

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Trade and Development

EXPANSION OF TRADE AMONG DEVELOPING COUNTRIES

Note by the Secretariat

1. As indicated in the provisional agenda, the CONTRACTING PARTIES endorsed the proposal by the Council that, in future, annual reports presented to the CONTRACTING PARTIES by the Committee of Participating Countries set up under the Protocol Relating to Trade Negotiations Among Developing Countries should be first discussed by the Committee on Trade and Development. The second report from the Committee of Participating Countries is due in the autumn this year.
2. It will be recalled that in the first report (L/4091 & addenda) reference was made in paragraphs 10 and 11 to developments regarding the enlargement of the Protocol. It was mentioned, inter alia, that consideration was being given to the prospects for initiating a new round of trade negotiations among interested developing countries with a view to enlarging the scope of the concessions and encouraging the accession of additional developing countries. In this respect, a number of countries have initiated procedures for exploring the possibilities for accession or have sought technical assistance from the secretariat in identifying their interests in connexion with the Protocol.
3. In connexion with the operation of the Protocol, it may also be relevant to recall that at the recent meeting of the Group "Tropical Products" established by the Trade Negotiations Committee to conduct negotiations on tropical products, it was agreed, inter alia, that tropical products may be the subject of negotiations between developing countries in accordance with special procedures which have been or may be accepted for such negotiations.
4. More generally, in the context of the multilateral trade negotiations, consideration might be given to how the provisions of the Tokyo Declaration might lend themselves to the possibilities for the expansion of trade among developing countries taking into account relevant principles laid down in that Declaration as they affect the interests of developing countries.

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5. Article XXXVII:4 of the General Agreement, which is also relevant to this question states: "Less developed contracting parties agree to take appropriate action in the implementation of the provisions of Part IV for the benefit of the trade of other less-developed contracting parties in so far as such action is consistent with their individual present and future development, financial and trade needs taking into account past trade developments as well as the trade interests of less-developed contracting parties as a whole".

6. Having regard to the above and any other relevant points, members of the Committee may find it opportune to discuss matters relating to the expansion of trade among developing countries with a view to considering how this might be pursued further against the background of recent developments including developments in the multilateral trade negotiations.