

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

CPC/54
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Special Distribution

Preferential Arrangements
Among Developing Countries
Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Summary of Discussion at Twenty-Sixth Meeting Held on 18 March 1980

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-sixth meeting on 18 March 1980 under the Chairmanship of Mr. S. Delgado (Mexico).
2. The draft agenda circulated in document CPC/W/75 was adopted.

Accession of Argentina

3. On behalf of the Committee, the Chairman welcomed the delegation of Argentina to the meeting for the purpose of exchanging views under agenda item 1 concerning Argentina's application for accession to the Protocol (document CPC/52). As additional information, members had available to them a technical country study (LDC/TS/50) concerning Argentina which had been recently prepared by the secretariat and which provided information on Argentina's tariff and trade régime and its foreign trade flows.
4. In an introductory statement, the representative of Argentina explained the background to his Government's interest in acceding to the Protocol Relating to Trade Negotiations Among Developing Countries. He said that co-operation with other developing countries constituted an essential element of Argentina's international relations. Even though Argentina had participated in the initial round of negotiations among developing countries, it had been unable to complete the negotiating process so as to permit accession to the Protocol in 1971. Noting that developments since the entry into force of the Protocol had demonstrated that it was a useful instrument for economic co-operation among developing countries, he said that Argentina's accession to the Protocol, in the light of the more favourable economic situation obtaining in his country, would make it possible for Argentina to contribute more actively to the achievement of collective self-reliance among developing countries. In the same spirit, Argentina was also participating fully in the ECDC Programme including the inter-regional ECDC meeting of experts of developing countries currently taking place

in Geneva. Recalling that Argentina was a member of LAFTA, the representative of Argentina stated that participation in the Protocol would give his country a better understanding of the process of preferential negotiations among developing countries and their application at the inter-regional level, while also contributing to the expansion of mutual trade with other members of the Protocol. Argentina would like to commence the negotiations with a view to accession as rapidly as possible. It was the hope and expectation of Argentina that the negotiations would be a dynamic process which would go beyond determining a simple entrance fee for Argentina and include the negotiation of additional reciprocal concessions with participating countries other than those members of LAFTA. In the event that the process of exchanging concessions affected other concessions already negotiated in LAFTA, the Argentine Government was disposed to examine the matter with interested countries in the appropriate forum.

5. In thanking the secretariat for the circulation of a technical country study on Argentina, the representative of Argentina said that this document provided up-to-date information on the economy of his country, as well as on the tariff and trade régime, trade flows, etc. In the course of bilateral consultations, Argentina would be ready to provide any additional information in this respect which might be required by participating countries. Noting that up to 1984, Argentina would be carrying out a gradual reduction of tariff levels, he indicated that Argentina was willing to negotiate on both tariffs and, on a reciprocal basis, other trade measures which might affect access to markets for products of interest to participating countries. Pending the completion of the accession procedures, Argentina would wish to participate in the activities of the Committee of Participating Countries in an observer capacity.

6. In taking note of the points mentioned in the introductory statement by the representative of Argentina, members of the Committee warmly welcomed Argentina's application for accession to the Protocol. Recalling Argentina's economic and political importance, several members expressed the view that following the conclusion of the accession negotiations in which they would take an active part, Argentina's participation in the Protocol could be expected to inject a dynamic element with respect to the Protocol's objectives of increasing preferential trade exchanges among developing countries and contributing to the development of the economies of participating countries. In the view of some members, the accession of Argentina would not only strengthen and advance the objectives of the Protocol but would also serve to promote ECDC activities being carried out in other fora which also were an important element in the establishment of a new international economic order. Many members supported the view that the procedures for the accession of Argentina should be carried out as expeditiously as possible, with the technical assistance of the secretariat as required.

7. In accordance with paragraph 14 of the Protocol, the Committee agreed on the following procedures for negotiations which were expected to take place between Argentina and interested participating countries. It was noted that the time-frame suggested was of an indicative nature and that every effort would be made by participants to facilitate the negotiating process with a view to its completion at the earliest possible date.

(i) Participating countries having an interest in entering into negotiations for an exchange of concessions with Argentina would indicate their interest to the Committee within a period of thirty days from the present meeting, if possible.

(ii) This indication of interest would be followed by arrangements between Argentina and interested participating countries for an exchange of information on items of mutual trade interest and the submission of request lists by the end of May or June 1980.

(iii) As in previous negotiations for accession, request lists exchanged between interested countries would in the normal course, and subject to the requirements of confidentiality, be made available to participating countries.

(iv) The exchange of request lists would be followed by negotiations between interested countries and Argentina with the aim of completing the negotiations, finalizing Argentina's schedule of concessions and such consequential modifications to existing schedules of concessions of members of the Protocol as may result from the negotiations, if possible prior to or shortly after the August summer recess.

(v) In the light of developments in the negotiations, a draft Protocol for the accession of Argentina to the Protocol to which the schedules of concessions of Argentina and other participating countries as relevant would be attached, and a Decision concerning Argentina's accession to the Protocol, would be prepared for approval by members of the Committee. The Decision could then be put to a vote and the Protocol open for signature in the normal way.

8. It was noted that the services of the secretariat would be available to provide such assistance as may be required with respect to the procedures and processes outlined above. It was also agreed that at its next meeting, the Committee would review progress in the negotiations with a view to taking up any matters that might require attention. Pending the completion of accession procedures, Argentina would be invited to participate in an observer capacity in the activities of the Committee.

Extension of the Protocol of Accession of Bangladesh

9. The Chairman recalled that the three-year period of validity of the Protocol of Accession of Bangladesh would expire on 28 March 1980. Referring to the communication circulated in CPC/53, the representative of Bangladesh said that his authorities, expressing continuing interest in the operation of the Protocol, had requested an extension of the Protocol of Accession for a further period of three years. In the light of paragraph 3 of the Protocol of Accession, Bangladesh, a least-developed country, hoped that the Committee of Participating Countries would find it possible to agree to this request. Members of the Committee who spoke on this agenda item supported the request submitted by Bangladesh.

10. In the light of the request by the representative of Bangladesh (CPC/53) for an extension of the duration of the Protocol of Accession of Bangladesh, members of the Committee present at the meeting comprising more than two-thirds of the membership of the Protocol Relating to Trade Negotiations Among Developing Countries, adopted the following Decision:

"Considering the request of the Government of Bangladesh for an extension of the duration of its Protocol of Accession to the Protocol Relating to Trade Negotiations Among Developing Countries for a further period;

The COMMITTEE OF PARTICIPATING COUNTRIES

Decides in accordance with paragraphs 4 and 14 of the Protocol Relating to Trade Negotiations Among Developing Countries to extend the duration of the Protocol of Accession of Bangladesh until 28 March 1983."

Expansion of Trade Among Developing Countries

11. The Committee took note of the progress report on the continuing technical work being undertaken by the secretariat in connexion with the expansion of trade among developing countries (CPC/W/76). It agreed to revert to this agenda item at its next meeting.

Withdrawal of Greece from the Protocol

12. The representative of Greece, in referring to document L/4923, stated that in the light of the accession of Greece to the EEC, the Greek authorities had decided to withdraw from the Protocol Relating to Trade Negotiations Among Developing Countries. He said that the Agreement on the accession of Greece to the EEC had been notified to GATT and a Working Party had been set up to examine its conformity with the provisions of the General Agreement. In accordance with paragraph 17 of the Protocol, the withdrawal of Greece would take effect as of 28 June 1980.

13. The Committee took note of the withdrawal by Greece from the Protocol as indicated in document L/4923.

Rotation of Officers

14. The Chairman said that in accordance with the rules of procedure contained in document CPC/47, his term of office had come to an end. He thanked members for their assistance and spirit of co-operation in carrying out the activities of the Committee. In accordance with the rules of procedure of the Committee, the representative of Peru would assume the Chairmanship of the Committee for the forthcoming period, with the representative of the Republic of Korea becoming the Vice-Chairman.

Next meeting

15. 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.