

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
DIVISION LINGUISTIQUE

TN.64/31

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Special Distribution

Trade Negotiations Committee

SUB-COMMITTEE ON THE PARTICIPATION OF THE LESS-DEVELOPED COUNTRIES

Note by the Secretariat on the Meeting of 22 June 1964

1. The Sub-Committee met on 22 June 1964.
2. Opening the meeting, the Chairman stressed that the Sub-Committee was a continuing body which would have an important task to perform throughout the negotiations. It need not, therefore, look ahead to matters which could more usefully be considered at a later stage, but should confine its attention at each stage to the matters which needed attention at that point.
3. The Sub-Committee discussed further the procedure under which participating less-developed countries could indicate the items which they wished to have borne in mind in the preparation by developed countries of their exceptions lists. The Chairman recalled that the Sub-Committee had already taken certain decisions on this question (TN.64/21, paragraphs 5-7). The Sub-Committee also had before it a note by the Executive Secretary (TN.64/LDC/4) containing more detailed suggestions on procedures which might be followed.
4. The Sub-Committee reaffirmed that products at present under consideration in Committee III should be used as a starting point in this connexion. It was also agreed, however, that it would be useful if individual participating less-developed countries would indicate those items, whether included in the Committee III lists or not, which were of special interest in their export trade and the exclusion of which from exceptions lists was thus specially important to them. It also agreed that it would be helpful if these countries gave a similar indication of the items on which they wished to secure tariff reductions of more than 50 per cent.
5. The Sub-Committee noted that it had been agreed that governments participating in the negotiations on the basis of the linear cut would table their exceptions lists on 16 November and might indicate on the same date items on which they might be in a position to offer tariff reductions of more than 50 per cent, and that the Government of Canada has indicated that its list of offers will also be tabled on the same date; less-developed countries submitting lists relating to these countries would clearly, therefore, need to do so well before 16 November. A target date of 1 September was mentioned in this regard. It was suggested that the secretariat might combine these lists into one document.

6. It was also agreed that request lists addressed to other participants in the negotiations, including other less-developed countries, might be submitted at a later date.

7. It was recalled that the Sub-Committee had earlier agreed (TN.64/21, paragraph 6) that where, after the general procedures for confrontation and justification of exceptions lists had been carried out, there remained in the exceptions lists products of special interest to less-developed countries, the Sub-Committee or another body should seek what alternative positive measures could be taken. The Sub-Committee agreed that it would examine at a later stage the need to devise procedures for this purpose.

8. The Sub-Committee noted that it would fall to it to establish the basis on which the less-developed countries would wish to contribute to the overall objectives of the conference and agreed to examine this question at a later meeting. The Sub-Committee recalled, however, that less-developed countries might during the course of the conference receive requests from other less-developed countries.

9. The representative of India drew the attention of the Sub-Committee to the fact that margins of preference at present enjoyed by certain less-developed countries would be reduced as a result of the current negotiations, which would result in a serious loss for these countries. He suggested that rules should be formulated at an early stage so that problems of this sort could be dealt with as they arose. At the present stage, however, he would confine himself to posing the following questions:

- (a) How was this loss to be assessed?
- (b) How could adequate compensation be provided?
- (c) Who should provide compensation?
- (d) At what point in time should the less-developed countries concerned intervene to safeguard their interests?

10. Other members of the Sub-Committee agreed that consideration should be given to the important questions raised by the representative of India. It was however pointed out by some members that it would be difficult to estimate even the initial scope of the problem before exceptions lists were placed on the table. It was further suggested by some members that the tariff reductions to be made by participating countries where the less-developed countries concerned did not enjoy preference would automatically provide some compensation to the former countries. One delegation emphasized that the representative of India had touched on a complex issue which concerned not only less-developed countries.

11. The Sub-Committee agreed to discuss this question further at a time to be decided upon by the Chairman in consultation with interested delegations.