

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/100  
1 August 1978

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Committee on Trade and Development

## PROCEEDINGS OF THE THIRTY-FIFTH SESSION

Prepared by the Secretariat

### Introduction

1. The Committee on Trade and Development held its thirty-fifth session on 23 June 1978, under the Chairmanship of Mr. Mahmoud Abdel-Bari Hamza (Egypt).
2. The agenda (COM.TD/W/269), which was adopted by the Committee, contained the following seven items: review of the implementation of Part IV, notification procedures relating to the implementation of Part IV, review of developments in international trade, trade protectionism and recent trends in the trade of developing countries, developments in the multilateral trade negotiations, technical assistance to developing countries in the context of the multilateral trade negotiations, and expansion of trade among developing countries.
3. The Committee addressed itself, in the first instance, to agenda items 1 and 3 relating to review of implementation of Part IV and review of developments in international trade.

### Review of implementation of Part IV; review of developments in international trade

4. As background for discussion on the agenda item "Review of implementation of Part IV", the Committee had before it document COM.TD/W/270 and Corr.1., which provided a summary of information on certain commercial policy developments and actions in other international organizations of interest in the context of the implementation of Part IV of the General Agreement. To assist in the review of developments in international trade, the secretariat had made available a background note entitled "Developments in International Trade which have a Bearing on the Trade and Payments Position of Developing Countries" (COM.TD/W/271).
5. In the Committee's discussion, comments were made and clarifications provided in respect of a number of specific measures referred to in the background documentation. In addition, a number of delegations provided details of recent measures relevant to the implementation of Part IV, taken by their governments since the last meeting of the Committee which were not reflected in the documentation provided by the secretariat (COM.TD/W/270 and Corr.1).

6. The representative of Austria informed the Committee that his Government had continued to negotiate bilateral agreements with developing countries interested in securing reduced or nil rates of duty for their hand-made products when imported into Austria under the Austrian scheme for special tariff measures on hand-made products. He expressed the hope that those developing countries which had not availed themselves of this facility would do so as soon as possible. Referring to paragraph 21 of COM/TD/W/270 he doubted that there was a relationship between autonomously reduced tariff rates and the General Agreement. As the GSP rates of the products in question had not been affected, the non-prolongation of certain autonomously reduced duty rates had rather had the effect of raising de facto the preferential margins on certain of these items.
7. The representative of Czechoslovakia said that trade flows between his country and developing countries had increased significantly in the year 1977. Overall trade turnover reached a value of US\$1.9 billion and registered an increase of 32 per cent as compared with the year 1976. Czechoslovak exports to developing countries increased by 26.1 per cent whereas imports from developing countries recorded an increase of 41.3 per cent over the year 1976. The commodity structure of imports from developing countries had been further diversified and imports of new types of manufactures including certain engineering products had taken place. Further development of Czechoslovak trade and economic relations with developing countries was based on a large number of agreements on trade, economic and scientific-technical co-operation. With the aim of increasing trade with developing countries, the Czechoslovak Government had recently introduced certain improvements to its GSP, according to which tariffs applied under the GSP would be reduced generally by a further 50 per cent, and for the least-developed countries by 100 per cent; the number of commodity exceptions would be further reduced. Czechoslovakia had not increased import duties or other internal fees and also had not applied any quantitative restrictions or other non-tariff barriers to goods imported from developing countries in 1977.
8. The representative of Switzerland said that total imports into Switzerland had increased by 17 per cent in 1977 as compared with those in the year 1976. During the same year, total imports from developing countries had registered an increase of 29 per cent; imports from developing countries of products covered by the Swiss GSP had risen by 31.6 per cent and the effective utilization of the GSP scheme, that is the imports of products which had actually benefited from preferential treatment, had recorded an increase of 41 per cent. Effective 1 July 1978, the principle of cumulation in the rules of origin would be introduced, permitting the beneficiary countries forming a regional economic grouping and desirous of taking advantage of the cumulation system, to apply in advance for this right to the competent Swiss authorities.

9. The representative of the United States said that duty-free imports under the GSP from beneficiary countries entering the United States in 1977, increased by over 20 per cent compared with the previous year to US\$3.9 billion. The United States was currently accepting petitions for modifications to the list of products eligible for GSP treatment in preparation for the annual review. The deadline for submissions had been set at 18 July 1978. Referring to the efforts made by his Government to resist protectionist pressures, he described action on the United States escape clause petitions during the past twelve months. In five of the nine cases for which final determinations were made, the International Trade Commission determined that there was no injury or threat of injury as a result of imports. All five involved products of interest to developing countries, namely, zinc, cast-iron pipes and tubes, hats, beef, and cut flowers. In one case, stoves and stove parts, the ITC had a tie vote on the question of injury; the President accepted, as the ITC finding, the position of those voting against an injury determination. In two cases, high-carbon ferrochrome and industrial fasteners, the ITC found injury but the President did not impose import restrictions. In only one case, that involving citizens band radios (imported almost exclusively from a developed country), did the President grant relief. The ITC had found injury and threat of injury in a tenth case, namely, stainless steel flatware; the President must decide by 12 July whether relief was appropriate.

10. While appreciating that some new measures of trade liberalization had been taken by some developed countries and that in certain cases governments had resisted protectionist pressures, delegations of developing countries expressed concern at the deteriorating position in respect of access for developing country exports resulting from the proliferation of protectionist actions. Some of these delegations stated that there appeared to be little evidence of efforts having been made in accordance with the provisions of Part IV to avoid restrictive actions on products of interest to developing countries or to exempt developing countries from the scope of such actions through special and differential treatment. Rather, in their view, there appeared to be a disturbing tendency for measures to discriminate against imports from developing countries, whether by limiting their application to imports from specific countries or by restricting their application to those products more likely to come from developing countries, for example through applying measures to low-value items only.

11. The representative of a developing country stated that, while a number of improvements had been made to certain GSP schemes, the GSP as a whole continued to suffer from inherent deficiencies relating to uncertainty and insecurity. In this respect, the representative of a group of developed countries confirmed that the countries for which he was spokesman had made an important declaration concerning the prolongation of their GSP scheme beyond 1981.

12. A number of suggestions were made concerning information that could usefully be included in future secretariat background notes such as, for example, developments in relation to trade in textiles. Representatives of a number of developing countries stated that it would help them have a better appreciation of commercial policy developments if the secretariat could attempt to express in quantitative terms the impact that measures taken might have on trade in items of interest to developing countries. The representative of a developed country, referring to the importance of maintaining a proper balance in the background documentation, noted that in the view of his authorities document COM.TD/W/270 did not cover measures taken by all countries, nor did it cover other relevant measures including for example, voluntary restraint agreements, bounty or subsidy schemes and changes in variable levies. He suggested that this made it difficult to draw correct conclusions from the document.
13. The representative of a developing country, supported by a number of other developing countries, stated that the basic question for the Committee in conducting its reviews of the implementation of Part IV was to consider how far the provisions of Article XXXVII:1 had been complied with by developed countries. In particular, the Committee should examine whether measures of a trade restrictive nature affecting products of export interest to developing countries were taken because "compelling reasons" made such actions unavoidable. Since it might not be possible for such a large body as the Committee to examine measures on a case-by-case basis in the necessary detail, he suggested that it might be desirable to set up a smaller, subsidiary body of the Committee to consider whether measures had been taken in the circumstances envisaged in Article XXXVII:1. This body could also have the function of reviewing measures taken periodically to see whether the conditions still existed to justify their continuation.
14. The representative of a developed country stated that his delegation would be prepared to set aside more time for the Committee to have a more detailed examination of measures identified in the documentation, but he doubted whether it was necessary to establish a subsidiary body to achieve this objective. The representative of another developed country stated that many of the restrictive actions were taken under Article XIX and that improved disciplines on safeguards, including monitoring or surveillance, were being studied in the multilateral trade negotiations; agreement in that context could greatly improve the monitoring of restrictive measures.
15. In relation to the above comments, the representative of a developing country stated that not all restrictive actions were taken under Article XIX and that, in addition, there was an important difference between the commitments under Article XIX and those under Article XXXVII. He stated

that under the provisions of Article XXXVII no restrictive action should be taken in respect of products of interest to developing countries or, if such action was taken, developing countries should be exempted from its scope, unless compelling reasons justified it. Examination of these matters fell within the mandate of the Committee.

16. This representative, supported by some other developing countries, also noted that the current difficulties of the international trading community were due not only to the recession but also to problems of a long-term and structural nature in the developed countries. What was required was a more conscious effort to implement the structural adjustment process. In practice it seemed that the cost of the structural changes required in the developed countries was being passed on substantially to the developing countries. If the situation did arise where the exports of developing countries had to be restrained, some form of compensation should be provided through the transfer of resources to the developing countries affected. GATT could perhaps play, in collaboration with other appropriate institutions, an active part in this respect. He stated that such action would be in keeping with the spirit and letter of Part IV and noted the provisions of Article XXXVIII:2(c), which he felt were relevant to the matter. Representatives of certain developed countries indicated that they would wish to reflect on the suggestions before responding.

17. In relation to certain of the suggestions, the representative of the secretariat provided some indications on the technical work involved. On the question of making a quantitative assessment of the impact of trade measures on the trade of developing countries, he stated that the secretariat had previously looked into this matter. It had found that this was a difficult exercise for two main reasons. Firstly, it was often not possible to obtain a sufficiently detailed breakdown of comparable data relating to the item concerned which would, for example, make it possible to examine the effects of price changes in relation to developments in imports of the goods. Secondly, there was the problem of trying to separate out the impact of restrictive measures from other factors which could have an effect on trade volumes, such as changes in consumption, competitiveness, elasticities etc. While certain suggestions had been put forward concerning the orders of magnitudes regarding the effects of recent protectionist measures, this was an area where it had been found difficult to provide any precise answer. Nevertheless, the secretariat would be continuing to give it attention to see if it could come up with answers to the technical problems involved.

18. Concluding the discussion on agenda items 1 and 3, the Chairman referred to the various suggestions that had been made in connexion with what the Committee could do to further its work in respect of the problems under discussion. Firstly, it had been suggested that it would enable delegations to better examine and understand the effects of measures taken, if the secretariat could attempt to show, in quantitative terms, the impact of these measures on the trade of developing countries. Secondly, it had been suggested that it might be useful to establish a subsidiary body of the Committee to examine in more detail individual measures taken so as to better consider the compelling reasons underlying restrictive measures in terms of the provisions of Article XXXVII:1. Thirdly, it had been suggested that, since in many cases restraint measures caused the cost of the structural difficulties being experienced in the developed countries to be passed on to developing countries, the Committee should consider ways in which the developing countries could be compensated through a transfer of resources to them to offset the adverse impact of import restraint measures if they had to be taken. These suggestions and proposals had received support from a number of delegations of developing countries and the secretariat had provided some comments on the feasibility of undertaking the technical work referred to in certain of the suggestions. Some other delegations had stated that they required more time to reflect on these suggestions and proposals. It would therefore be appropriate for the Committee to come back to them at its next meeting. With respect to certain inaccuracies which were stated to be in the documentation, the delegations concerned were invited to provide the secretariat in writing with any modifications and corrections they would wish made.

#### Trade protectionism affecting developing countries

19. The Committee had before it a secretariat background note entitled "Protectionism and Recent Trends in the Trade of Developing Countries with Particular Reference to Trade in Manufactures" (COM.TD/W/272), providing an overview of the changing pattern of developing country trade in manufactures and listing certain categories of products of interest to developing countries which had been recently subject to some form of trade restrictive action by one or more developed countries. Introducing the agenda item, the Chairman said that, while the paper focussed mainly on manufactures, it should be noted that the rapid rise in the share of manufactures in the exports of many developing countries was also a reflection of the relative stagnation of their primary product exports, which was due to a number of factors including the continuing use of protectionist measures.

20. The representatives of some developing countries, in referring to the main conclusions outlined in paragraph 34 of document COM.TD/W/272, noted that the share of the developing countries in world exports of manufactures was much lower than their share in world imports, that the deficit of the developing countries in their manufactures trade with industrial countries was rising rapidly and that, while most of the increase in industrial country imports of manufactures from developing countries consisted of finished goods and certain semi-manufactures, the largest part of the increased exports of the industrial countries to the developing countries consisted of capital goods and, to a lesser extent, intermediate products required in the manufacturing sector of the developing countries. In this context, it was stated that the threat posed by developing country exports of manufactures to the developed countries was often being seen out of proportion. Document COM.TD/W/272 also highlighted the close link between the rate of growth of the export earnings of the developing countries and the growth of their imports from the developed countries. These representatives felt that the mutuality of trade interests between the developed and the developing countries was not always fully grasped. One of these representatives, supported by other delegations, suggested that the secretariat should undertake a study of the extent and level of dependence of the export sectors of the industrial countries on the markets of the developing countries as a whole. He considered that such a study could help to increase understanding of these issues by influencing public opinion as well as policy makers in the developed countries. With respect to this suggestion, it was noted that the secretariat intended to include, in a publication to be issued shortly in the series of GATT Studies on International Trade, information for some fifteen product groups, illustrating in relation to trade in these groupings, the share accounted for by the developing countries markets.

21. The representative of a developed country shared the view that there was frequently an excessive reaction to imports and a dangerous tendency for imports to be blamed indiscriminately for difficulties that arose. The representative of another developed country stated that the need to, and the desirability of, educating public opinion on the facts of international trade interdependence concerned his government very much and he agreed that there was an important task to be achieved continuously in respect of ensuring a full understanding of trade relationships between developed and developing countries. Against this background, he hoped that the Committee could contribute to a broader understanding of the problems and issues involved.

22. Representatives of a number of developing countries were of the view that protectionist actions had a dangerous tendency to be self-perpetuating and self-multiplying. Protection and/or cartelization of industries producing intermediate products, such as steel and synthetic fibres, raised

the price of these products and led to demands for protection by industries using these products as inputs in their production. Also, protection through reducing the pressure on industry to implement necessary structural adjustments, was not easily dispensed with. Furthermore protection tended to spread from one country to another. Restrictive measures taken by one country in a sector tended to increase pressure on other countries to take similar restrictive measures in that sector: footwear was a recent example of this.

23. These delegations stated that what was required was a conscious policy of structural adjustment with deliberate governmental assistance. Such adjustment assistance should be of a positive nature designed to facilitate structural change and not to rehabilitate or support inefficient industries. Strict implementation of the standstill would also contribute to overcoming the problems developing countries were facing in exporting their products.

24. Delegations of a number of developed countries referred to recent discussions on the subject of protectionism in other fora. It was mentioned that in the Consultative Group of Eighteen there had been general concern about the existence of protectionist pressures, but also some recognition that there had been resistance to these pressures and it was necessary to take this factor into account in assessing the situation. Reference was also made to the communiqué of the OECD Ministerial meeting held in June 1978, where Ministers had agreed that trade with developing countries had brought positive benefits to both parties and that there was a mutual interest in continued expansion of such trade. OECD Ministers had reiterated their commitment to an open multilateral trading system on a world-wide basis and had reaffirmed their readiness to adjust to changes in the pattern of world production and trade. They had stated that the renewal of the trade pledge, a successful outcome to the multilateral trade negotiations and an endorsement of the need for more positive adjustment policies, would contribute to this end.

25. The representative of a developed country stated that paragraphs 35 and 36 of document COM.TD/W/272 contained in a concentrated and balanced form the essence of the problems with which the international community now was confronted in respect of protectionism. Current protectionism was partly the consequence of the vulnerability created in economies by previous success in liberalizing world trade. Adjustment was made more difficult in a period of recession. Since the problem of protectionism vis-à-vis developing countries was part of a wider problem of protectionism affecting trade among industrialized countries as well, all countries had a common task in reactivating the world economy. The representative of another developed country stated that, in the context of international consideration of protectionism, there was need to take fully into account problems arising in the area of agriculture.



26. In recognizing that an important rôle of the Committee on Trade and Development was to keep under review developments affecting the trade of developing countries, the Committee generally felt that it would be appropriate for it to come back to this matter at its next meeting.

Notification procedures relating to the implementation of Part IV

27. At its thirty-fourth session, the Committee had undertaken an examination of notification procedures relating to the implementation of Part IV on the basis of a secretariat background note, which contained factual information on notification procedures followed by the Committee, the experience of the Committee with respect to such procedures and a summary of the observations and suggestions that had been made previously on this subject (COM.TD/W/260). Although some members of the Committee had felt they would be better placed to consider the need for any modifications to the notification procedures at the conclusion of the multilateral trade negotiations, in accordance with the decision taken at its previous session, the Committee further considered the question of notification procedures relating to the implementation of Part IV.<sup>1</sup>

28. The representative of a developed country referred to his government's aim of achieving greater transparency in trade actions and improved notification procedures in general. Although he expected that improved general notification procedures arising from the MTN would facilitate the task of the Committee, he recognized that the Committee on Trade and Development had a special focus which justified repetition of information made available elsewhere in a format better suited to the needs of the Committee. Consequently, his Government had come to accept the view that notifications to the Committee could be improved. With respect to the content of notifications, he considered that the guidelines set out by the Committee in 1966 continued to be adequate and called for full and detailed reporting. These guidelines were sufficiently broad to include many of the improvements that members of the Committee had suggested, such as reasons for taking restrictive actions and trade data showing the effect on developing countries. He also suggested that, if the notification procedures were to be improved, all members of the Committee, both developed and developing, should notify in accordance with the Committee's agreed procedures. In the case of developing countries, it would seem appropriate for the Special Assistance Unit to help in the preparation of notifications. On the question of possible duplication of notifications to the Committee and under other GATT procedures, he stated that the best course was to summarize for the Committee notifications made elsewhere, keeping in mind the particular focus of the Committee. The reasons for a given action, the trade of developing countries affected and the bound status of the items concerned could be shown. While his authorities supported the concept of

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<sup>1</sup>The main points brought out in the discussion on notification procedures relating to the implementation of Part IV at the thirty-fourth session are contained in paragraphs 17-24 of the Committee's report (L/4597).

"reverse" notifications, they considered that this did not remove the basic responsibility of the country taking actions relevant to Part IV to so notify; only that country knew the reasons for its actions. If a country failed to notify an action, it was to be expected that a reminder would generally suffice to ensure that a notification was made. In those rare cases, where no notification was made, it would be appropriate for the interested country, with assistance from the secretariat, to put the necessary facts, incomplete as they might be, before the Committee. This representative stated that his Government intended to include several of the above suggestions in its next notification to the Committee, and he urged other members to improve their notifications in a similar manner.

29. The representatives of a number of other developed countries stated that they expected that the Committee would be able to take advantage of the improved general GATT notification procedures likely to emerge from the multilateral trade negotiations. They considered that the need for improved notification procedures relating to the implementation of Part IV would be best examined after the results of the MTN were known. Some of these representatives also referred to the importance of notifications being provided by all members of the Committee.

30. Delegations from a number of developing countries stated that in their view it was necessary to ensure not only improved notifications but also improved procedures for the examination of these notifications. In this context, they referred to the proposal made in the discussion on the implementation of Part IV concerning the establishment of a subsidiary body of the Committee with the responsibility for monitoring commercial policy measures in relation to the provisions of Part IV on a continuing basis. In their view, the nature of the commitments in Part IV made them better suited to review through dialogue than a once and for all notification. They stated that this would not constitute a new departure for the Committee since a similar function had been performed by the Group on Residual Restrictions which was a subsidiary body of the Committee.

31. The representative of a developed country stated that his country would like to join in an endeavour to improve the usefulness of the Committee's notification procedures. On the question of giving notifications more careful scrutiny, he considered this would be a useful complement to improvements in the notifications themselves. In this context and more generally, he envisaged that the Committee would have an increasingly important rôle in the future, resulting in part from other developments that might emerge from the multilateral trade negotiations, in particular in respect of possible agreements on the fuller participation of developing countries in an improved framework for international trade. Review of these matters in the Committee might be too important a matter to be delegated to a sub-committee.

32. Summing up the discussion, the Chairman stated that the Committee had heard further comments on notification procedures on the basis of document COM.TD/W/260 and in the light of previous discussions on this matter. He noted that a number of suggestions had been made as to how notifications could be improved. A number of delegations had referred to their wish to study these suggestions more carefully. Certain delegations had also expressed the view that, since improvements to general GATT notification procedures might result from the MTN, the need for changes to the Committee's procedures could be best taken up in the light of the results of the MTN. The Committee had also heard certain comments concerning the way in which proposals made for improving the Committee's procedures for the reviewing of the implementation of Part IV might enable notifications to be more carefully examined by the Committee. The Committee had agreed to revert to the question of notification procedures relating to the implementation of Part IV at its next session in the light of developments over the forthcoming period. It had been suggested that at that meeting every effort should be made to reach agreement on how notification procedures might be improved.

#### Developments in the multilateral trade negotiations

33. The Committee had before it a secretariat note, COM.TD/W/273, providing a general summary of recent developments in the multilateral trade negotiations. Delegations from a number of developing countries expressed concern about the lack of opportunities for their involvement in the negotiating process under the MTN, which was now approaching its final and critical stage. Decisions concerning the multilateral trade negotiations were being taken by a small group of countries from which the developing countries were largely excluded, often outside the framework of the MTN and not in Geneva. They stated that the lack of transparency in the negotiations was now a major problem for developing country delegations, who frequently had great difficulty in following developments. These developing country delegations expressed concern that if, as had been announced as the intention, decisions on the major features of the final package were to be taken in the very near future, it might be difficult for the views and interests of developing countries to be adequately taken into account.

34. These delegations stated that in their view the results of negotiations between a restricted number of participants, for example on codes and the framework, could only engage those countries that had participated in those negotiations. The developing countries could not be expected to accept changes and accede to new obligations if they had not been fully involved in the negotiating process. Appropriate procedures should be established to govern adoption of decisions involving changes to GATT provisions, interpretations of the General Agreement or procedural questions.

35. These delegations stated that there was an urgent need to re-establish the multilateral character of the negotiations, to increase their transparency and to ensure the fuller involvement of developing countries in the negotiating process. They considered that a meeting of the Trade Negotiations Committee should be called in the near future to review the status of the negotiations on each issue and to decide on future negotiating procedures and time-tables.

36. Speaking for a group of developed countries, one member of the Committee stated that in a negotiation of the complexity of the MTN, the only feasible approach was for participants with widely diverging views to get together whenever possible, both in Geneva and elsewhere, to seek convergence of views. He recognized that this did give rise to a real problem of overall transparency and he referred to some of the difficulties that the group of developed countries on behalf of whom he was speaking had had in this regard. Nevertheless, they had generally succeeded in keeping track of developments and had been able to feed their own concerns into the negotiating process.

37. The representative of a developed country urged developing countries to send to Geneva high-level officials empowered to make decisions, to engage in intensive bilateral and plurilateral discussions during July.

38. Representatives of a number of developed countries in stressing the importance they attached to developing countries being fully involved at all stages of the negotiations, referred to the efforts that they had made in this regard. Some of these delegations emphasized that they did not regard the date of 15 July 1978 as a deadline for the completion of a definitive package: the aim was to reach, by this date, substantive agreement among themselves on the major issues being taken up in the multilateral trade negotiations. Negotiations would continue after mid-July, changes could still be made, further requests entertained and offers made. Although expressing doubt about the wisdom of calling a meeting of the Trade Negotiations Committee at this time, these delegations stated that they would report to their authorities the desire of some developing countries for an early meeting of the TNC.

#### Technical assistance

39. The Committee reviewed developments in the field of technical assistance being made available by the secretariat to developing countries in the context of the multilateral trade negotiations on the basis of a secretariat note, COM.TD/W/274, describing recent technical assistance activities of the secretariat in this field.

40. Delegations from a number of developing countries expressed appreciation for the technical assistance provided and stated that it had greatly facilitated their participation in the negotiations. These delegations

stated that they would wish the Special Assistance Unit of the secretariat to be maintained after the end of the multilateral trade negotiations and put onto a more permanent footing. One of these delegations stated that the Committee would need to look at the shape and function of the technical assistance work of the secretariat after the MTN. He also stated that the technical assistance activities might well have to be intensified in the coming months to help developing countries digest the offers made.

41. The representative of a developed country, referring to the recent statement of his country in the Consultative Group of Eighteen, said that his country had been impressed by the usefulness of the Special Assistance Unit and supported its continued existence after the multilateral trade negotiations. He agreed that there would be need to look at how the unit could be shaped to serve the purposes of the developing countries after the MTN.

#### Expansion of trade among developing countries

42. The Committee had before it document COM.TD/W/275, describing the technical work in the secretariat in respect of some fifty interested developing countries with a view to contributing towards the consideration of the possibilities for a further round of trade negotiations among developing countries at an appropriate time. The Committee, in taking note of the information contained therein, recognized that it would have an opportunity to revert to this matter at its next meeting on the basis of the fifth Annual Report of the Committee of Participating Countries.

#### Other matters

43. The Chairman suggested that, in addition to considering any other matters that delegations might wish to raise, it might be appropriate for the Committee to give some initial thought to its future activities, particularly in the light of developments in the multilateral trade negotiations and the evolving trade environment for developing countries.

44. The representative of a developed country stated that the results of the multilateral trade negotiations, although expected to be of major significance, were not likely to resolve all trade problems. In addition, there appeared to be a feeling among some delegations that a means of dealing with continuing trade problems, other than or in addition to periodic large negotiating rounds, needed to be found. He suggested that the Committee might wish to re-examine its own rôle in GATT with a view toward providing a forum for effectively addressing those problems of particular interest to developing countries. While at this meeting it would be premature to suggest what specific issues might be dealt with, he considered that delegates might wish to begin to think about this question with the

idea of returning to it at a future meeting. To assist the Committee decide what tasks might be taken up in the post-MTN period, it might be useful to ask the secretariat to prepare a background note outlining the Committee's mandate and the specific functions that it had performed in the past. It would also seem appropriate, once the MTN was completed, for the secretariat to undertake a detailed analysis of the results of the MTN as they affected the trade interests of developing countries. Taken together the background note and the study could enable the Committee to assess its rôle in the post-MTN period and the issues it might seek to address. He had no fixed ideas as to when the Committee should take up this task, since this depended upon when the results of the MTN were available to the secretariat and the time necessary for the secretariat to complete a useful analysis.

45. Representatives of some developing countries expressed support for these proposals and stated that it would be useful for the secretariat to give these matters some thought in advance. The delegation of a developed country felt that it would be more appropriate to consider this matter further at the next meeting of the Committee in the light of the outcome of the multilateral trade negotiations.

Next meeting of the Committee

46. It was agreed that the next meeting of the Committee would be fixed by the Chairman in consultation with delegations.