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Statement by the Representative of
Switzerland on 14 November 1967

My speech will be short, as everything has been said - and well said - already. My purpose in reverting to a number of points is simply to avoid any misunderstanding as to my country's attitude.

Firstly, we feel that Ministers should specifically re-assert their desire that GATT should continue its work with the same principles and objectives that have governed its activities up till now. It is only right to pay tribute to the very considerable success that has already attended our organization's labours over the twenty years of its existence.

The chief function of GATT is to organize negotiations for liberalizing world trade. Any procedure or machinery set up by Ministers for detailed study of the problems that will remain in spite of the success of the Kennedy Round should lead ultimately to fresh negotiations. The merit of GATT is that it deals with concrete problems in a practical way. It seems to us vital to preserve this approach.

In our view, there are four areas in which preparatory work could most usefully be started, on the basis of decisions to be taken by the Ministers.

First, in respect to future negotiations between developed countries for further progressive elimination of customs duties on industrial products. The Director-General's suggestion to give special attention to the total elimination of tariffs by sectors seems well-founded. If all the developed countries, without exception, were to give up their tariffs in a specified sector, reciprocity would naturally be achieved. We are still reluctant, however, to admit that low tariffs should be eliminated because of their nuisance value. I have already explained the view of the Swiss Government on this matter, and I must make the most formal reservation.

Secondly, we agree that a list of non-tariff barriers likely to impede GATT's achievements in other spheres should be drawn up. We cannot judge the effect of such barriers, or the most suitable measures for mitigating or eliminating their effects, without such an inventory.

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Thirdly: agricultural problems. Obviously no fresh negotiation can be imagined in which agriculture does not occupy a leading place; this will perhaps be the most difficult part. We fully appreciate that the major exporters of agricultural products, especially in the temperate zone, want more definite guarantees of access to the larger markets; on the other hand, it is equally vital for industrial countries to be able to maintain a degree of agricultural production, not for economic reasons but for overriding considerations of national interest. Switzerland is ready to contribute its ideas to any discussion of ways and means for a balanced solution of these difficult problems.

Lastly: the special difficulties of the developing countries. We unreservedly support every possible effort to further the search for the right answers to their special problems. We are ready to consider any idea that might possibly be useful in these discussions. In principle, we share the point of view expressed by the Director-General, that the matter of preferences should, for purely organizational reasons, be left to the forthcoming session of UNCTAD. If there is general agreement that there should, nevertheless, be a discussion on this subject between Ministers, and the results embodied in the texts approved, we have no serious objection. I will not go into the details of this knotty problem here; but as I am speaking in the context of GATT, let me add that, whatever is finally decided on this all-important matter for our friends from the developing countries, nothing should be done to hinder or hamper the action of the developed countries in further reducing their tariffs, with the least possible delay, on the basis of the most-favoured-nation clause.