

GENERAL AGREEMENT ON TARIFFS AND TRADE

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PROGRAMME FOR THE EXPANSION OF INTERNATIONAL TRADE

Communication from the Secretary-General of UNCTAD¹

It is natural for the Secretary-General of an organization like UNCTAD which is on the eve of a major conference held under the auspices of the United Nations and is dealing with a number of specific issues of trade and development, to follow with great interest the present session of the CONTRACTING PARTIES of GATT. Indeed, the Agenda of your meeting covers several matters which are to be discussed at UNCTAD II. As you know, the Agenda of the New Delhi Conference includes such questions as primary commodities, manufactures and semi-manufactures, including preferences in favour of developing countries, financing, trade expansion among developing countries, and trade relations between countries with different economic and social systems. I, of course, welcome co-operation between governments, in whatever framework, which is aimed at achieving the necessary adjustments in trade policies. In view of the special difficulties confronting the developing countries, I hope that such efforts will be so developed as to yield maximum results. An important prerequisite for bringing this about is concerted action whenever possible to avoid unnecessary duplication and dispersal of efforts. It may be recalled that I drew attention to this matter at some length at the meeting of the Trade and Development Committee of GATT held in Punta del Este earlier this year. It is therefore a matter of considerable satisfaction to me that an agreement has meanwhile been reached between the secretariats of GATT and UNCTAD to join forces in carrying forward activities in the field of trade promotion and it is my hope that our respective legislative bodies will endorse this. It is further my hope that as a result of the present meeting of the CONTRACTING PARTIES and of the New Delhi Conference other areas of work might be identified where joining forces between GATT and UNCTAD would seem appropriate. In order to achieve the maximum results from existing facilities and resources available to the governments, it would seem that several subjects might be considered for joint endeavours in respect to the items of the Agenda of your present session. Among these, I consider in accordance with the wish expressed by many developing countries at the Fifth Session of the Trade and Development Board of UNCTAD, that the trade negotiations among developing countries on an inter-regional basis should be carried out in a joint framework in order to allow all interested developing countries to participate on an equal basis.

¹This communication was included in the statement made by the UNCTAD observer on 14 November 1967.

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With respect to studies and negotiations to achieve further progress regarding specific commodities I feel that joint action would be appropriate inasmuch as the interests of all countries involved should be covered. With respect to the proposal now before the CONTRACTING PARTIES for an enlarged programme of consultations with developing countries on their problems of trade expansion, including studies on "such long-term factors as the trade objectives of development programmes, the country's import and investment needs, its export capacity, and the inflow of external resources", the CONTRACTING PARTIES are no doubt aware of the various activities carried out in these and related fields by UNCTAD itself and by other United Nations bodies, notably the Economic and Social Council of the United Nations and its Department of Economic and Social Affairs, particularly through the Committee on Development Planning. The Under-Secretary for Economic and Social Affairs feels that action in this field would therefore also seem to call for appropriate consultations both on the substance and on arrangements for co-ordination of work so that a concentration of efforts becomes possible.

With respect to preferences for industrial products, I share the view expressed by the Director-General of GATT that the next step would have to be taken in UNCTAD in New Delhi.

Therefore, when discussing the future programme of GATT, the CONTRACTING PARTIES may want to bear in mind the above considerations and frame their decisions in such a way as to be conducive to a concerted action of governments in favour of the developing countries as a whole. I am confident that the CONTRACTING PARTIES will adopt such decisions which would contribute to the success of the New Delhi Conference.