## GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Committee on Trade and Development

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## STATEMENT MADE BY THE DELEGATION OF INDIA AT THE MEETING ON 4 MARCH 19651

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- 1. The proposals concerning the grant of preferences divide themselves into two parts: the first part relates to the development of intra-trade amongst developing countries; the second part relates to the expansion of trade between industrializing and industrialized countries.
- 2. As to the first part, the Indian delegation has studied the proposal made by the United Arab Republic and circulated in document CCM.TD/W.2, and I am happy to say that we are broadly in agreement with it. There are some points of detail which we would wish to be considered in this connexion. But I do not propose to weary this Committee with these points at this stage.
- 3. My delegation would only wish to make a constructive proposal to make further progress in this important field. In this connexion, I would like to compliment the secretariat on the note prepared by it and circulated in document COM.TD/W.5. We welcome the proposal of a pilot study made by the secretariat, but would wish that the study should be carried out in respect of all the items which have been identified by Committee III to be of interest to less-developed countries. In arranging the order for the study, priority may be given to the items listed in the annex to the secretariat note and to such other items as may be specifically mentioned by interested developing countries for the purpose.
- 4. My delegation would propose that further work in this connexion should be carried on by a group of five experts to be appointed by this Committee. We would further suggest that this group may be led by an expert to be nominated by the United Arab Republic.
- 5. We suggest that this group should be instructed to invite interested developing countries to aid it in its work.

Reference: Items 7 and  $\hat{\epsilon}$  of the Committee's annotated agenda COM.TD/W.8.

- 6. The terms of reference for this group should include, first, to examine the proposal made by the United Arab Republic and to define the scope of work and the procedure to be followed for the discussion, negotiation and adoption of special measures by interested developing countries for the expansion of inter-se trade exchanges; second, to arrange bilateral and multilateral discussions and negotiations on the adoption of special measures.
- 7. The group, we would suggest, should be asked to submit progress reports to the subsequent meetings of the Committee.
- 8. As for special measures to be adopted by developed contracting parties for the promotion of the exports of developing countries to the markets of industrialized countries, I would recall to the Committee the suggestion made some time ago by the Indian delegation to the effect that the proposal put forward by the developing countries in the UNCTAD, and adopted by the Second Committee, should serve as a basis for further work by the contracting parties in this field. This proposal appears on pages 26 and 27 of the report of the Second Committee of the UNCTAD circulated in document E/CONF.46/132 dated 4 June 1964. The operative part of the proposal is contained in paragraphs 5, 6, 7, 8 and 9. Some other consequential matters are dealt with in subsequent paragraphs.
- 9. My delegation suggests that a working party of fifteen, consisting of seven industrialized and eight industrializing contracting parties, be appointed to examine this proposal and report on it to this Committee at its next meeting. The working party's report should, inter alia, include recommendations on:
  - (i) procedure to be adopted for the extension of new preferences by industrialized countries in favour of developing countries;
  - (ii) procedure to be followed for negotiated agreements being reached on the extension of such preferences;
  - (iii) depth of preferences considered necessary for developing countries to overcome their disabilities in the export of their products to the markets of the industrialized countries; and
  - (iv) provision for safeguards and for review in order to secure an orderly expansion of exports by the developing countries, having regard to the interests of all contracting parties.