

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

CPC/86

3 November 1986

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Preferential Arrangements  
Among Developing Countries  
Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Summary of Discussions at Forty-Sixth Meeting  
held on 20 October 1986

1. The Committee of Participating Countries provided for in the Protocol Relating to Trade Negotiations Among Developing Countries held its forty-sixth meeting on 20 October 1986 under the Chairmanship of Mr. P.S. Randhawa (India).

2. The draft agenda circulated in document CPC/W/122 was adopted.

Expansion of trade among developing countries

3. The Chairman said that as indicated in paragraphs 4-6 of the Summary of Discussions at the last meeting (CPC/84), the Committee had taken note of the exchange of views concerning the proposal to liberalize the conditions of access for some additional items of interest to participating countries. The Committee had also taken note of the desire expressed for an updating of the statistical information prepared by the secretariat. The Committee had agreed to reiterate the invitation for the submission of lists of items or statements of intention within the indicative time limit of June 1986, and had agreed to revert to this matter at its next meeting. Up to now only three members had submitted the lists of additional items for which they intended to liberalize conditions of access in the framework of the Protocol. No statements of intention had been submitted so far.

4. Some members recalled that during the recent period the attention of many delegations had been centered on the preparations for the Punta del Este Ministerial meeting and the initiation of a new round of multilateral trade negotiations in GATT. Thus, it had not been possible for them to submit statements of intention within the time limit established by the Committee. One of these members confirmed, nevertheless, the definite intention to participate in the review and exchange of concessions among participating countries. Another member said that his delegation would need some additional time to reflect on this matter and receive the necessary instructions. The Chairman noted that the time limit for the submission of the lists of items for which the conditions of access might be liberalized, or the statements of intention, had an indicative character. Without setting out a deadline for other participating countries, members who had already tabled their lists of items had indicated that for practical reasons the lists of items offered for liberalization in the framework of the Protocol could not remain on the negotiating table for an indefinite period of time. In his view there was no impediment for the submission at a future date of the lists of items or the statements of intention. The Committee might revert to this matter at its next meeting.

5. A member noted that the lists of items submitted by some participating countries covered items which at present were not being exported by his country. He said that actual exports by participating countries might be one of the criteria for the inclusion of items in these lists. He suggested, moreover, that background documentation prepared in the context of economic cooperation activities being carried out elsewhere might be used for this purpose. Some members expressed misgivings with respect to the proposal that the Committee use outside documentation. In this connection the representative of the secretariat recalled that, at the request of the Committee and having regard to a number of criteria proposed by members, at the end of 1985 the secretariat had circulated a document entitled "Preliminary selection of items of trade interest to participating countries". These tabulations had identified some one hundred items which offered prospects for trade liberalization by participating countries in the framework of the Protocol. In 1983 figures these items represented trade worth approximately US\$2.500 million. The items listed identified existing trade flows as well as opportunities for creating trade exchanges among participating countries and could thus serve as a basis for the submission of lists of items. The Committee had examined the documentation and some members had expressed the desire for an updating of the statistical information prepared by the secretariat. An update to include 1985 data would require substantial work and might have a more practical scope if participating countries could preselect items for which the conditions of access might be liberalized in the framework of the Protocol.

6. The Committee took note of the exchange of views concerning the proposal to liberalize the conditions of access for some additional items of interest to participating countries. The Committee also took note that some members had expressed the desire that the indicative time limit for the submission of lists of items or statements of intention be extended. The Committee agreed to revert to this matter at its next meeting.

#### Annual Report

7. The Chairman said that the draft Thirteenth 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/120 and Addenda. Up to now only three 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/120 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

8. The Chairman referred to the additional information concerning the certification of origin provided by Mexico and the Republic of Korea which had been circulated in document CPC/10/Addenda 21, 22 and 23, respectively. The Committee took note of the information provided.

#### Derestriction of documents

9. The Chairman referred to document CPC/W/121 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 agreed to derestrict the documents mentioned in CPC/W/121.

#### Withdrawal by Spain

10. The representative of Spain recalled that at an earlier opportunity he had notified the Committee that as a consequence of accession to the European Communities, Spain would have to withdraw from the Protocol, having regard to the provisions of paragraph 17 thereof. In this context a constitutional issue had arisen because Spain's Treaty of Accession provided for the withdrawal by Spain from international agreements incompatible with membership in the European Communities. After analyzing Spain's participation in the Protocol, the Council of State had concluded that in order to withdraw from the Protocol, the Spanish Government required legislative authorization. The Spanish Government had, therefore, requested the necessary authorization. In August the necessary legislative action had been taken by the recently elected Spanish Cortes. Consequently, on 6 August 1986, and in accordance with paragraph 17 of the Protocol, his Government had notified the withdrawal from the Protocol. Spain would continue to comply with the provisions of the Protocol until 6 February 1987. The Committee took note that Spain had notified its withdrawal from the Protocol and that in accordance with the provisions of paragraph 17, Spain's withdrawal from the Protocol would take effect on 6 February 1987.

#### Future activities of the Committee

11. A member noted that in September GATT Ministers had decided to launch a new round of multilateral trade negotiations. He suggested that the Committee consider the consequences of this decision for the Protocol and the activities of the Committee. Another member said that, in his view, the negotiations should not affect the concessions embodied in the arrangement because the Protocol provided that participating countries should maintain the value of the concessions. The Committee agreed that the Chairman should consult with members in this respect.

#### Rotation of Officers

12. The Chairman thanked members for their cooperation and assistance in carrying out the activities of the Committee. He said that in accordance with the Rules of Procedure of the Committee, the Chairmanship for the forthcoming period would be assumed by the representative of Mexico, Mr. V. Alfaro, and the Vice-Chairmanship by the representative of Peru. A member reiterated that, in his view, the rotation of officers every six months impaired the activities of the Committee since the period was too short for the Chairman to operate effectively. A one-year term of office would be more productive and in line with practices being followed elsewhere. He suggested that the Committee again address this issue in the near future.

#### Next meeting

13. 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.