

GENERAL AGREEMENT ON TARIFFS AND TRADE

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STATEMENT BY H.E. DR. JOSE ANTONIO ENCINAS DEL PANDO,
CHAIRMAN OF THE INFORMAL GROUP OF DEVELOPING COUNTRIES IN GATT

1. It is my privilege to present to you, on behalf of the informal group of developing countries, some information concerning the trade negotiations in which those countries are engaged in accordance with provisions made by the CONTRACTING PARTIES and by this Committee on Trade and Development.
2. I would not be doing justice to the feelings of the group or to my own, however, if I did not first express my added pleasure at carrying out this task in the territory of the great nation of Uruguay, where we are enjoying the proverbial hospitality of its Government and people.
3. The informal group of developing countries in GATT also instructed me to report on the early stages of its work to the Eighth Session of the Committee on Trade and Development.
4. Accordingly, I shall not in this statement repeat again in detail what has already been reported. I would not wish to bore the members of this Committee by describing again the general framework in which these negotiations have been taking place in the group of developing countries. Everyone is well aware of the importance for the world economy of achieving positive results in the Kennedy Round and, within the latter, in the negotiations between developing countries.
5. In parallel with the population explosion, one can speak of a trade explosion in the past 150 years - in other words, the explosion of international trade. Over that period, its growth has been as spectacular and its consequences as transcendental as the growth in population. Until more or less recently, the developing countries enjoyed a growing share in the explosion of international trade, but latterly their share has shown a relative decline in comparison with the expansion in the trade of developed countries.
6. An indication of this trend can be seen in the fact that, for example, in 1953 exports of primary products reached a value of US\$41,000 million, and manufactures US\$35,000 million whereas in 1965 exports of manufactures amounted to

US\$108,000 million while exports of primary products reached a value of only US\$74,000 million. This suggests that in recent years trade in manufactures, exported mainly by the industrialized countries, has grown far more than trade in primary products which are mainly exported by the developing countries. This problem should be a matter for keen concern among us all.

7. There is nevertheless one element worthy of note: trade between developing countries rose by 37 per cent over the period 1959 to 1964, a substantial improvement over the 11 per cent increase recorded from 1953 to 1959. It is on indicators of this kind that developing countries base their hopes and aspirations for the success of the negotiations to expand their mutual trade relations.

8. The serious difficulties that hamper the task of expanding trade relations between developing countries have contributed to strengthen the determination, often expressed in the informal group, not to fail in this historic endeavour. In addition, the group's work is fully justified by the General Agreement and the far-seeing spirit underlying that instrument. I should like now to comment on the group's work to date:

9. In February last year, the Working Group on Trade Expansion between Less-Developed Countries agreed that the establishment of preferences could be beneficial for the expansion of their external trade. The Committee on Trade and Development supported that conclusion and recognized that it would be desirable to support the concrete proposals that developing countries might make each other. In this spirit, at the March meeting of the Committee on Trade and Development some members of the informal group expressed the desire to enter into exploratory conversations as soon as possible. At their twenty-third session, the CONTRACTING PARTIES agreed that the informal group of developing countries in GATT could serve as an intermediary for such conversations.

10. It is my duty to inform the Committee on Trade and Development that the results of our negotiations give grounds for real optimism. With the constant counselling of the Director-General, Mr. Wyndham White, the Deputy Director-General, Mr. Gundelach, and the efficient assistance of Mr. Mathur and other GATT officials, and also, of course, with the valuable participation of African, Asian and Latin American delegations, the informal group over which I have the honour to preside has already reached agreement on some fundamental questions. Thus, it agreed on a modus operandi for the negotiations; it fixed dates for a preliminary exchange of lists, which has already taken place, and it convened a meeting of government experts to examine the lists received.

11. Twenty contracting parties have expressed the desire to participate in these negotiations. They are as follows: Argentina, Brazil, Ceylon, Chile, Cuba, India, Indonesia, Israel, Jamaica, Republic of Korea, Malta, Nicaragua, Pakistan, Peru, Spain, Trinidad and Tobago, Uganda, United Arab Republic, Uruguay and Yugoslavia. Fourteen of these countries have already presented preliminary lists: Argentina, Chile, Brazil, Cuba, India, Israel, Jamaica, Pakistan, Peru, Spain, Trinidad and Tobago, United Arab Republic, Uruguay and Yugoslavia.

12. The group of government experts, which was appointed to examine the lists received, met on several occasions from early November on and held its last meeting on 12 December. The general tone of the meetings was a practical and expeditious one, and the information and experience exchanged were particularly useful. At the end of the meetings the group of experts recommended that the developing countries concerned should table their definitive requests lists by 27 January this year.

13. We are precisely at this juncture in the arduous but all-important work being done in the GATT informal group of developing countries.

14. It has been suggested in the informal group that a committee on negotiations should be established between developing countries, comprising the countries having presented requests lists. It has been agreed that such a committee would be set up as soon as definitive requests lists have been tabled.

15. I wish to express my sincere appreciation to the Committee on Trade and Development for the support which it has given to this important task, and I venture to hope that thanks to its co-operation and to that of the Director-General of GATT and his colleagues, this endeavour of the developing countries will prove successful.