GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

CPC/80 28 October 1985

Special Distribution

Preferential Arrangements
Among Developing Countries
Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Summary of Discussions at Forty-Third Meeting held on 18 October 1985

Prepared by the Secretariat

- 1. The Committee of Participating Countries provided for in the Protocol Relating to Trade Negotiations Among Developing Countries held its forty-third meeting on 18 October 1985 under the Chairmanship of Mr. F. Morales (Chile).
- 2. The draft agenda circulated in document CPC/W/115 was adopted.

Expansion of trade among developing countries

- 3. The Chairman said that as indicated in paragraphs 3-6 of the Summary of Discussions at the last meeting (CPC/79), the Committee had had a very constructive exchange of views with respect to the proposal that, without prejudice to activities in other fora, each participating country liberalize, in the framework of the Protocol, the conditions of access for four or five items originating in other participating countries. The Committee had taken note of the comments made by members and agreed to revert to this matter at the present meeting. As requested by the Committee the secretariat had been preparing, on the basis of available data, a listing of items for which the conditions of access might be liberalized.
- 4. One member said that his government attached particular importance to this proposal. In his country's view, in the present juncture, it was advisable to make full use of the opportunities offered by the Protocol for the expansion of trade among participating countries, and to this end the Committee could and should play an important role. Consequently, his authorities were prepared to accept the proposal to liberalize the conditions of access for four or five items in the framework of the Protocol. To this effect, this member had decided to offer to liberalize the conditions of access for five items imported by his country. Having regard to the requirements of confidentiality, full details concerning these items are being provided in writing to the members of the Committee. In order to reduce the relevant tariff rates on a preferential basis, this member was ready to enter into consultations and negotiations with other interested participating countries.

- 5. Another member said that in pursuance of the proposal put forward by his delegation, his authorities had established a list of eleven items for which the conditions of access might be liberalized in the framework of the Protocol and had identified two other items not being imported from participating countries which might be withdrawn from his country's schedule of concessions. Having regard to the requirements of confidentiality, full details concerning these items are being provided in writing to the members of the Committee. This member added that his authorities had also completed the preparation of a list of exportable goods and were ready to consult with other interested participating countries.
- In response to an enquiry by members, the representative of the secretariat said that, at the request of the Committee of Participating Countries, the secretariat was in the process of preparing a preliminary selection of items of trade interest to participating countries for which the conditions of access might be liberalized in the framework of the Protocol. The tabulations being prepared by the secretariat identified items imported by some participating countries which had been exported by some other participating countries over a recent period and which were subject to positive tariff rates. The tabulations also identified a number of items of significant value exported by some participating countries to markets other than those of participating countries and which some participating countries had imported from other sources. In summary he could say that the tabulations being prepared by the secretariat would. identify some ninety items and that in the base year trade among participating countries in the items selected had represented approximately US\$2,500 million. Fifteen per cent of the items selected were in Chapters 1 to 24 of the CCCN and the remainder in chapters 25 to 99. This work had been proceeding expeditiously and it was anticipated that it would be concluded shortly.
- 7. Another member said that he believed that the current announcements made by some members as well as the selection of items being prepared by the secretariat would be helpful in capitals. He hoped that these data would provide a basis for similar announcements by other participating countries in the near future. He suggested that the tabulations being prepared by the secretariat be circulated together with the report of the present meeting for the better guidance of officials in capitals.
- 8. The Chairman noted that effective progress had been made in carrying out the proposal to liberalize the conditions of access for additional items in the framework of the Protocol. It was encouraging that some participating countries had taken the initiative of putting their lists of items forward. He hoped that some other members would be in the position to put forward their own lists of items at the next meeting of the Committee. The Committee took note that some members had submitted a list of items available for preferential trade liberalization in the framework of the Protocol and that these members were ready to enter into consultations with other interested participating countries. The Committee also took note that the secretariat list would be circulated in the near future. The Committee agreed to revert to this matter at its next meeting.

Annual Report

9. The Chairman said that the draft Twelfth Annual Report of the Committee of Participating Countries to the CONTRACTING PARTIES and the Committee on Trade and Development had been circulated in document CPC/W/114 and Addenda. Up to now only eight participating countries had provided the necessary statistical data and it would be desirable that other participating countries submit their data as soon as possible. Following the consideration of the draft report, the Committee adopted the text circulated in CPC/W/114 and Addenda and agreed to invite those participating countries that have not yet done so to submit to the secretariat the statistical data and information required for the Annual Report as soon as possible.

Certification of Origin

10. The Chairman referred to the additional information concerning the certification of origin provided by Israel, Mexico and the Republic of Korea which had been circulated in document CPC/10/Addenda 16, 17 and 18, respectively. The Committee took note of the information concerning certification of origin provided by Israel, Mexico and the Republic of Korea.

Derestriction of documents

11. The Chairman referred to document CPC/W/ll6 which on the basis of the guidelines adopted by the Committee, listed CPC/ and CPC/W/ documents which would appear to be eligible for derestriction. This list had been submitted for consideration by the Committee. As there were no objections from members, the Committee $\underline{\text{agreed}}$ to derestrict the documents mentioned in CPC/W/ll6.

Next meeting

12. The Chairman said that the date for the next meeting of the Committee would be fixed in consultations with delegations and the secretariat in accordance with usual practice.

The Report of the Committee of Participating Countries to the CONTRACTING PARTIES has been issued as L/5891 and Addendum 1.