

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

CPC/46

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Special Distribution

Preferential Arrangements
Among Developing Countries
Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Summary of Discussion at
Twenty-First Meeting Held on
25 July 1978

Prepared by the Secretariat

1. The Committee of Participating Countries provided for in the Protocol Relating to Trade Negotiations Among Developing Countries, held its twenty-first meeting on 25 July 1978 under the Chairmanship of Mr. A. Liontas (Greece).
2. The draft agenda for the meeting circulated in document CPC/W/62 was adopted.

Enlargement of the Protocol

3. The Committee had before it document CPC/W/61, containing a progress report on the technical work being carried out by the secretariat in relation to enlargement of the Protocol both with regard to the country study programme and the preparation of additional statistical information showing, inter alia, trade at the regional and inter-regional levels as well as on products and product areas of particular export interest to the participants. The secretariat was also exploring the possibility of providing to participants a summary of available information concerning certain trade related matters in the fields of transport, insurance, clearing arrangements, marketing structures, etc. so that these could also be taken into account to the extent that they are relevant to the effort to develop additional exchanges among developing countries through trade concessions. The Committee was invited to consider whether it would be useful, in the light of the stage reached in the technical work, to have a meeting sometime in the autumn of countries participating in the exploratory process, for the purpose of exchanging views on future work and to provide an opportunity for comment on the documentation available etc.

4. Several members commended the technical studies and the trade matrices prepared by the secretariat in the context of the work programme. The hope was expressed that this phase of the programme, including the additional information referred to in document CPC/W/61, would be completed as expeditiously as possible having regard to developments in the multilateral trade negotiations. Members generally agreed that it would be useful to have a meeting of countries participating in the work programme, for the purposes outlined in the previous paragraph. With regard to the question of timing, some members felt that it might be preferable to wait for further progress in the technical work and suggested that the meeting be held following the conclusion of the multilateral trade negotiations, possibly early in 1979. Some other members considered that a meeting in the autumn for the purposes envisaged could be useful, having as background the documentation available.

5. One member suggested that in working towards enlargement of the Protocol, interested countries might at the appropriate time circulate lists of products of export interest to them for the information of other interested participants. It was also noted that the secretariat intended, when the technical work was more advanced, to undertake a detailed examination of it with a view to drawing a comprehensive set of conclusions for consideration relating to possibilities for the expansion of trade among developing countries (LDC/TS/1, paragraph 21).

6. The representative of the secretariat reaffirmed that no work would be undertaken that might interfere with the priority assigned to the multilateral trade negotiations. However, in view of the completion of the trade matrices and the country studies already carried out by the secretariat, there was a feeling that a meeting perhaps at an informal level of countries participating in the exercise, would serve to provide an opportunity for a wider exchange of views with the delegations concerned and to check whether the ongoing technical work was on the right line and did not contain gaps which would impair its value.

7. The Committee took note of the progress report on the collection of data presented in CPC/W/61 and agreed to revert to matters relating to enlargement of the Protocol at its next meeting. It was also generally agreed that an informal meeting of countries participating in the work programme aimed at the expansion and development of additional exchanges among developing countries through trade concessions would be convened on a date to be fixed following consultations between the Chairman and delegations, having regard to commitments in connexion with the multilateral trade negotiations and other matters in Geneva. The purpose of the meeting would be to provide an opportunity for an exchange of views at a technical level

on future work relating to the expansion of trade among developing countries on a preferential basis and for comments on the trade matrices, country studies and such other material as may be available at the time.

Annual report

8. In order to facilitate the preparation of the fifth annual report on the operation of the Protocol to the CONTRACTING PARTIES, the main points relevant to reporting procedures had been summarized in document CPC/W/59.

9. The Committee agreed to invite members to submit to the secretariat all the necessary statistical data concerning trade in the items appearing in the schedules of concessions annexed to the Protocol during the period 1975-1976-1977, as well as a brief description of the main developments relevant to the operation of the Protocol, as early as practicable and, in any case, no later than the end of September 1978. The secretariat would be entrusted with preparing a draft of the report which would also contain material required for the five-year review of the operation of the Decision of the CONTRACTING PARTIES relating to implementation of the Protocol (CPC/W/59, paragraphs 2 and 8). The Committee would finalize the report at its next regular quarterly meeting.

Implementation of concessions pending the completion of ratification procedures

10. During the five-year review carried out at the April 1978 meeting, some members had felt that points relating to the question of possible de facto implementation of concessions pending ratification of the Protocol, could be usefully taken up at a future meeting of the Committee (CPC/45, paragraph 13). With a view to facilitating discussions and any further action the Committee might consider appropriate, relevant points had been summarized in document CPC/W/60, paragraph 2.

11. In referring to the possible implementation of concessions on a mutual basis pending the completion of ratification procedures by an acceding country, some members referred to the objective of implementing concessions as quickly as possible consistently with the acceding country's constitutional and legal requirements. They noted that situations might arise where concessions could be implemented by the acceding country on an administrative basis pending the completion of legal requirements, especially where it was anticipated that such requirements might take some time to finalize. However, as legal and administrative systems varied from country to country, such a proposal could best be examined on a case-by-case basis.

12. The Committee agreed that de facto implementation of concessions pending ratification of the Protocol by an applicant country would best be examined on a case-by-case basis, in the light of circumstances pertaining to future applications for accession.

Rules of procedure

13. With respect to the provisional rules of procedure of the Committee which had been reproduced in CPC/W/60, Annex I, the Chairman recalled that some members had suggested that these should now be put on a definitive basis. It had been suggested that the word provisional in the heading and in paragraph 5 of the rules be deleted. It had also been suggested that paragraph 4 of the rules be amended to make it clear that documents would be distributed to members of the Committee only. Perhaps relevant documentation could also be made available to such observers as had been invited to attend meetings of the Committee. Members were invited to comment on these points and offer suggestions on any other matters relating to the rules of procedure.

14. Following discussion of this matter, the Committee agreed to put the rules of procedure on a definitive basis.¹ The Committee also agreed that paragraph 4 of the rules of procedure be amended to read as follows:

"Documents. Reports and other documents shall be prepared by the secretariat as needed and shall be distributed to members and, as appropriate, to such observers as have been invited to attend meetings of the Committee."¹

Derestriction of documents

15. The Chairman said that it was normal procedure in international bodies for documents to be derestricted after a certain period of time, unless otherwise decided. Possible guidelines for derestriction of the Committee's documents were contained in CPC/W/60, Annex II, for consideration.

16. Some members said that the question of derestriction of documents was a delicate issue which warranted careful consideration and specific action by the Committee. These members stated that they could agree to the guidelines for the derestriction of documents which appear in document CPC/W/60, Annex II, paragraph 3, on the basis that the Committee would consider derestriction annually. Some members expressed the view that, while the technical country studies and other documents in the LDC/TS series were being distributed to participating countries and to other developing countries taking part in the work programme relating to possible enlargement of the Protocol, these documents should not be given general circulation unless the Committee at a future meeting decided otherwise.

¹The revised rules of procedure are being issued as CPC/47.

17. Members of the Committee noted at the same time the need for giving due regard to the availability of information about activities under the Protocol.

18. With regard to the general availability of information, one member recalled the suggestion made at the previous meeting of the Committee that a brochure concerning the provisions, operation and experience of the Protocol along the lines of the brochure entitled "GATT - What it is - What it does" should be prepared and circulated.

19. The Committee agreed to adopt the guidelines for derestriction of documents contained in document CPC/W/60, Annex II, paragraph 3, subject to the provision that derestriction be considered annually, having as background a listing of documents to be considered for derestriction. On the basis of the guidelines, it was also agreed that documents in the CPC/ and CPC/W/ series listed in CPC/W/60, Annex II, pages 6-8 and 10-13 where action or discussion of the matter appears to have been completed, would be derestricted.

Modification of the Protocol

20. The Committee noted that, up to the time of the meeting, no proposals concerning possible modifications of the Protocol had been put forward by participating countries although this matter could be taken up at any stage.

Ratification of the Protocol

21. The Committee took note of information provided by the representative of Romania to the effect that on 5 July 1978 the Romanian Council of State had approved Romania's accession to the Protocol and the relevant rules of origin. The Romanian instrument of ratification would be deposited with the secretariat as soon as received in Geneva. As there were no recent developments to report with regard to ratification of the Protocol by the Philippines and Paraguay, the Committee agreed that the matter be kept on the agenda so that members might revert to it at a future meeting.

Next meeting

22. The Chairman said that in accordance with usual procedures, the date of the next regular quarterly meeting of the Committee would be fixed by the Chairman in consultation with members of the Committee and the secretariat.