

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## REVIEW OF IMPLEMENTATION OF PART IV - NOTIFICATION PROCEDURES

### Note by the Secretariat

1. While reviewing the implementation of Part IV at its thirty-second session in November 1976, the Committee noted, in the light of comments made by a number of delegations, that the current notification procedures with respect to the implementation of Part IV had run for a considerable period of time and agreed to revert to the matter at its next meeting (L/4438, paragraph 13). Following further discussion at its thirty-third session in June 1977, the Committee decided to request the secretariat to provide a background note containing factual information on notification procedures relating to the implementation of Part IV followed by the Committee, the experience of the Committee with respect to such procedures and a summary of the observations and suggestions that had been made previously on this subject (COM.TD/99, paragraph 22).
2. Section I of this background note describes the notification procedures agreed to by the Committee, which were originally related to a list of products of export interest to developing countries. The subjects on which information is sought from contracting parties in their notifications for the Committee's annual review of the implementation of Part IV are set out in the Annex. Section II attempts to summarize the main features of the Committee's experience with the notification procedures as recorded in its reports and background documentation. These relate in particular to the types and frequency of both written and oral notifications provided, as well as to their content and coverage such as for example with respect to positive actions taken and developments in relation to the "standstill" provisions.
3. Section III summarizes a number of observations and suggestions that have been made in the Committee on the notification procedures over the years. These observations and suggestions relate, inter alia, to the comprehensiveness and composition of notifications on trade measures relevant to the provisions of Part IV, including trade restrictive measures, the provision of adequate information and statistical data on particular measures taken, and specification of the way in which the provisions of Article XXXVII:3(c) have been taken into account. The question of "reverse notifications" by developing countries, setting out, where appropriate, specific trade problems they may be facing, and the possibilities for

notifying under Article XXXVII:2 have also been the subject of observations and suggestions in the Committee at various times; the Group of Three made certain suggestions in this regard. In addition, reference is made in this Section to certain observations that have been made on the relevance of discussions currently underway in the context of the multilateral trade negotiations to the Committee's examination of its notification procedures and to the relation of notification procedures under Part IV to those existing elsewhere in GATT.

#### Section I - Notification procedures

4. Notification procedures were adopted by the Committee in March 1965 at its second session, having regard to the provisions of paragraphs 2(a) and (b) of Article XXXVII and to its responsibility under its terms of reference to keep under continuous review the application of the provisions of Part IV, to carry out, or arrange for, any consultations which may be required in the application of the provisions of Part IV and to formulate proposals for consideration by the CONTRACTING PARTIES in connexion with any matter relating to the furtherance of the provisions of Part IV. The procedures then agreed by the Committee are as follows (BISD, Thirteenth Supplement, page 79):

- (i) The secretariat shall circulate to the Committee all notifications received from contracting parties under paragraph 2(a) of Article XXXVII as and when these are received;
- (ii) Contracting parties should be requested to notify the secretariat of any action taken by them in pursuance of the provisions of paragraphs 1, 3(a), 3(b) and 4 of Article XXXVII;
- (iii) On the basis of the reports so received, and taking into account notable developments in the work of other bodies of the CONTRACTING PARTIES, as well as any other relevant information available, the secretariat should submit a periodic report summarizing the latest position concerning tariffs or quota restrictions affecting items of interest to less-developed countries as well as any action taken in pursuance of the provisions mentioned in (ii) above;
- (iv) In addition, ad hoc reports on the activities of the Trade Negotiations Committee<sup>1</sup> and other sub-committees dealing with matters of interest to the less-developed countries in the trade negotiations, may be made available to the Committee if this proves necessary, taking into account the security procedure applicable to the trade negotiations;

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<sup>1</sup>This refers to the Trade Negotiations Committee set up for the Kennedy Round of negotiations.

- (v) The periodic reports from the secretariat should include a review of notable developments in GATT and other inter-governmental bodies in matters of interest to the Committee and, in particular, in matters relating to the organization of commodity trade so that the Committee may consider appropriate action. This review may also cover any activities under paragraph 2(e) of Article XXXVIII, including activities by the CONTRACTING PARTIES in the field of export promotion and the work of the International Trade Centre.

The Committee also noted that "the reports submitted by contracting parties to the secretariat, and those submitted by the secretariat to the Committee on Trade and Development, would relate to the lists of products of interest to less-developed countries identified by Committee III<sup>1/</sup>, or which may be approved by the Committee on Trade and Development with a view to providing guidance to contracting parties as to their work under Part IV of the General Agreement, or which are otherwise acted upon by agreement."

5. Guidelines for the submission of notifications, the preparation of reports and the carrying out of reviews of the implementation of Part IV were subsequently elaborated by the Committee at its meeting in June 1966. These guidelines are as follows (COM.TD/24):

Notifications made by governments in pursuance of the reporting procedures for the review of the implementation of Part IV (see paragraph 11, page 79, BISD Thirteenth Supplement) should be as exhaustive and comprehensive as possible. They should relate both to measures specifically mentioned in paragraphs 1 and 3, or paragraph 4, as the case may be, of Article XXXVII and to all steps and measures which are of interest to the CONTRACTING PARTIES in relation to the objectives and provisions of Part IV. For example, information should be included on any action falling within the scope of paragraph 3 of Article XXXVII (such as those mentioned in the note Ad Article XXXVII:3(b)), any special facilities made available for trade promotion, adjustment assistance measures, etc.

With respect to the standstill provisions set out in paragraphs 1(b) and (c) of Article XXXVII, governments should adequately describe any action, measures or changes in their commercial policies which affect exports of less-developed contracting parties.

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<sup>1/</sup>For the list of products, see COM.TD/23, of June 1966.

In order that reviews of the implementation of Part IV are as complete and meaningful as possible, the Committee will undertake, at least once a year, a full review on the basis of an exhaustive report prepared by the secretariat, consolidating the notifications submitted by governments. Apart from the report to be made available for the major annual review, the secretariat shall circulate information concerning any developments or changes relevant to the implementation of Part IV as soon as such information is received, and supply the Committee for each of its meetings with a paper showing all such developments which have come to its notice since the preceding meeting of the Committee. The implementation of the provisions of Part IV should appear as an item on the agenda of all meetings of the Committee on Trade and Development to permit governments to take note of any problems and developments of an urgent character.

The Committee agreed that the appropriate reports should be requested from both developed and less-developed contracting parties.

6. Each year, in preparation for the "full" review of Part IV that generally takes place at the end-of-year session of the Committee, an Airgram is sent to delegations asking for notifications and indicating the sort of information which might be provided (see Annex).

#### Section II - Experience of the Committee with the notification procedures

7. Notifications submitted. While the reporting procedures agreed by the Committee do not clearly specify the frequency with which notifications are to be submitted, contracting parties which have sent notifications have generally done so once a year for the Committee's full review of the implementation of Part IV, in response to the Airgram issued by the secretariat requesting notifications.

8. The "guidelines" on reporting procedures agreed by the Committee state that all contracting parties, both developed and developing, should be requested to send notifications on actions relevant to the implementation of Part IV. In practice, only a proportion of the membership of the Committee on Trade and Development have submitted written notifications, and it would appear that in recent years this proportion has shown a tendency to decline. In 1968, the year in which the maximum number of contracting parties submitted reports, written notifications were received from twenty-six countries, nineteen from developed countries and seven from developing countries. In 1976, ten written notifications were submitted, mainly by developed countries.

9. A development in recent years has been the larger number of delegations making oral reports in the Committee during its reviews of the implementation of Part IV. In some cases, these oral reports have been supplementary to written notifications submitted for use at the same meeting.

10. It should also be noted that the reporting procedures require the secretariat to circulate all notifications received from contracting parties under paragraph 2(a) of Article XXXVII as and when they are received. With the exception of one notification by a developed country in 1966, no notifications have been made either under the provisions of Article XXXVII:2(a) or under the 1970 consultation procedures of Article XXXVII:2(b) and the Committee has not asked the secretariat to prepare background documentation in respect of any alleged problem of non-compliance.

11. Content of notifications. In their notifications, contracting parties have generally paid particular attention to reporting on the reduction or elimination of trade barriers to products of export interest to developing countries. These measures have included reductions in m.f.n. duty rates, the partial or total liberalization of certain quantitative restrictions, the termination or modification of Article XIX actions and balance-of-payments safeguards measures and, in more recent years, improvements in GSP schemes. Where contracting parties have been unable to take measures to liberalize their trade régimes in respect of imports from developing countries, they have on occasion given certain reasons, such as, for example, pressing balance-of-payments difficulties. The reduction or elimination of fiscal measures applied to products largely imported from developing countries has also been subject to reporting. In addition, notifying countries have referred to actions of relevance to Article XXXVII:3(b), in particular to efforts made by them to assist trade promotion activities of developing countries and also on steps to promote structural changes as well as to encourage the consumption of particular products. Other actions that have been notified include the provision of technical assistance to developing countries, participation in commodity arrangements and various forms of development assistance. Some countries have provided in their notifications certain broad statistical information on the general development of their trade with developing countries.

12. While the original reporting procedures required contracting parties to notify action taken by them in pursuance of the provisions of paragraphs 1, 3(a), 3(b) and 4 of Article XXXVII, the "guidelines" agreed in 1966 brought sub-paragraph 3(c) of Article XXXVII into the ambit of the notification procedures and also specified that "with respect to the standstill provisions set out in paragraphs 1(b) and (c) of Article XXXVII, governments should adequately describe any action, measures or changes in their commercial policies which affect exports of less-developed contracting parties". In general, countries have been more thorough in their notification of trade liberalization or other positive measures taken by them than with respect to trade restrictive measures. In those cases where trade restrictive measures have been notified, contracting parties have not always indicated the "compelling reasons" that underlay their action in terms of Article XXXVII:1.

Section III - Observations and suggestions made in the Committee concerning notification procedures

13. Over the twelve years since reporting procedures were adopted, the Committee has from time to time given attention to them, generally in the context of its efforts to find ways of improving the implementation of Part IV, and a number of suggestions have been made. On several occasions the Committee has referred to the importance of comprehensive and exhaustive notifications being submitted in advance of meetings and covering all areas of relevance to the implementation of Part IV. Many of the suggestions that have been made, especially by developing country members of the Committee, for improvement in the procedures, have related to reporting with respect to the "standstill" provisions of Part IV and the reduction of barriers to the trade of developing countries. Delegations from developed countries have for the most part expressed the view that the existing reporting and notification procedures generally worked well and that on the whole the information provided to the Committee was adequate.

14. Reporting in relation to new or existing barriers to the trade of developing countries. The Group of Three, in its second report (BISD, Nineteenth Supplement, page 41), gave attention to seeing how the implementation of Part IV could be facilitated and made some recommendations for improvements in the notification procedures. These included the following recommendations, based on certain suggestions previously made in the Committee itself (COM.TD/82, paragraph 19), on notifications in relation to the reduction of barriers to the trade of developing countries:

The Group considers that the annual reviews, which the Committee on Trade and Development is required to undertake, could be made more meaningful if developed contracting parties were to report not only on whatever positive measures they have taken towards implementation of their commitments under Part IV but also state reasons, such as economic, social or legal, why they have found it difficult to reduce or remove barriers on products of current or potential export interest to developing countries to which attention has been drawn in GATT discussions. The commitment to accord high priority to liberalization of such products should also be kept in mind.

15. The suggestions were supported by developing countries in the Committee's subsequent discussion on the report in July and September 1972 (COM.TD/87 and BISD, Nineteenth Supplement, page 19). In providing preliminary reactions, some representatives of developed countries doubted whether a useful purpose would be served by the proposal that developed contracting parties should state reasons why they had found it difficult to reduce or remove trade barriers in the context of the implementation of Part IV. One developed country representative supported the suggestion. It might be noted that during earlier discussions in the Committee on similar proposals, representatives of most developed countries had stated that such a procedure could result in the overlapping of work taking place in subsidiary bodies of the Committee and with that in other GATT organs.

16. On a number of occasions, particularly in relation to the work of the Group on Residual Restrictions (a subsidiary body of the Committee on Trade and Development), it has been suggested by some representatives of developing countries that contracting parties should attempt to provide more comprehensive information on residual restrictions affecting products of export interest to developing countries, including reasons and justification for their application and indications of plans and target dates for their removal. At certain of its meetings, the Group on Residual Restrictions did in fact provide an opportunity for detailed discussions on a list of products subject to import restrictions of interest to developing countries. Among other things, representatives of developed countries applying such restrictions explained the basis for their countries' actions, the practical effects of the measures being imposed and provided details of any liberalization action taken or contemplated.

17. Delegations from developing countries have from time to time emphasized the importance of reporting on new trade restrictive measures with an indication of the "compelling reasons" for any such measures. At the fifth session of the Committee in March 1966, the Committee noted that although the standstill provisions as set out in Article XXXVII:1(b) and (c) had, on the whole, been adhered to, in a number of instances in which customs duties or other charges had been increased on certain items of export interest to developing countries, insufficient information had been made available to permit the Committee to consider the significance of the measures for the trade of developing countries. The Committee expressed the hope that contracting parties would make available full and prompt information in respect of all actions that may be relevant to Part IV (BISD, Fourteenth Supplement, page 129). At the November 1976 session of the Committee, some developing country members proposed that, where trade restrictive measures had been taken affecting the interests of developing countries, the reasons for such action together with supporting statistical material should be made available in order to provide a basis for meaningful discussion of the measures in question in the Committee. Delegations from a number of developed countries expressed reservations on this proposal taking into account, inter alia, the procedures already existing elsewhere under the GATT. They stated that a great deal of information was made available both in the Committee and elsewhere in GATT and that, if further details on each trade restrictive measure were to be given, the documentation before the Committee could become unmanageable.

18. A further point that has been made by some delegations of developing countries is that on the basis of the information available to the Committee, it would appear that, when taking "other measures permitted under this Agreement" (Article XXXVII:3(c)), developed contracting parties have generally not had special regard for the trade interests of developing contracting parties when considering the application of such measures or adequately explored all possibilities of

constructive remedies that would protect the trade interests of developing countries. In this connexion, it might be mentioned that the Group of Three noted in their second report the arrangements made in certain developed countries for the purpose of ensuring that developments of relevance to the implementation of, and compliance with, Part IV, were the subject of continuous review by the competent authorities and recommended that developed countries should give special attention to the establishment of permanent machinery in government administrations to help ensure that the interests of developing countries were fully and positively taken into account (BISD, Nineteenth Supplement, pages 41 and 42). In its third report, the Group of Three recorded that a number of developed countries had responded positively to this recommendation (BISD, Twentieth Supplement, page 81).

19. Reporting on other matters relevant to Part IV. At various times, the Committee has stressed the desirability of governments in their notifications reporting not only on measures specifically enumerated in Article XXXVII, but on all steps and measures of interest to the CONTRACTING PARTIES in relation to the objectives of Part IV. For example, the importance of reporting on the adoption of "other measures designed to provide greater scope for the development of imports from less-developed contracting parties" in accordance with the provisions of Article XXXVII:3(b) has been mentioned.

20. The question of reporting on adjustment assistance measures and trade promotion activities has been taken up in particular by the Committee. At the fifth session of the Committee (in March 1966) in the context of discussions on a report of the Expert Group on Adjustment Assistance Measures, it was suggested by some members that information on the application of measures of adjustment assistance generally, should be obtained from governments and made available to contracting parties on a periodic basis (BISD, Fourteenth Supplement, page 129). To a large extent, the Expert Group on Adjustment Assistance has had the responsibility of gathering this information. However, at the Committee's meeting in November 1968, the suggestion was made by some members that future notifications by governments on the implementation of Part IV should, where appropriate, include detailed information on the use of adjustment assistance measures (BISD, Sixteenth Supplement, page 89). Earlier, in August 1965, at the Committee's third session, in reviewing recent developments in relation to export promotion activities it was suggested that, since national efforts by governments could greatly assist the work of the, then newly created, International Trade Centre, contracting parties might in their reports indicate action they had taken in this regard.

21. At the seventh session of the Committee some members referred to the desirability of having before the Committee adequate information on trade policy measures, which had the effect of increasing domestic production and consequently reducing

imports or of increasing exports of products of particular export interest to developing countries. It was suggested by these members that contracting parties should make every effort to furnish the secretariat with information on all developments in their trade policies that might be of interest to developing countries in the context of Part IV (COM.TD/30).

22. Certain suggestions have been made in the Committee regarding the notification of general trade data by countries describing the evolution of their trade with developing countries. At the Committee's meeting in March 1966, it was suggested that future notifications by developed contracting parties should contain a more detailed breakdown of their imports from both developed and developing contracting parties as well as of their imports of raw materials, semi-manufactures and manufactures from developing countries (BISD, Fourteenth Supplement, page 129). At the June 1977 session of the Committee, one developing country member expressed the view that the provision of information by developed countries on the basis of trade flow indices could help the Committee assess the real affects of concessions and of the cumulative impact of trade liberalization measures taken in pursuit of Part IV (COM.TD/99). It may be noted that at the June 1966 meeting of the Committee, one developed country questioned the usefulness of statistical collections, pointing out that because data on trade developments and trends obtained from different sources were often not comparable, it would be difficult to see on this basis whether or not Part IV was being implemented effectively, more so as a variety of factors could affect statistics.

23. "Reverse" notifications by developing countries. The Committee has also discussed on several occasions the notification and consultation provisions of Article XXXVII:2. In 1968 and 1969, the Committee undertook a major examination of the operation of Part IV during which a number of delegations suggested that attention should be given to considering how the best use might be made of the consultation procedures provided for in Article XXXVII:2 to deal with difficulties encountered by developing countries. They suggested that any such consultations, which should relate to specific problems arising from non-observance of Part IV provisions and which would involve the examination of detailed factual and other data supplied by the developing countries concerned, could best be carried out by a subsidiary body of the Committee, preferably an ad hoc group established for each case. In 1970, the Committee agreed on procedures for the carrying out of consultations concerning the implementation of the provisions of Part IV, which provide guidelines for the possible establishment of a panel or working party in the event of no solution being reached in the Committee after a notification of a problem of alleged non-compliance.

24. The Group of Three, in discussing ways in which the implementation of Part IV could be facilitated, said in its second report:

It appears to the Group that the developing countries themselves could play a more active rôle than hitherto in the review process. Whenever problems have not been solved by means of bilateral consultations or whenever this type of action may not be practical, developing countries should be encouraged to present to the Committee on Trade and Development, through the secretariat, notifications setting out trade problems they may be facing. Such notifications, in the preparation of which secretariat assistance could be sought, should provide full background information, set out the specific nature of the problem and give an indication of the type of solution considered desirable. On this basis consultations should be arranged between interested countries within the framework of the Committee. Attention may be drawn to the possibilities, in appropriate cases, for developing countries to have recourse to the consultation possibilities provided for in Article XXXVII:2, which have so far not been used. It is recalled that in order to facilitate initiation of such consultations, detailed procedures were adopted by the Committee on Trade and Development at its sixteenth session.

During the Committee's discussion of this report, there was general support for the recommendation on the use by developing countries of the notification and consultation procedures provided for in Article XXXVII:2. At the June 1977 meeting of the Committee, in the context of discussion on the provision of more information on trade restrictive measures, some delegations of developed countries suggested that a procedure of "reverse notification" might be used whereby additional information on particular actions could be given either bilaterally or otherwise in response to requests from developing countries concerned. They considered that such an approach to the problem of providing adequate information would have the advantage of focusing on the particular measures of concern to developing countries.

25. Procedures elsewhere in GATT. Procedures for notification or for making information available to contracting parties exist elsewhere in GATT. Some of these stem from provisions in the General Agreement itself, such as in relation to bound tariffs, subsidies, State trading, balance of payments and Article XIX safeguard action, and custom unions and free-trade areas. Some others result from Protocols of Accession or various legal instruments agreed under the auspices of GATT, such as the Arrangement Regarding International Trade in Textiles and the Code on Anti-Dumping Practices. In addition, notification procedures are sometimes built into waivers granted by the CONTRACTING PARTIES, such as that on the GSP, or are based on decisions by the CONTRACTING PARTIES, such as that on

licensing or in connexion with the Joint Working Group on Import Restrictions. However, these wider notification procedures, which have sometimes evolved on an ad hoc basis, appear to exclude certain types of action which may be of relevance to Part IV, for example, in relation to unbound tariffs, fiscal measures (the provisional notification procedure on border tax adjustments being, for the most part, in disuse), countervailing duties, adjustment assistance, steps to promote the consumption of particular products, export promotion, etc. Certain of these matters have been covered from time to time under Part IV notifications.

26. It has been suggested by some delegations of developing countries that the notification procedures provided for elsewhere in GATT do not generally meet the requirements of the reporting procedures for review of the implementation of Part IV. This is partly because they do not contain any requirement to relate actions to the relevant provisions of Part IV. For example, developed contracting parties are not required elsewhere to indicate "the compelling reasons" that would justify the taking of trade restrictive action on products of export interest to developing countries nor, when taking "other measures permitted under this Agreement", need they show how they have had special regard for the trade interests of developing contracting parties and how they have sought to take into account the essential interests of developing contracting parties where they might be affected.

27. Multilateral Trade Negotiations. In its recent discussions on notification procedures, the Committee noted that, in the work proceeding in the multilateral trade negotiations, including with respect to the drafting of codes of conduct concerning certain types of non-tariff measures and safeguards, and with regard to general rules on consultation, dispute settlement and surveillance etc., reporting procedures were one of the aspects, among others, under discussion. In this connexion, some delegations were of the view that developments in the MTN could have a bearing on the consideration of the question of notification procedures under Part IV, although in the latter case, such procedures are oriented directly towards the commitment provisions of Article XXXVII.

28. In brief, the following are among the points which have been discussed in the above paragraphs and on which comments and/or suggestions have been made by developing countries in the context of possible improvements in the notification procedures:

(a) The question of the adequacy of the list of subjects which might appropriately be included in the notifications. Points at present covered are shown in the Annex.

(b) Whether it would be useful if notifications were to indicate the way in which the provisions of Article XXXVII:3(c) concerning "other measures permissible under this Agreement" have been taken into account.

(c) The frequency and content of both oral and written notifications and the need for written notifications to be made available in sufficient time for more meaningful discussion at the annual review.

(d) Questions as to whether in connexion with the standstill provisions additional information, including statistical information, should be provided to the Committee in cases where it has been felt by the country concerned that certain actions were necessary for compelling reasons or otherwise.

(e) Reference has been made to the lists of products of interest to developing countries which were originally utilized by the Committee for the purpose of its notification procedures.

(f) Whether notifications in GATT contexts other than the review of Part IV, but of apparent relevance to Part IV, might be brought to the attention of the Committee and in what detail. (A summary is generally provided of certain of these notifications in secretariat notes on the implementation of Part IV.)

(g) In connexion with point (f), the adequacy and relationship of notification procedures elsewhere in GATT to those provided for in Part IV has been raised.

(h) Points have also been raised concerning the further contribution the secretariat could make towards facilitating notifications and providing additional background material etc. so as to permit a more meaningful review of the implementation of Part IV at meetings of the Committee.

29. Representatives of some developed countries have, however, expressed reservations with respect to certain of the points raised including the question of the provision by them of additional information in relation to the standstill provisions and the difficulties associated with providing comparable statistical data to assess developments regarding the implementation of Part IV. They have also noted the availability to members of the Committee of information both in the context of the implementation of Part IV and as a result of developments elsewhere in GATT. In general, it was felt by those delegations that the existing reporting and notification procedures were sufficient for the job in hand. Reference has been made by some of them to the notification and consultation procedures of Article XXXVII:2 which would permit interested delegations to focus on particular measures of concern to developing countries and the question has been raised as to why developing countries have not so far found it useful to pursue this course of action. The possibility of "reverse notifications" to the Committee by developing countries has also been mentioned by some developed countries as a means of drawing attention to specific trade issues of concern to developing countries.

Concluding remarks

30. It will be seen from the foregoing notes that a considerable amount of attention has been given in the past to reporting procedures for the Committee on Trade and Development and that what may be basically called for is a fuller effort by contracting parties to furnish information in accordance with the agreed procedures. However, having regard to the commitment provisions of Article XXXVII and developments in international trade relations in recent years, members may wish to review the existing notification procedures in the light of present day needs bearing in mind the points raised in past discussions and summarized above in paragraphs 28 and 29. In this connexion, the Committee would need to take into account developments in the various areas of the multilateral trade negotiations which could also have implications for future notification procedures in this field.

ANNEX

INFORMATION REQUIRED FOR THE REVIEW OF  
IMPLEMENTATION OF PART IV

NOTE BY THE SECRETARIAT

1. ONE OF THE PRINCIPAL FUNCTIONS OF THE COMMITTEE ON TRADE AND DEVELOPMENT IS TO KEEP UNDER CONTINUOUS REVIEW THE APPLICATION OF THE PROVISIONS OF PART IV OF THE GENERAL AGREEMENT (BISD, THIRTEENTH SUPPLEMENT, PAGE 76). AT ITS SIXTH SESSION, HELD IN JUNE 1966, THE COMMITTEE AGREED THAT:

"THE IMPLEMENTATION OF THE PROVISIONS OF PART IV SHOULD APPEAR AS AN ITEM ON THE AGENDA OF ALL MEETINGS OF THE COMMITTEE ON TRADE AND DEVELOPMENT TO PERMIT GOVERNMENTS TO TAKE NOTE OF ANY PROBLEMS AND DEVELOPMENTS OF AN URGENT CHARACTER, AND

"IN ORDER THAT REVIEWS OF THE IMPLEMENTATION OF PART IV ARE AS COMPLETE AND MEANINGFUL AS POSSIBLE THE COMMITTEE WILL UNDERTAKE, AT LEAST ONCE A YEAR, A FULL REVIEW ON THE BASIS OF AN EXHAUSTIVE REPORT PREPARED BY THE SECRETARIAT CONSOLIDATING THE NOTIFICATIONS SUBMITTED BY GOVERNMENTS (COM.TD/24, PARAGRAPH 10).

2. THE SECRETARIAT REPORT AND NOTIFICATIONS REFERRED TO HERE HAVE BEEN INSTITUTED BY THE COMMITTEE IN THE CONTEXT OF THE REPORTING PROCEDURES ADOPTED IN 1965, WHICH PROVIDE THAT:

"CONTRACTING PARTIES ARE REQUESTED TO NOTIFY THE SECRETARIAT OF ANY ACTION TAKEN BY THEM IN PURSUANCE OF THE PROVISIONS OF PARAGRAPHS 1, 3(a), 3(b) AND 4 OF ARTICLE XXXVII.

"ON THE BASIS OF THE REPORTS SO RECEIVED, AND TAKING INTO ACCOUNT NOTABLE DEVELOPMENTS IN THE WORK OF OTHER BODIES OF THE CONTRACTING PARTIES AS WELL AS ANY OTHER RELEVANT INFORMATION AVAILABLE, THE SECRETARIAT SHOULD SUBMIT A PERIODICAL REPORT SUMMARIZING THE LATEST POSITION CONCERNING TARIFFS OR QUOTA RESTRICTIONS AFFECTING ITEMS OF INTEREST TO DEVELOPING COUNTRIES AS WELL AS ANY ACTION TAKEN IN PURSUANCE OF THE PROVISIONS OF ARTICLE XXXVII MENTIONED ABOVE (BISD, THIRTEENTH SUPPLEMENT, PAGE 79).

3. THE "GUIDELINES" AGREED UPON BY THE COMMITTEE IN JUNE 1966 IN THIS CONNEXION STATE THAT:

"NOTIFICATIONS MADE BY GOVERNMENTS ... SHOULD BE AS EXHAUSTIVE AND AS COMPREHENSIVE AS POSSIBLE. THEY SHOULD RELATE BOTH TO MEASURES SPECIFICALLY MENTIONED IN PARAGRAPHS 1 AND 3, OR PARAGRAPH 4, AS THE CASE MAY BE, OF ARTICLE XXXVII, AND TO ALL STEPS AND MEASURES WHICH ARE OF INTEREST TO THE CONTRACTING PARTIES IN RELATION TO THE OBJECTIVES AND PROVISIONS OF PART IV ... (COM.TD/24, PARAGRAPH 10).

4. IN DRAWING UP THEIR NOTIFICATIONS IN ACCORDANCE WITH THE REPORTING PROCEDURES GOVERNMENTS WILL NO DOUBT WISH TO KEEP THE ABOVE POINTS IN MIND. THE FOLLOWING IS A LIST OF SUBJECTS WHICH MIGHT APPROPRIATELY BE COVERED:

- (A) REDUCTION OR ELIMINATION OF CUSTOMS DUTIES ON PRODUCTS OF EXPORT INTEREST TO DEVELOPING COUNTRIES;
- (B) REDUCTION OR ELIMINATION OF FISCAL DUTIES OR INTERNAL CHARGES ON SUCH PRODUCTS;
- (C) REMOVAL OF IMPORT RESTRICTIONS APPLIED ON SUCH PRODUCTS; WHERE RESTRICTIONS ARE NOT REMOVED ANY CHANGES IN THEIR ADMINISTRATION, SUCH AS INCREASES IN GLOBAL QUOTAS, CHANGES IN QUOTAS APPLYING TO DIFFERENT SOURCES OF SUPPLY; ESTABLISHMENT OF TARGET DATES FOR LIBERALIZATION;
- (D) REDUCTION OR REMOVAL OF OTHER NON-TARIFF MEASURES OF INTEREST TO DEVELOPING COUNTRIES;
- (E) ANY INCREASES IN DUTIES, FISCAL CHARGES, QUANTITATIVE RESTRICTIONS, AND OTHER TRADE BARRIERS AFFECTING THE EXPORTS OF DEVELOPING COUNTRIES;
- (F) CHANGES IN "TRADE MARGINS" OF THE KIND REFERRED TO IN PARAGRAPH 3(a) OF ARTICLE XXXVII;
- (G) MEASURES FALLING WITHIN THE PROVISIONS OF PARAGRAPH 3(b) OF ARTICLE XXXVII, INCLUDING
  - (I) STEPS TO PROMOTE STRUCTURAL CHANGES;
  - (II) STEPS TO ENCOURAGE CONSUMPTION OF PARTICULAR PRODUCTS;
  - (III) STEPS TO INTRODUCE MEASURES OF TRADE PROMOTION.

5. IT MAY BE NOTED THAT UNDER THE REPORTING PROCEDURES NOTIFICATIONS ARE TO BE SUBMITTED NOT ONLY BY DEVELOPED CONTRACTING PARTIES BUT ALSO BY DEVELOPING COUNTRIES, IN REGARD TO ACTION RELEVANT TO THE PROVISIONS OF PARAGRAPH 4 OF ARTICLE XXXVII.