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PROSPECTS FOR INCREASING TRADE BETWEEN DEVELOPED AND DEVELOPING COUNTRIES

Proposal by the Delegation of the United States

The following proposal is submitted by the Delegation of the United States regarding the post-Ministerial work of the Committee on Trade and Development. It will be recalled that the Ministerial Declaration instructs the Committee on Trade and Development to carry out an examination of the prospects for increasing trade between developed and developing countries and the possibilities in GATT for facilitating this objective. The following are suggestions on how the examination should be carried out.

Trade trends during the 1970s suggest that significant benefits for developed and developing countries could be achieved by a further liberalization of barriers to trade. The Ministerial Declaration text on prospects for increasing trade between developed and developing countries enables the Committee on Trade and Development to begin to develop a foundation for further liberalization. Efforts by the Committee on Trade and Development to increase trade between developed and developing countries should reflect the Tokyo Declaration statement that "developed countried do not expect developing countries ... to make contributions which are inconsistent with their individual development, financial and trade needs." Nonetheless, there appears to be room for further liberalization efforts and the United States would expect that concessions would be offered by both developed and developing countries.

The study to be undertaken by the secretariat should consider the changing nature of developed-developing country trade relations in recent years, as well as discuss modalities for increasing trade in the future. With regard to the latter, the secretariat's paper should include the following:

- an examination of the nature of the trade barriers where both developed and developing countries might make concessions;
- identification of potential areas in which liberalization might be mutually beneficial;
- possibilities for further differential treatment, in particular for the least-developed countries;
- identification of possible approaches to negotiations; and
- discussion of the relevance of this exercise to other issues under consideration in the Committee on Trade and Development.

The GATT secretariat should submit its study to the next meeting of the Committee on Trade and Development.