

GENERAL AGREEMENT ON TARIFFS AND TRADE

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SUGGESTIONS ON FURTHER WORK ON REMOVAL OF IMPORT RESTRICTIONS APPLIED BY DEVELOPED COUNTRIES TO PRODUCTS OF INTEREST TO DEVELOPING COUNTRIES

Note by the Secretariat

At its Punta del Este meeting, the Committee on Trade and Development stressed the need for a further effort to speed up the removal of restrictions, particularly those inconsistent with the GATT which affect trade of developing countries. The secretariat has circulated in COM.TD/W/60 and Corr.1 information as of 1 January 1967 on import restrictions applied by developed countries on products of export interest to developing countries. This document does not include information on import restrictions applied by one contracting party in respect of which documents COM.TD/W/19 and L/2817 may be consulted.

Document COM.TD/W/60 and Corr.1 will indicate that import restrictions applied on products of export interest to developing countries fall into two broad categories:

- (i) Import restrictions on industrial products: outside the field of cotton textiles, in respect of which special arrangements exist, these restrictions are now limited to relatively few products. Some of these products are, however, of very substantial interest to some developing countries and in spite of prolonged efforts and the incompatibility of the restrictions with the provisions of the General Agreement it has not proved possible up to now to achieve liberalization of trade in these items.
- (ii) Restrictions on agricultural products: in many instances these restrictions are considered by the government applying them to be covered by a provision of the General Agreement, by the provisional application clause in the protocol providing for the terms on which the government applies the GATT, or by a special decision of the CONTRACTING PARTIES. Restrictions on agricultural products of interest to developing countries tend to be regarded as part of the larger system of agricultural protectionism, while Part IV of the GATT seeks priority for the removal of restrictions on products currently, or potentially, of particular interest to the trade of developing countries.

The Committee on Trade and Development has, up to the present, followed a procedure of country-by-country consultations in respect of both these types of restrictions. At the eighth session of the Committee it was suggested that consideration be given to the improving and development of procedures that would accelerate progress in dealing with the problem. Since the remaining restrictions on industrial products represent, in most cases, hard-core problems of a residual character and are, in some instances, applied to the same category of products in more than one developed country, the Committee might wish to consider the adoption of a procedure that would permit a full examination and discussion at an expert level of the problems and difficulties involved in achieving liberalization of trade, including those of a structural character, and that would facilitate a multilateral search for solutions. To this end, the Committee might consider the setting up of one or more panels of experts provided by governments of both developed and developing countries, who, acting in their personal capacity, could examine the situation in relation to these restrictions on some of the major product categories. Interested contracting parties would not be represented on such panels but would be consulted before and after recommendations are established by the panels.

In regard to import restrictions on agricultural products, the Committee might wish as a first step to invite countries to examine how far the restrictions on products of interest to developing countries are maintained by them as an integral part of their overall system for protecting domestic agriculture and to consider such possibilities as may present themselves for removing or reducing the incidence of these restrictions on products of particular interest to developing countries. On the basis of the reports received from governments, the Committee might subsequently arrange for detailed consultations between developed and developing countries on the problems and possibilities in respect of specific items.

In a discussion on import restrictions at their twenty-third session, the CONTRACTING PARTIES urged governments which had not yet undertaken to apply Part IV, to participate in the work of the Committee and to co-operate with it in the exploration of possibilities of liberalizing their imports in so far as these were of concern to the Committee. The Committee might, therefore, wish to consider how countries which have not yet accepted Part IV could co-operate in the further examination of this problem.