

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/65

12 March 1969

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Committee on Trade and Development

PROCEEDINGS OF THE RESUMED THIRTEENTH SESSION

Prepared by the Secretariat

The first meeting of the thirteenth session took place on 16 January 1969. A secretariat note on the proceedings of that meeting was circulated in COM.TD/64. After an adjournment for reflection and informal consultations, a further meeting was held on 11 February 1969. At this meeting, the Committee had before it a secretariat preliminary paper on the operation of Part IV (COM.TD/W/91), and a note by the secretariat on studies on the effects of specific duties on exports of developing countries (COM.TD/W/89).

The principal points made during the discussion on the three points on the agenda, and the agreements reached, are summarized below.

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

At the previous meeting individual members of the Committee had put forward a number of suggestions on arrangements for implementing the Conclusions of the twenty-fifth session, as noted in paragraph 5 of COM.TD/64. At the second meeting the Committee concentrated its attention on the suggestion that the Committee on Trade and Development should initiate immediate consultations on problems not being dealt with in other GATT organs, particularly in relation to certain agricultural products as indicated in paragraph 7 of the Conclusions of the twenty-fifth session. It was suggested in this connexion that such action could be taken in relation to certain vegetable oils and certain cocoa products, unless they were given urgent attention in the Special Group on Tropical Products. In the case of cocoa products, it was also noted, action might be postponed pending the outcome of the current efforts at concluding an International Cocoa Agreement. Some members of the Committee pointed out that problems relating to vegetable oils had been assigned for examination in the Agriculture Committee and that in view of the close competitive relationship and substitutability between tropical and temperate zone oils it would be impracticable and unprofitable to single out some oils of tropical origin for examination while ignoring the problems relating to other oils. The delegations in favour of initiation of consultations in the Committee on Trade and Development considered that tropical oils and oilseeds, which held a predominantly important position in the exports of certain developing countries, could appropriately be treated differently from temperate zone oils. Considering the importance attached by the GATT to accelerating the expansion of the export earnings of developing countries, a speeding up of the tempo of work in this field was clearly called for. In the view of these members, the method of work in the Agriculture Committee which would deal with groups of problems rather than specific products would not permit the tackling of problems relating to tropical oils and seeds with the degree of urgency required. A special initiative for achieving urgent progress in this field should therefore be taken, especially bearing in mind paragraph 9 of the Conclusions adopted at the twenty-fifth session.

After further discussion the Committee agreed: (a) that the secretariat be asked to prepare a document outlining the outstanding problems relating to groundnut oil and other vegetable oils of particular export interest to developing countries; (b) that the Special Group on Trade in Tropical Products be invited to take up these problems on a priority basis on the basis of the secretariat documentation with a view to ascertaining (i) whether, and to what extent, from the point of view of liberalization of exports, the problems were in fact under examination in other organizations such as FAO and in various GATT bodies, and what findings or conclusions this work has led to, (ii) to what extent problems affecting groundnut oil, palm oil and other vegetable oils and oilseeds of particular interest to tropical producers could be distinguished from those affecting temperate zone oils; (iii) whether some aspects of these problems could be singled out for independent and speedy action outside the agreed work programme of the Agriculture Committee.

The Committee considered that it would be desirable if this work could be completed by the month of May. It was understood that the foregoing would in no way prevent the Agriculture Committee from going ahead with the overall programme of work in which the developing countries would no doubt continue to participate.

It was also understood that the secretariat would continue to keep the Committee on Trade and Development informed, at each session, of the progress of work in other GATT organs of direct interest to developing countries so that the Committee could take such action as might appear appropriate in terms of paragraph 7 of the Conclusions adopted by the CONTRACTING PARTIES at their twenty-fifth session.

The Committee took note of the work so far accomplished on the subject of specific duties and their incidence on the exports of developing countries, and drew the attention of developing countries to the request by the Group of Technical Experts for suggestions and notifications (cf. COM.TD/W/89).

II. Examination of the operation of Part IV

At the previous meeting of the session the Committee had discussed arrangements for an examination of the difficulties encountered in the implementation of Part IV. While there had been general agreement that such an examination should be carried out, there had been differences of opinion as to whether this work should be undertaken by the Committee itself or by a working party established by the Committee. The various views of members of the Committee were recorded in paragraph 8 of COM.TD/64.

After further discussion at the second meeting, the Committee agreed: (a) that the secretariat should invite contracting parties to submit, as soon as possible but not later than 31 March, statements of the difficulties they consider that the contracting parties have encountered in the implementation of Part IV, and suggestions on how to ensure more satisfactory and effective operation; (b) that the secretariat should collate and circulate all such

communications received and provide such supplementary material as it considered useful by 15 April; and (c) that the Committee on Trade and Development should, on the basis of this documentation, review the problems involved and decide how the further examination of the problems and the formulation of recommendations might best be arranged. It was understood that if at that meeting it were decided to establish a working party, the working party would commence work without delay.

III. Work programme of the Committee and existing sub-groups

The Committee continued the discussion commenced at the first meeting and agreed that the Group on Residual Import Restrictions should convene in the latter part of March, that it would carry out an examination of restrictions on a product-by-product basis, and that the secretariat would supply appropriate statistical and other documentation for this purpose. The Committee also agreed that the Group on Adjustment Assistance Measures should be convened sometime in April and would base its work on information supplied by governments on their policies and action in this field.