

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Trade and Development

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## THE OPERATION OF PART IV OF THE GENERAL AGREEMENT

### Statements by Governments

#### Addendum

#### ISRAEL<sup>1</sup>

1. We agree with the general approach that the implementation - or non-implementation, or "not-yet implementation" - of Part IV should be viewed by the Committee on Trade and Development both from the point of view of its intent and spirit and through a detailed examination of its individual provisions. At this juncture, we should like to suggest a few thoughts, which, we hope, will contribute to the conclusions to be reached by the Committee.

2. In accordance with your suggestion, Mr. Chairman, I shall indicate in each case the paragraph in Part IV to which the specific remark refers.

#### In the tariff field

3. Before and immediately after the conclusion of the Kennedy Round the immediate implementation of its results in favour of developing countries was requested. Some countries have acted on this principle and we have had occasion to voice our appreciation for their responsiveness. As time passes the value of advance implementation decreases, but there are still three and a half years to go until the complete realization of Kennedy Round results and full implementation as from now of those reductions which are of importance to less-developed countries would bring an immediate advantage to their export prospects. (Article XXXVII:1(a))

4. While a general scheme of preferences is being hammered out in UNCTAD the CONTRACTING PARTIES should prepare the legal bases for its implementation in consonance with Part IV as well as with the other provisions of the General Agreement. A similar task will arise as soon as the trade negotiations among developing countries will reach the stage where mutual concessions are agreed and ready for implementation.

5. The treatment of cotton textiles presents a case where tariff and non-tariff measures combine to put a curb on exports of less-developed countries. It is true that the Long-Term Agreement (as it was originally called) was accepted by many less-developed countries, as being the lesser evil. But the necessary complement,

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<sup>1</sup>Statement made by the representative of Israel at the Committee meeting on 3 June 1969.

namely a decisive cut in tariff rates on these products, was not achieved in the Kennedy Round. Here is a clear case of non-implementation of Part IV. Ways and means must be sought to bring the Cotton Textile Agreement to an end as soon as possible. And it is hardly necessary to say that any extension of this kind of arrangement to other textiles would be in contradiction to Part IV. (Article XXXVII:1(b))

Non-tariff barriers: the rôle of the Committee on Trade and Development

6. Finally, there is an important point which touches directly on the rôle which the Committee on Trade and Development has to play as an instrument for safeguarding the interest of the developing countries in the various other organs of the CONTRACTING PARTIES. This rôle has been stressed in the conclusions adopted by the CONTRACTING PARTIES at their twenty-fifth session which say specifically in paragraph 7:

"The Committee should also follow closely the work in progress in other organs of GATT, such as the Committee on Trade in Industrial Products and the Agriculture Committee, and make appropriate suggestions so that, in investigating possible lines of action and seeking solutions, these Committees give early and adequate attention to questions of special concern to developing countries. In this connexion the CONTRACTING PARTIES note, in relation to the provisions of Part IV, that certain agricultural products are of major export interest to developing countries."

7. It is precisely in this area that a concrete problem has arisen which particularly affects developing countries. I am referring to non-tariff barriers affecting the exports of processed food such as preserved and processed vegetables and fruits, etc. These are the products of comparatively simple industries and typical of countries in the early stage of industrialization. Non-tariff barriers affecting these products are therefore of primary importance for developing countries. However, when such barriers were notified within the context of the current work of the Committee on Industrial Products, the reply of countries maintaining such barriers has all too often been that they regard these products as agricultural and that the matter therefore belongs to the Agriculture and not the Industrial Committee. However, the fact is that for developing countries these are industrial products par excellence. It may be argued that it is purely a technical question whether a problem is discussed in one committee or the other, but there is a danger that this whole range of problems may fall between the two and thus not receive the attention which is due to it. My delegation feels therefore that the Committee on Trade and Development should play, as it were, the rôle of a guardian angel or perhaps a traffic policeman and ensure that in cases where one committee regards itself as not being competent for any reason, the problem concerned is transferred to a body that is competent, that such transfers are made in a formal way and duly recorded and that, furthermore, any problem so transferred is given no less favourable treatment in the new framework than it might have received in the original one. (Article XXXVIII:2(f))