

GENERAL AGREEMENT ON TARIFFS AND TRADE

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EXPANSION OF TRADE

Note by the Delegation of Portugal

During the discussions at the twenty-fourth session of the CONTRACTING PARTIES, the Portuguese delegation stressed the great importance which the Portuguese Government attached, after the conclusion of the Kennedy Round, to safeguarding its results and to continuing action by GATT in furtherance of international trade liberalization.

Once more, and in response to the Director-General's appeal, the Portuguese delegation wishes to express its support for the pursuit of these same objectives by means of joint and co-ordinated efforts by the contracting parties and taking into account the work already in progress.

Having regard to the known difficulties which some of the most important contracting parties are experiencing, and in the light of the emergence here and there of certain protectionist trends, our essential concern at this stage should be to secure full implementation of the results of the Kennedy Round.

2. As the Chairman underlined in his opening statement to this twenty-fifth session, GATT's existence has always been marked by silent diplomacy. We are convinced that the discretion and pragmatic realism of its action as a privileged instrument for negotiations have contributed a great deal to the success achieved so far. We therefore believe that so far as method is concerned, one of our major concerns should also be to abide by this orientation.

Furthermore, it has not prevented GATT from developing a philosophy of action that can take account, as regards both substance and procedure, of the specific problems, the different stages of economic development and the particular situations and problems of the participating countries or groups of countries.

In particular, and taking into account the general guidelines set at the various ministerial meetings and the discussions in the Committee on Trade and Development, the concept of non-strict reciprocity has contributed to introducing the essential principle of equity into the field of international trade relations. It goes without saying that this concept, which is now universally accepted, must be applied on the basis of essentially economic data.

3. The work in hand is necessarily slow, but it could already now be orientated so as to facilitate and accelerate, at an appropriate moment, transition to the stage of concrete action, particularly in those sectors where there is the greatest need for concrete progress, though without overlooking those in which the results of the Kennedy Round have been too modest, or even disappointing.

It is from this aspect that the Portuguese delegation envisages the future activities of the Committee on Trade in Industrial Products (of which we are not a member, although we are prepared, if need be, to participate in work connected with the Committee's activities) and of the Agriculture Committee.

In the agricultural sector, we wish to emphasize that we are in agreement with the general approach of compromise adopted at the last session of the Committee so far as the method of analysis and the outline of the principal problems are concerned. We wish, however, to emphasize that we attach particular importance to the need to be able to give the necessary attention to products whose influence in world trade is certainly not decisive, but which nevertheless play an essential rôle in the economies of certain countries.

4. With respect to tropical products, we consider that the work in progress should be stepped up with a view to ensuring real progress in trade in these products.

The Portuguese delegation attaches great importance to this.

5. The Portuguese delegation would also wish to refer to the problem of quantitative restrictions, whether or not covered by waivers, which is closely linked to the present programme of trade expansion. At a time when the CONTRACTING PARTIES are pursuing and trying to step up an action programme in the field of non-tariff barriers, it seems to us appropriate that special attention should be given to this question.

With respect to the proposal by New Zealand - aimed at establishing a specific legal framework for the problem of so-called residual quantitative restrictions - it seems to us essential to emphasize now (whatever method is finally adopted for consideration of this question) that we shall have to take into consideration the relationships existing between the general problem of quantitative restrictions, including that of residual restrictions, and the economic and social policies of the member countries.