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TECHNICAL ASSISTANCE IN THE CONTEXT OF THE URUGUAY ROUND

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Thank you Mr. Chairman for allowing me to inform the Committee of the assistance we are providing to the Commonwealth countries in the context of the Uruguay Round. Since I spoke at the Sixty-Third Session of the Committee on our programme of assistance, the Nairobi Symposium for the Commonwealth countries of Africa, to which I made reference, was held in late April. It dealt with major issues involved in the Uruguay Round of Multilateral Trade Negotiations and was attended by senior officials from fourteen Commonwealth African countries and Mozambique. Besides presentations and introductions to discussions by the Commonwealth Secretariat we were glad to associate and obtain the co-operation of other international organizations and bodies in the Symposium who are also concerned with the Uruguay Round and with technical assistance to participating countries in it. GATT, UNCTAD, World Bank and the Economic Commission for Africa all provided inputs. The Government of Canada made available a speaker on Agriculture in the Uruguay Round and the Ambassadors in Geneva of Nigeria and Jamaica also made presentations. I would like to take this opportunity to thank Canada, the international organizations and the speakers for their very valuable contribution. The Symposium highlighted areas of interest for Africa and assisted in analysing the issues and approaches and in identifying opportunities offered by the Uruguay Round. It also provided a forum for a valuable exchange of experiences. I shall attach a copy of the conclusions of the Symposium with this verbal report for the records of the Committee and for the information of any member interested.

Since my last intervention the Commonwealth Secretariat has also prepared and circulated to the Commonwealth country participants a paper on "Trade Related Investment Measures in the Uruguay Round - Some Issues for Consideration". It is a preliminary paper which is going to be revised. The revision will also naturally take into consideration the developments subsequently in the TRIMS Group.

Our Bulletin No. 3 on developments in the Uruguay Round covering negotiations up to March 1988 was circulated some time back and Bulletin No. 4 summarizing developments up to the end of July is expected to be issued in late August/early September 1988. At the request of the

Commonwealth developing countries we have under consideration the preparation of papers on Agriculture, TRIPS and the Functioning of the GATT System. A study dealing with a general perspective of what is involved in the present round of GATT negotiations is also contemplated.

We attach considerable importance to the training element. From 18-20 July the Commonwealth Secretariat is holding a seminar in London on "Protectionism and the Uruguay Round Negotiations" in collaboration with the Trade Policy Research Centre. Amongst the key subjects for presentation and discussion are "Importance of Security of Access to Markets in the Development of International Trade", "Liberalization of Agricultural Trade and Agricultural Development in Developing Countries", "Trade in Tropical and Natural Resource Products and the Tariff Escalation Issues", "Small States and the Uruguay Round Negotiations on Trade in Services", "Improvement of International Surveillance of and Domestic Transparency in the Conduct of Trade Policies", "Use and Misuse of Anti-dumping and Subsidy Countervailing Measures and other laws on 'Unfair Trade Practices'". Amongst participants would be senior officials from Australia, Bangladesh, Barbados, Canada, Cyprus, Hong Kong, India, Jamaica, Kenya, Malaysia, New Zealand, Nigeria, Singapore, Sri Lanka, Trinidad and Tobago, the United Kingdom and Zimbabwe. The Caricom and ACP secretariats will also participate.

As I said earlier our efforts are geared to the requirements and needs of the countries we assist and we are in constant touch with them so that our endeavours reflect their needs.

CONCLUSIONS OF PART I OF THE SYMPOSIUM COVERING THE URUGUAY ROUND

1. Senior officials from fourteen Commonwealth African countries and Mozambique, conducted a wide-ranging discussion of the major issues involved in the Uruguay Round of Multilateral Trade Negotiations currently being conducted in the GATT.

2. The Kenyan Minister for Commerce, the Hon. K.K. Arap Sege, in opening the Symposium, highlighted the African dimension of many of the key themes of the Round, notably the need for improved and more secure access to developed country markets; the need for the liberalization of trade in agriculture and in tropical products; the promotion of the principles of special and differential treatment for, and non-reciprocity by, developing countries; and the need for an improved regional approach to the negotiations.

3. The participants' discussions were introduced by presentations from representatives of the Commonwealth Secretariat, the GATT, UNCTAD, the World Bank, the Economic Commission for Africa and the Canadian Government, as well as the Ambassadors in Geneva of Nigeria and Jamaica. The debate was extremely active and many substantive issues were raised by the interventions. Participants felt that the information provided through the documentation, the comments of the speakers and the sharing of experiences, had made a valuable contribution to redressing the difficulties facing many African developing countries, particularly those who do not have missions in Geneva or have limited resources in capitals to handle these negotiations, in following the evolution of the complex negotiations in the Round.

4. The participants also highlighted the following points as being of importance to African interests in the Round:

- (a) They recognized that shortages in information, difficulties in following the complex and diverse activities in the Negotiating Groups and limited resources in both Geneva and capitals were a constraint on their effective participation. They believed, however, that it was important that they increase their efforts to ensure that the particular African interests were adequately taken up.
- (b) African developing countries, because of their lack of individual negotiating leverage, faced special difficulties in both negotiations and in dispute settlement. Several participants suggested that the use of subregional or regional arrangements, to discuss and co-ordinate their approach could improve their negotiating leverage. The importance of the Lagos Plan of Action to regional co-operation was also referred to, and several participants called for assistance from the Commonwealth Secretariat for the Plan's implementation.

- (c) Participants acknowledged that there were no single approach which would resolve many of their trading problems. While this suggested that they should continue to explore all possible approaches and instruments, including the GSP and South/South co-operation, the opportunities offered by the Uruguay Round should be a priority area of attention.
- (d) Concern was expressed at the lack of coherence between trade policies and the policies of the international financial institutions. Particular concern was expressed over the conditional elements of International Monetary Fund and World Bank structural adjustment programmes on the trade prospects of some African countries.
- (e) They stressed the need for an improved safeguards agreement, based on the basic principles of the General Agreement and with clarified disciplines. They also supported an improved dispute settlement mechanism which would safeguard the rights and interests of developing countries. Several participants also supported an increased rôle for the GATT secretariat and its Director-General in assisting developing countries in the area of dispute settlement.
- (f) The importance of the agricultural sector was highlighted in many interventions. Not only was agriculture a major factor in trade and overall economic development, it also had significant social and political implications. There was therefore broad support for differential and more favourable treatment of developing countries in regard to this sector, including in their use of subsidies for agricultural development. Participants also felt that the restrictions and distortions, including subsidies in the agricultural policies of the major developed countries had negative effects on world trade in temperate agricultural products (and in substitutable tropical products) and thus on the trade and development prospects of African developing countries. They also noted the possible negative implications of a general liberalization of agricultural trade on food-importing developing countries.
- (g) Tropical products was identified as a crucial issue for Africa. Participants noted the importance of the time-table for the future work of the Group, which provided for multilateral consultations, including bilateral/plurilateral negotiations, to commence in May. They agreed on the necessity for individual African developing countries to identify those products and markets in which they had an interest and to co-operate in advancing these interests. As part of this process, they recognized the importance of submitting national lists of indicative interest for the May meeting as soon as possible and of actively pursuing them thereafter. In this context,

participants noted the work that had already been undertaken by ACP Ambassadors in Brussels, with the assistance of the ACP Secretariat, in preparing a general overview of the issues related to their trade in tropical products in the negotiations. They agreed that priority attention should be given to the removal of tariff escalation and internal taxes on tropical products. While it was also noted that the reduction or elimination of tariff and non-tariff barriers could also be important in some markets, the possible erosion of ACP preferences in the EEC market by a general liberalization was also recognized.

- (h) The "new" issues in the Round (Trade-Related Investment Measures, Trade-Related Aspects of Intellectual Property and Trade in Services) were seen as particularly complex and posed difficult choices for developing countries which had neither a comprehensive view of their national interests nor sufficient familiarity with many of the concepts being advanced in the Round. Several participants did not favour the inclusion of Trade in Services or TRIPs in the GATT and expressed support for the strengthening of existing bodies, such as the World Intellectual Property Organization. Concern was also expressed that work on TRIMs and TRIPs could adversely effect investment and technology flows to developing countries and impede African development.

5. The participants emphasized their need for increased technical assistance so as to improve the effectiveness of their participation in the Round. Noting the statement of the Chairman at the adoption of the Uruguay Declaration that technical support should be made available to developing country participants, they welcomed the programmes of assistance referred to by the representatives of the Commonwealth, UNCTAD, GATT and World Bank Secretariats. They agreed that it was crucial that developing countries themselves identified, and made requests for assistance, in the areas of importance to them.

6. They called upon the Commonwealth Secretariat to continue and strengthen its work to support the developing countries, particularly those in Africa, in their participation in the Round.

7. The Symposium noted the importance which the mid-term Ministerial Meeting - to be held in Montreal in December - could have, both in advancing the negotiations on specific issues, particularly tropical products, and in enhancing the political momentum behind the Round. Bearing in mind the terms of the Vancouver Declaration on Trade, they requested the Commonwealth Secretariat to explore, with the Canadian Government, the scope for a meeting of Commonwealth Trade Ministers at the time of the Montreal meeting.