

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

TN.64/71
23 November 1965

Special Distribution

Trade Negotiations Committee

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

Note by the Secretariat on the Meeting of 18 October 1965

1. The Sub-Committee met on 18 October 1965.
2. Opening the meeting, the Chairman recalled that, as agreed by Ministers in 1963 and again in 1964, one of the major objectives of the current trade negotiations was to contribute constructively to the solution of the trade problems of less-developed countries. Earlier this year the present Sub-Committee had, on the basis of the general principles laid down by Ministers, elaborated detailed procedures to govern the participation of less-developed countries in the negotiations (TN.64/41/Rev.1). Certain less-developed countries were now ready to table, in accordance with these procedures, statements of the offers which they would make as a contribution to the overall objectives of the negotiations. It was appropriate to hold a meeting to mark this occasion and to provide an opportunity for delegations taking part in the negotiations on the basis of the plan for the participation of the less-developed countries to indicate the date on which they would table the statements of their offers.
3. The representative of the United Arab Republic recalled that a new customs tariff had been introduced by his Government on 1 January 1962 and that the general level of this tariff was already low. He also recalled that quantitative restrictions on imports were imposed only in so far as these were necessitated by balance-of-payments reasons. His delegation would present the statement of the offer it would make as a contribution to the objectives of the trade negotiations, to cover its full accession and the negotiation of new concessions, which would contain offers to bind certain low tariff rates and to reduce and bind some higher rates, on 25 October.
4. The representative of Peru informed the Sub-Committee that the statement of his Government would also be tabled on 25 October.

5. The representative of Yugoslavia said that the statement of his Government would be tabled on that day, after the meeting. The offers it contained had been made on the assumption that products of special export interest to Yugoslavia would be removed from exceptions lists and that more favourable conditions would be created for agricultural products in the markets of its main trading partners. Yugoslavia's offer covered both its full accession and the negotiation of new concessions within the framework of the Kennedy Round. He expressed the hope that Yugoslavia's request for full accession would be dealt with as soon as possible recalling that the CONTRACTING PARTIES had considered as long ago as 1962 that the Yugoslavian system would permit the application in full of the provisions of the General Agreement and that full accession had been delayed only because the permanent Yugoslav tariff was not yet available.

6. The representative of Nigeria stated that the statement of his Government's contribution had already been transmitted to the secretariat.

7. The representative of Israel said that the statement of his offer would be tabled on that evening. The offers made related to industrial products but not to agricultural products pending receipt from the linear countries of their offers on those products of export interest to Israel. As part of its contribution his Government was prepared to study and negotiate with other less-developed countries so willing, and in accordance with the rules for the participation of the less-developed countries, measures designed to expand trade between themselves.

8. The representative of India said that the statement of the offer which his Government would make as a contribution to the objectives of the trade negotiations would be tabled after the meeting. This statement would contain an initial offer in the terms of the plan which had been adopted for the participation of the less-developed countries which might be amended in the light of the results achieved in negotiation. He emphasized that, because the negotiations would lead to an abridgement of the preferences which India currently enjoyed in certain industrialized countries, it was the estimation of his Government in the light of the examination of exceptions lists which had taken place in July that the negotiations as a whole might result for India in a net loss of trading opportunities.

9. He went on to recall that the problem of the abridgement of preferences had been considered earlier by the Sub-Committee but had been left for later discussion (see TN.64/31, paragraphs 9 to 11). He suggested that the time had come to formulate specific procedures for the granting of compensation for the loss of preferential benefits.

10. The representative of India suggested further that procedures should be established to enable tariff reductions greater than those provided for under the linear rule to be made on products of export interest to the less-developed countries and to permit the non-phased implementation of these cuts. In conclusion he suggested that procedures be set up to enable negotiations to take place among less-developed countries so wishing on ways and means of enlarging trade among themselves.
11. The representative of the Ivory Coast recalled that his country's tariff was already low. He said that the statement of his contribution would be tabled on 25 October.
12. The representative of Chile said that the statement of his contribution would be tabled after the meeting. He emphasized that this would contain an initial contribution that was subject to modification in negotiation; requests addressed to his delegation would be taken into account as far as possible. In conclusion he said that negotiations between the less-developed countries themselves would make a decisive contribution to the success of the current round of trade negotiations.
13. The representative of Uruguay recalled that his Government had availed itself of the agricultural proviso contained in the plan for the participation of the less-developed countries. His delegation had already expressed its disappointment at the exceptions made by some participants on industrial products of interest to Uruguay and at the quality of the offers on agriculture made by most participants. He expressed the hope that these offers would be improved in the near future. His Government would table a statement of the offer it would make as a contribution to the objectives of the trade negotiations within the period of time stipulated in the plan for the participation of less-developed countries.
14. The representative of Portugal, speaking on behalf of the Portuguese non-European territories, recalled the notification made on 14 May 1965 by the delegation of Portugal stating his Government's intention to submit offers concerning Portuguese non-European territories thirty days after the agreed date for the tabling of the offers on agricultural products. He added that the above-mentioned offer would be tabled shortly.
15. The representative of Ghana recalled that his country had a predominant interest in exports of tropical agricultural products and had also taken advantage of the agricultural procedure referred to above. His authorities found it difficult, however, to table specific offers in the absence of offers on tropical products.

from the European Economic Community and without knowing whether the suspension of duties on certain tropical products by the Community would be renewed. He reaffirmed however that his Government would be tabling a statement of its initial contribution in terms of the plan for the participation of the less-developed countries and expressed the hope that the trade negotiations would contribute to the expansion of trade between the less-developed countries.

16. The representative of Spain said that, as stated in the Trade Negotiations Committee (TN.64/SR.10, paragraph 39), his Government would present a selective offer list in order to participate fully in the trade negotiations. Circumstances beyond their control, including the delay in receiving agricultural offers of developed countries, the incomplete nature of some of these and the absence of agricultural offers from the European Economic Community, had meant that his Government had had to reconsider its offer, which would now be tabled at the earliest possible date in November.

17. The representative of Indonesia cited his country's predominant export interest in tropical agricultural products and said that his Government's statement of its initial contribution would be tabled on 25 October.

18. The representative of Argentina recalled that his Government had already tabled offers on cereals, meat and dairy products. Its offer on other agricultural products would be submitted as soon as possible. As far as the offer on industrial products was concerned he recalled that his authorities had taken advantage of the agricultural procedure contained in the plan for the participation of the less-developed countries. His Government intended to submit an offer but felt that the delay of thirty days should be calculated from the date by which all the principal participants in the agricultural negotiations had tabled their offers. While this was their position he did not exclude the possibility that an offer might nevertheless be submitted at an earlier date if substantial progress were made in the negotiations on products of interest to Argentina.

19. The representative of Rhodesia said that his initial offers would be tabled on 25 October. He stated that his Government would require reciprocity on individual products in the agricultural field and said that compensation should be accorded to the fullest possible extent for the abridgement of preferences currently enjoyed by less-developed countries by the improvement of access to other markets.

20. The representative of Brazil recalled that his Government had taken advantage of the agricultural proviso contained in the plan for the participation of the less-developed countries and underlined the importance for his country of the markets

of the European Economic Community for tropical products. He said that his delegation expected to table a statement indicating the nature of its contribution to the overall objectives of the trade negotiations for 25 October.

21. The representative of Pakistan said that the statement of his Government's contribution would be tabled as soon as possible, probably on 1 November.

22. The representative of Jamaica said that, while it was the assessment of his Government on the evidence so far available that the negotiations would provide little compensation for the substantial losses to Jamaica which might result from the negotiations, a statement setting out the form of his Government's participation in the trade negotiations would be tabled on 20 October.

23. The Chairman said that the present meeting marked a significant move forward in the trade negotiations. He recalled that at the meeting in July it had been found that bilateral contacts between delegations would be valuable and suggested that the tempo of these bilateral contacts might now be increased. He invited countries tabling statements of the offer which they would make as a contribution to the objectives of the trade negotiations on that day to do so in the office of the Director-General after the conclusion of the meeting.

24. The Sub-Committee noted that during the present meeting certain points had been raised on which delegations would no doubt wish to reflect. These included the points raised by the representative of India (see paragraphs 9 and 10) and the desirability of reviewing at an opportune moment the status of bilateral contacts between delegations and of reviewing contributions tabled in accordance with the procedures laid down in the plan for the participation of the less-developed countries. In conclusion, it was agreed that the date of the next meeting of the Sub-Committee would be fixed by the Chairman in consultation with interested delegations.