of accession by Romania, Sri Lanka and Iran.

Romania, Sri Lanka and Iran

5. The Chairman recalled that, at its meeting in December 1974, the Committee had agreed on a tentative time-table for providing information on commercial policy and trade flows with respect to the products contained in the Romanian and Sri Lankan lists (CPC/11 and CPC/14 respectively). A number of delegations had provided such information. The Committee had also agreed that interested participating countries would submit lists of products for which they would like to explore the possibilities for concessions in the markets of Romania and Sri Lanka. This had also been done by a number of delegations.
6. The Chairman requested members of the Committee which had not done so to indicate whether their countries had an interest in exploring the possibilities for exchanging concessions with Romania and Sri Lanka. He suggested that it would be desirable that this exploratory process be completed at a reasonably early date so that, following their positive outcome, negotiations for the accession of Romania and Sri Lanka might be commenced with a view to reaching a satisfactory conclusion.
7. The Chairman added that, while a similar time-table and procedure had been suggested for Iran, the Iranian list of products of export interest mentioned in the communication from Iran (CPC/16) was still to be supplied. Likewise participating countries had not provided lists of products for which they would like to explore the possibilities for concessions in the market of Iran.
8. The representatives of Romania, Sri Lanka and Iran thanked members of the Committee for the opportunity to exchange views with them and reiterated the interest of their governments in exploring the possibilities for accession to the Protocol. The representatives of Romania and Sri Lanka indicated that the information so far received from interested participating countries was being examined by their authorities in the context of considering accession to the Protocol pursuant to paragraph 14. These delegations hoped that other participating countries would indicate their interest in exploring the possibilities for exchanging concessions at an early date. The representative of Iran informed the Committee that the list of products of export interest for which Iran would like to explore possibilities for concessions in the markets of participating countries would be communicated to the Committee in the near future. Iran was also ready to provide information on tariffs, trade data and trade regulations applicable to products notified by participating countries as being of interest to them in the Iranian market.
9. Several members of the Committee confirmed their interest in participating in the procedures for exploring possibilities for the accession of Romania, Sri Lanka and Iran to the Protocol. Some of these members said that they would shortly submit lists of products for which they would like to explore the possibility for concessions in the markets of the countries interested in

accession. In response to a question, the representative of the secretariat suggested that countries interested in exploring the possibilities of exchanging concessions should enter into direct bilateral consultations as soon as the basic material was available in order to seek clarifications or additional information where this was found desirable. Reasonable progress in this area should make it possible for the countries concerned to take a decision on applying for accession, hopefully before the next meeting of the Committee which is expected to take place towards the end of June, thus opening the way for the negotiation of concessions among interested parties.

10. The Committee agreed that:

- (i) Participating countries which have not submitted lists of products for which they would like to explore possibilities for an exchange of concessions with Romania and Sri Lanka should do so at the earliest possible date and preferably no later than 16 May 1975.
- (ii) Participating countries which have not provided information on tariffs, trade data and trade regulations applicable to the products contained in the Romanian and Sri Lankan lists are invited to provide such information by 16 May 1975.
- (iii) The delegations of Romania and Sri Lanka are invited to provide information on commercial policy and trade flows with respect to the products already identified by participating countries no later than 16 May 1975 and for additional products, identified by other participating countries, within a month therefrom.
- (iv) Provision of the information mentioned above should encourage delegations actively to pursue consultations with a view to exploring the possibilities for exchanging concessions.
- (v) A broadly similar time-table should be applicable with respect to Iran, the delegation of Iran being invited to submit its list of products as early as possible.
- (vi) In the light of the progress made in exploring the possibilities for an exchange of concessions, the delegations of Romania, Sri Lanka and Iran may be in a position to indicate at the next meeting of the Committee whether they would wish to apply for accession to the Protocol and thus enter into negotiations with participating countries.
- (vii) The secretariat would render such assistance as was required by delegations.

Paraguay

11. The Chairman recalled that by a communication dated 11 November 1974, (CPC/15) the Government of Paraguay had requested accession to the Protocol pursuant to paragraph 14 without carrying out negotiations for an exchange of concessions. As indicated in CPC/19, the Government of Paraguay had submitted a memorandum describing its foreign trade régime which had been issued as L/4159. He noted that because of prior commitments in Paraguay, the representative of Paraguay had not been in a position to accept the Committee's invitation to attend this meeting.

12. Several members of the Committee stated that they would be able to agree to the Paraguayan request, noting that the information and data contained in L/4159 appeared to justify Paraguay's desire to accede to the Protocol without negotiations.

13. One member, in indicating that he had no instructions concerning Paraguayan accession, said that he would like to have more time to reflect on the request. Some members suggested that the Committee might wish to examine possible terms and conditions for Paraguayan accession, including the sort of contribution Paraguay might make in the interests of furthering the aims and objectives of the Protocol, before coming to a decision on the matter.

14. The Committee decided to invite the representative of Paraguay to attend its next meeting for the purpose of exchanging views with members of the Committee on the application for accession by his country. The Committee asked the secretariat to prepare a note for consideration at its next meeting outlining possible terms and conditions which might be appropriate where countries apply for accession to the Protocol without negotiation. Consideration could also be given to a draft Protocol for the accession of Paraguay.

Bangladesh, Dominican Republic and Madagascar

15. The Chairman said that on the basis of relevant information the secretariat had identified products of export interest to Bangladesh, the Dominican Republic and Madagascar benefiting from existing concessions under the Protocol. The details with available statistics had been transmitted to the respective delegations. He suggested that the Committee might wish to consider whether it would be desirable at this stage to ascertain whether the three countries would be interested in exploring the possibilities for accession to the Protocol consistently with the procedures outlined in CPC/S/1. The Committee agreed that the delegations of Bangladesh, the Dominican Republic and Madagascar be invited to indicate whether their countries would wish to explore the possibilities for accession to the Protocol in accordance with the procedures in CPC/S/1. In the light of the responses received, the representatives of Bangladesh, the Dominican Republic and Madagascar could be invited to attend the next meeting of the Committee.

Tropical Products

16. The Chairman drew the attention of the Committee to the discussions at the recent meeting of the MTN Group "Tropical Products" concerning negotiations in the area of tropical products. This Group had agreed that tropical products may be the subject of negotiations between developing countries in accordance with special arrangements or procedures which had been or might be accepted for such negotiations. Presumably, the Protocol could be considered as a special arrangement where negotiations among developing countries on tropical products could take place. He noted that members of the Committee might wish to reflect on this question. The Committee agreed to revert to this matter at its next meeting.

Review of the situation of the countries that have not yet ratified the Protocol

17. The representative of Uruguay informed the Committee that by a Law dated 29 March 1975, the Uruguayan Government had approved ratification of the Protocol. In this respect, he expected that the instrument of ratification would be deposited by Uruguay in the near future. The representative of the Philippines stated that her authorities were now in the final stages of procedures leading to ratification. The representative of Peru indicated that the necessary procedures for ratification should be completed in the coming months. The Committee welcomed the information conveyed by the representative of Uruguay, and in taking note of the statements by the representatives of the Philippines and Peru, expressed the hope that the ratification procedures by these countries would be completed at an early date.

Notification by Israel

18. The Chairman said that the delegation of Israel had submitted two notifications concerning the Protocol. CPC/18 dealt with temporary import restrictions on certain items. In CPC/20, the Permanent Mission of Israel had indicated that pursuant to a decision of the CONTRACTING PARTIES, the Government of Israel had adjusted, in proportion to the devaluation of the Israeli pound, the specific duties applicable to some items contained in the Israeli schedule of concessions. In order to maintain the margin of preference for participating countries in the Protocol, the Government of Israel had reduced the bound duties on three of the items contained in the Israeli schedule of concessions. The Committee took note of the Israeli notifications contained in documents CPC/18 and CPC/20.

Notification by Tunisia

19. The Chairman referred to the notification submitted by the delegation of Tunisia and issued as CPC/21. The Permanent Mission of Tunisia had informed the Committee that an Act of 11 November 1972 ratifying the Protocol had been

published in the Official Gazette dated 11 February 1975 together with the schedules of tariff concessions granted within the framework of the Protocol. As indicated in the Tunisian communication, for certain items the schedules have been amended in respect of the product description and the m.f.n. duty rates in order to conform with the new customs tariff. The Committee took note of the amendments to the Tunisian schedule of concessions contained in document CPC/21.

Annual report

20. The Chairman recalled that at the last meeting of the Committee, it had been decided that arrangements would need to be made for the collection of data, etc., by mid-September each year at the latest, in order that the annual report could be prepared and circulated sufficiently in advance of the relevant meeting of the Committee on Trade and Development to permit the undertaking of a meaningful examination of developments under the arrangement. The Chairman said that while adequate time appeared to be available for this work, the participating countries might remind their authorities that the relevant information should be provided to the secretariat, using the pro forma contained in CPC/W/6, whenever available and no later than mid-September 1975.

Rotation of officers

21. The Chairman said that in accordance with the rules of procedure contained in document CPC/2, 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 contribution provided to the efforts being made to bring about the enlargement of the Protocol.

22. The representative of the Republic of Korea, Mr. H.J. Choi, assumed the chairmanship of the Committee for the forthcoming period, the Vice-Chairman being the representative of Turkey.

Next meeting

23. 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.