

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Trade and Development

PROCEEDINGS OF THE THIRTEENTH SESSION

Prepared by the Secretariat

Introductory

1. The Committee held its thirteenth session on 16 January 1969. The Chairman, H.E. Mr. T. Swaminathan (India), in opening the meeting, observed that the Conclusions adopted at the twenty-fifth session had reflected the importance attached by the GATT to the trade problems of developing countries and the concern that work in this field should be vigorously pursued. It was therefore fitting that the Committee which had been given a more pointed and urgent mandate at the twenty-fifth session should be convened early in the new year to establish its work programme.
2. Members of the Committee welcomed the presence of the French delegation at the meeting and expressed satisfaction that the Government of France had now decided to participate in the work of the Committee. The representative of France referred to the traditionally active rôle of his country in all matters pertaining to the problems of developing countries. Given the importance of the Committee and its special responsibility relating to the problems of development, France would now participate actively in its work and that of its sub-groups. There had been, however, no change in the country's legal position with respect to Part IV of the General Agreement. The spokesman for the European Economic Community added that the legal position of the EEC countries on Part IV had not changed and that the member States would do their utmost to contribute positively to the work of the Committee.
3. On the suggestion of the Chairman the Committee adopted the provisional agenda proposed in COM.TD/W/84, it being understood that the description of the items provided in the provisional agenda was merely intended for reference and was not to be regarded as providing a definitive annotation.
4. The representative of Chile, in a general statement, expressed the deep concern of his Government at the apparent lack of progress in the efforts of the industrialized countries to contribute to real international co-operation in resolving the difficulties encountered by the developing countries. He reiterated the view that the liberalization of trade on the most-favoured-nation basis alone could not satisfy the needs of the developing countries. Chile would continue to press for the adoption of a preferential system designed to meet the needs of the poor members of the international community.

I. Arrangements for implementing the Conclusions of the twenty-fifth session

5. Members recalled the recognition that had been given in the Conclusions to the continuing decline in the developing countries' share of international trade and to the urgent need to take steps to improve their situation on a priority basis, and the important rôle that had been assigned to the Committee. In the course of discussion the following suggestions were put forward:

- (a) That the Committee on Trade and Development should initiate consultations as soon as possible on problems not being dealt with in other GATT organs; it was noted that in paragraph 7 of the Conclusions specific reference was made to processed agricultural products in this regard.
- (b) That while the developing countries would participate actively in the work of other GATT organs, the Committee should immediately commence its work of following the activities in other GATT organs with a view to formulating appropriate suggestions to them.
- (c) That the Committee might appoint a subsidiary body for the purpose indicated in (b) above.
- (d) That the secretariat should be asked to supply regular information which would indicate the manner in which these organs were dealing with questions of special concern to developing countries.
- (e) That the chairmen of the Agricultural and Industrial Products Committees should be requested to include a section in their reports to the Council on the action being taken in their respective committees on problems of particular interest to developing countries.
- (f) That the secretariat should be asked to carry out sectoral studies similar to that prepared in connexion with differential duties on processed and unprocessed primary products.
- (g) That the Committee on Trade in Industrial Products should be requested to undertake a sector-by-sector examination of possibilities for immediate reduction or elimination of tariff and non-tariff barriers for the benefit of developing countries.
- (h) That developing countries should submit by a given date information on non-tariff and para-tariff barriers affecting their exports so that the Industrial Committee could give early attention to such barriers.

- (i) That the Council instruct the Special Group on Tropical Products to initiate early negotiations on vegetable oils and oilseeds, and to arrange for early consultations or negotiations on other processed and semi-processed tropical products.
- (j) That, in pursuance with paragraph 18 of the twenty-fifth session Conclusions, developed countries should be requested to submit by an agreed date lists of additional products on which they were prepared to grant advance implementation of Kennedy Round concessions.

6. In the course of the discussion of these suggestions some members stressed the importance of avoiding duplication of work between the Committee on Trade and Development and other GATT organs, and of allowing time for the committees concerned to go ahead with their respective work programmes which also covered points bearing on the interests of developing countries. One representative referred to his Government's lack of legal authority to enter into substantive negotiations on tariffs and related matters at the present time.

II. Examination of the operation of Part IV

7. Some members of the Committee recalled the discussion of this subject at the last session of the Committee and paragraph 8 of the Conclusions of the twenty-fifth session, and proposed that a working party be established to carry out a detailed examination of the difficulties encountered in the implementation of Part IV, and to recommend measures for securing more effective and systematic implementation. It was proposed that the secretariat should be requested to obtain information from governments on any difficulties experienced by them in the operation of Part IV as well as suggestions for consideration in the working party.

8. Some members felt that before a decision was taken on the setting up of a working party the Committee should be informed of the nature of the difficulties experienced by the developing countries which would determine how these problems might be further examined. Some members felt that the Committee itself might be better equipped to carry out the examination suggested than a working party with a more limited membership. Those members who were in favour of the immediate establishment of a working party referred to the views expressed by developing countries on the results of the Kennedy Round at the conclusion of the negotiations which related precisely to difficulties which developing countries had experienced in the implementation of Part IV provisions. If more details were required the secretariat could be asked to obtain information from individual developing countries on the specific problems faced by them in connexion with the implementation of Part IV. In their view a small working party would have a greater amount of time at its disposal to go into the details than the Committee itself.

III. Work programme of existing sub-groups

9. Members of the Committee supported the proposal that the Group on Residual Restrictions be reconvened for an early date. Some members, noting that the Council would be continuing the discussion commenced during the twenty-fifth session on the New Zealand proposals on residual restrictions in general, felt that it would be useful for the Committee or the Group to discuss these proposals and to present its views to the Council. Some other members felt that the Group on Residual Restrictions had met only recently and that more time was needed before another round of consultations could be usefully held. In this connexion it was noted that the Government of France having now decided to participate in the work of the Group, the Group should take the opportunity that would be provided by an early meeting to discuss restrictions applied by France as well as other countries. It was also suggested that an analytical product-by-product examination of residual restrictions might be more useful than the earlier country-by-country reviews.

10. Members of the Committee were generally in favour of a resumption of work on the question of adjustment assistance measures and the reconvening of the Group on Adjustment Assistance. Some members suggested that full and detailed information should be obtained from governments, that sufficient time should be allowed to delegations to study the information received before the proposed meeting, and that arrangements should be made to ensure avoidance of going over old ground already covered at past meetings.

Conclusion

11. After discussion on the points above, the Committee agreed to adjourn for a brief period for reflection. It would reconvene in the near future to establish a work programme in the light of the consideration given to the points made in the discussion summarized above.