

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Twelfth Session

Sub-Group D of the Committee on the Rome Treaty

PROBLEMS PRESENTED FOR THE TRADE OF THE UNITED KINGDOM'S OVERSEAS TERRITORIES BY THE PROVISIONS IN THE TREATY OF ROME ASSOCIATING OVERSEAS TERRITORIES WITH THE COMMUNITY

Statement submitted by the United Kingdom Delegation

The United Kingdom speaks in the GATT for the interests of some seventy million people in its overseas territories. The territories are scattered all over the globe and their economic interests are very varied. It has, therefore, been a major task for the local governments and for the United Kingdom Government to assess the effect of the many provisions of the Treaty of Rome. Like others, no doubt, we have learnt much more about the Treaty since the beginning of the Twelfth Session - some of it encouraging, some of it rather alarming - and the digestion of this extra information will take time.

All, therefore, we have really been able to do so far is to identify the more important of the many commodities produced in our overseas territories which may have their marketing prospects affected by the Treaty's provisions.

Some of our territories in and near the Mediterranean region are likely to be affected adversely by certain aspects of the Customs Union of the Six. The increased preferential market for Algeria on the continent of Europe is, for example, of concern to Malta and the other Mediterranean island under our care. However, Algeria is part of metropolitan France so that that is not a question directly related to the tasks of Sub-Group D.

So far as the effects of the overseas territories provisions of the Treaty are concerned, we have so far concentrated on identifying the main commodities produced in both the overseas territories of the Six and our own dependent territories since these are, prima facie, the products to worry about. (A list of these commodities is attached). We have found that, not unnaturally, our territories most affected are those on the African continent - Nigeria, Sierra Leone, Gambia in West Africa and Kenya, Uganda, Tanganyika and Zanzibar in East Africa. Our West Indian territories also have some fears and there are relatively minor worries elsewhere.

We have, we hope, identified the main products of our overseas territories which are "at risk", but we have not yet got very far in determining either the full extent, or the precise nature, of the harm which may be done to the trade in these commodities. In particular, in assessing that harm we have to take into account not only the new or increased tariff preferences created by the /products of the Six for the/associated overseas territories by the level of the Common Tariff, but also the possibilities of non-tariff preferences arising from the inclusion of tropical commodities in Annex II and from other provisions of the Treaty. On these latter points the position is still very obscure.

On some items we are, however, fairly certain about the dangers.

Cocoa is a commodity of great importance to some of our territories ranging from the largest, Nigeria, to one of the smallest, Grenada. We share the alarm that the representatives of Ghana have been expressing during this Session on this commodity and we fully support their representations. We join with others in being seriously worried about coffee, bananas, timber, sugar and would like to add oilseeds and vegetable oils to that list of major items.

However, the factual position on these and other commodities in relation to the Treaty's provisions seems to us to need greater study than we, or we imagine anyone else here, have yet been able to give to it and to require more time for discussion than it has been possible to devote to it here. We consider that each commodity needs separate detailed examination on the following lines:-

- (i) analysis of trade statistics to determine the present patterns of trade, the imports of the various members of the Six, the supplies available from the associated overseas territories and from elsewhere,
- (ii) examination of short-term effects on patterns of trade and price levels likely to be caused by the provisions of the Treaty of Rome, and
- (iii) examination of long-term effects, taking into account production plans and likely changes in consumption.

We would, therefore, like to propose, in view of lack of time to discuss problems of particular commodities at this Session, that this Sub-Group should include in its report a recommendation that, as part of the general procedure for further consultations between CONTRACTING PARTIES and the Six, on Treaty of Rome matters, the Committee of the Whole should advise special arrangements for the factual study very early in the New Year of the problems of commodities on which members have expressed special concern. We should include a list of the commodities which should receive priority in these studies in our report.

The United Kingdom list in order of importance would be

cocoa,
coffee,
bananas,
oilseeds and vegetable oils,
sugar,
timber.

We imagine others would certainly wish to add tobacco and tea to this list.

It is hoped the shortness of this statement will not mislead the Six into thinking that this is not a matter of the greatest moment for the United Kingdom Government. Our dependent territories are very alarmed by some of the provisions of the Treaty of Rome, a very substantial head of political steam is building up there and we can only contain it if we can at least point to some such arrangement for early fact-finding studies as we have suggested.

LIST OF THE MORE IMPORTANT EXPORT PRODUCTS OF BOTH THE
ASSOCIATED OVERSEAS TERRITORIES OF THE SIX AND
THE UNITED KINGDOM DEPENDENT TERRITORIES

West Africa

Cocoa	Bananas
Oilseeds and Vegetable Oils	Rubber
Timber and Plywood	Cotton

East Africa

Coffee	Lead Ores and Concentrates
Cloves	Cassava
Maize	Pyrethrum extract
Sisal	Canned Pineapples
Dried Peas and Beans	Kapok

East Indies etc.

Sugar	Citrus
Bananas	Pepper