

GENERAL AGREEMENT ON TARIFFS AND TRADE

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FUTURE WORK OF THE COMMITTEE

Note by the Secretariat

This note briefly outlines the main points relating to the future work of the Committee on Trade and Development which appear to arise from the November 1978 and April 1979 meetings of the Committee, and also from recent discussions outside the Committee which appear to be relevant to the matter. A record of the discussions in the Committee is contained in documents L/4721, paragraphs 25-30, and COM.TD/101, paragraphs 29-38, wherein it is stated that comments by delegations were generally of a preliminary nature, and that it would be necessary for the Committee's future work to be given further consideration, both in the Committee itself and in the context of informal consultations, with a view to taking a decision on the matter. Also relevant are document COM.TD/W/288 and Addendum concerning future work prepared by the secretariat for the April 1979 meeting of the Committee, and an earlier secretariat note, COM.TD/W/284, which reproduces the Committee's terms of reference, describes the main lines of its past activities, summarizes several issues that have been mentioned in connexion with the Committee's future activities and outlines a number of factors in relation to which the future work of the Committee might need to be considered. In addition, delegations may wish to refer to document COM.TD/W/293, which reproduces the statement made at the last session of the Committee by the representative of the United States also on the question of the Committee's future work.

At this stage in considering the Committee's future work programme, the various proposals and suggestions that have been made need to be seen in relation to those that may be put forward with respect to the work programme of the CONTRACTING PARTIES as a whole. The Committee will also wish to take account of the fact that the CONTRACTING PARTIES will be required later this year to take action with respect to giving legal form and status to various agreements reached in the Multilateral Trade Negotiations, notably with respect to the "Framework" texts.

1. Review of the implementation of Part IV (COM.TD/W/288, paragraphs 11-13; COM.TD/101, paragraph 33)

The Committee is required by its terms of reference to keep under continuous review the application of the provisions of Part IV. It has been suggested that, since after the MTN a number of issues of importance to developing countries may be taken up in product or subject related bodies, there would be increased need for the Committee to review GATT activities as a whole to ensure that the interests of developing countries and the GATT rights of all contracting parties, including under the provisions of Part IV, were being adequately taken into account.

2. Monitoring of commercial policy measures (COM.TD/W/284, paragraphs 13-15; COM.TD/W/288, paragraph 9; COM.TD/101, paragraph 36)

Suggestions made in the Committee with a view to ensuring more effective examination of protective action taken by developed countries affecting the trade of developing countries have included:

- (a) improved notification procedures;
- (b) the establishment of a small working group or subsidiary body to examine in detail restrictive measures affecting the trade of developing countries where this proves necessary or useful;
- (c) the provision of technical assistance to developing countries to help them identify the significance of particular measures to their trade;
- (d) the provision by the secretariat of more detailed tariff and trade data for the use of any working groups or subsidiary bodies that may be set up.

Relevant to the examination of protective actions are proposals made in other bodies, e.g. by the Director-General to the GATT Council on 25 July 1979 (C/106) and in UNCTAD Resolution 131(V).

A question before the Committee is how best it could examine new trade restrictive actions by developed countries affecting imports from developing countries, including the documentation necessary and how such examinations might be conducted. In this context, another question is how restrictive action affecting the interests of non-contracting parties¹ can be taken up in the Committee, and the implications this might have for the participation of such countries in the work of the Committee.

¹UNCTAD Resolution 131(V), operative paragraph 5.

3. Review of developments in international trade and payments (COM.TD/W/288, paragraph 8)

It has been suggested that the Committee consider the way in which its reviews of developments in international trade and payments as they affect developing countries could be most usefully carried out in the future.

4. The Enabling Clause (COM.TD/101, paragraphs 31 and 34; COM.TD/W/288, paragraph 10)

It will be necessary for the CONTRACTING PARTIES to take action both with respect to the legal form of the Enabling Clause and with respect to the procedures contained therein for ensuring its effective implementation. In this connexion, it has been suggested that the Committee on Trade and Development would be the appropriate body for undertaking the review and consultation functions foreseen in certain parts of the text and that it examine appropriate arrangements for notification, consultation and review, including the establishment of subsidiary bodies as necessary.

5. Least-developed countries (COM.TD/101, paragraphs 24 and 35; COM.TD/W/288/Add.1)

The suggestion has been made that the Committee should consider the establishment of a special subsidiary body to promote and review the implementation of the various commitments made in favour of the least-developed countries and to follow up on the proposals made by the least-developed countries in the context of the MTN.

6. Expansion of trade among developing countries (COM.TD/W/288, paragraph 14)

It has been suggested that the Committee consider its rôle in relation to trade arrangements among developing countries at the regional or sub-regional levels having regard to the relevant provisions of the Enabling Clause. There is also the question of a further round of trade negotiations among interested developing countries which is expected to be initiated soon.

7. Trade measures for economic development (COM.TD/101, paragraph 31; COM.TD/W/288, paragraph 15)

The suggestion has been made that the Committee should keep under review and conduct such examinations as may be necessary, of trade measures for economic development under Article XVIII A and C, taking into account the increased flexibility in their application negotiated in the MTN.

8. Further liberalization of trade barriers faced by developing countries (COM.TD/100, paragraph 44; L/4721, paragraph 28; COM.TD/W/288, paragraphs 16-17, and Addendum)

It has been suggested that the Committee consider how it could further its work, in accordance with the provisions of Part IV, on the further liberalization of trade obstacles faced by developing countries, such as quantitative restrictions and tariff escalation.

9. Adjustment policies and measures (L/4721, paragraphs 16 and 28; COM.TD/101, paragraph 32; COM.TD/W/288, paragraphs 18-21, and Addendum)

The Committee might wish to consider what work it should undertake in respect to questions relating to adjustment policies and measures in different countries, having regard to its overall interest in trade liberalization and measures affecting the trade prospects of developing countries and to its previous activities in this area. In this respect, it may be necessary to examine what specific aspects of adjustment issues may be of particular concern to the Committee, bearing in mind the suggestions put forward in other GATT bodies.

10. Further improvements in the international trading framework (COM.TD/101, paragraph 36)

The suggestion has been made that the Committee should give attention to the possible need for further improvements in the international trading framework after the completion of the MTN.

11. Technical assistance (COM.TD/100, paragraphs 40-41; COM.TD/W/284, paragraph 16; COM.TD/W/288, paragraphs 22-23)

The point has been made that the Committee should need to keep under review secretariat technical assistance activities, with a view to providing an opportunity for ensuring that such activities are continuously adapted to the needs of developing countries and also that it might undertake a full review of the shape and functions of technical assistance activities after the MTN. A separate note outlining the technical assistance requirements that would appear to have emerged from the MTN and other GATT activities is being circulated as document COM.TD/W/

Members of the Committee may have other matters in addition to those outlined under headings 1 to 11 above which they might wish to bring up in connexion with further consideration of, and an eventual decision on the Committee's work programme, having regard to the deliberations that may take place on the work programme of the CONTRACTING PARTIES, as a whole, in other GATT bodies.