

GENERAL AGREEMENT ON TARIFFS AND TRADE

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THE OPERATION OF PART IV OF THE GENERAL AGREEMENT

Statements by Governments

Addendum

MEMBER STATES OF THE EUROPEAN ECONOMIC COMMUNITY¹

In the context of the examination in which our Committee is engaged, I would not wish to let pass this opportunity to underline the importance which the European Economic Community and its member States attach to the problems of the developing countries and which is reflected in concrete form in the active part taken in the work being done, with a view to solving those problems within the framework of the overall work programme of GATT.

1. In general, I should like first to recall the very important place that the Community occupies in the exports of developing countries; in this connexion I shall merely quote a few characteristic figures which show that since 1961 the Community has been the principal customer of those countries and I shall refer in passing to the substantial financial and technical aid that the EEC and its member States have traditionally been giving for the promotion of development.

In 1968, the Community's imports from all third countries reached a value of \$33,500 million, of which \$12,500 million from developing countries, i.e. approximately 37 per cent of the total. The examination of the trend in Community imports is no less favourable to the developing countries: in 1961, total imports from those countries amounted to \$7,500 million out of a total value of \$20,500 million for overall imports from third countries. As may be seen from these figures, therefore, from 1961 to 1968 imports from the developing countries increased by 65 per cent whereas over the same period imports from industrialized third countries progressed by only 16.7 per cent. Lastly, I should like to recall that the Community's overall trade balance with the developing countries has been constantly in deficit since 1960 and this deficit has grown, from \$747 million in 1960 to \$3,197 million in 1968. If one examines the breakdown by major product categories, the Community's imports from developing countries grew between 1958 and 1967 by 188 per cent in respect of manufactures and by approximately 26 per cent in respect of agricultural products and raw materials (excluding petroleum).

¹ Oral statement made by the spokesman of the member States of the European Economic Community at the meeting of the Committee on 4 June 1969.

2. The important part that the developing countries already occupy in the trade of the member States of the Community has not prevented the latter from taking an active part in efforts to promote those countries' exports and in this connexion I shall merely mention a certain number of measures taken by the Community and in particular the following:

- the immediate implementation of concessions granted in the Kennedy Round;
- the renewal of certain erga omnes suspensions of common tariff duties on products of special interest to certain developing countries;
- the new suspensions recently announced for other products of interest to developing countries, in particular pepper and Indian kips, as well as the total suspension, within the limits of Community tariff quotas, of the duties on woven fabrics of silk and noil silk and on hand-woven cotton fabrics.

In addition I should also like to recall the important part which the Community has been taking in the formulation of a system of generalized preferences for developing countries.

3. Turning now to new efforts that could be made in all fields, whether tariff or non-tariff, in order to develop trade, we are convinced of the need to continue our joint examination of all the problems and particular difficulties encountered in this respect by the developing countries.

Yesterday our Chairman, Mr. Swaminathan, informed us of numerous suggestions drawn up in this respect by the GATT secretariat on the basis of considerations put forward by the developing countries regarding these problems. Those suggestions undoubtedly contain a number of interesting points that should be examined more closely. It goes without saying, however, that because of their number and complexity these suggestions should be studied very carefully as a whole before this Committee can form any conclusions regarding them; and in many cases such a study can only be usefully carried out once the results of the basic work now in hand in the Agriculture Committee and the Committee on Industrial Products are known. Such a study could, furthermore, make it possible to clarify certain contradictions that might emerge as between various suggestions, for example the elimination of customs duties, on the one hand, and the introduction of a system of preferences for developing countries, on the other hand.

These are, of course, only preliminary remarks and a closer examination of these suggestions would certainly bring out other points deserving of closer study. In these circumstances, Mr. Chairman, I believe that it would be wise for our Committee merely to take note, with all due interest, of the suggestions put forward by certain contracting parties and to continue its examination of these problems from the overall aspect.