GENERAL AGREEMENT ON TARIFFS AND TRADE

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Trade Negotiations Committee

PROCEEDINGS OF THE ELEVENTH MEETING

Held at the Palais des Nations, Geneva, on 13 July 1965

Chairman: Mr. E. WYNDHAM WHITE

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2. Procedure for negotiations on tropical products

1. Progress report by the Chairman

The Chairman said that he had felt that it was important, before the members of the Committee dispersed for the summer holiday, to take stock of the position in the negotiations with particular reference to the programme for their resumption in the early autumn.

(a) Tariff negotiations

- When the Chairman last had made a progress report to the Committee he had described what had happened at the meeting in January and February of the group which was set up to conduct on a multilateral basis the justification of the exceptions lists of the linear countries. He had also explained that the multilateral discussion had been followed by a period during which individual delegations were by direct contact with one another following up particular points in more detail.
- That process of direct contact between delegations was till continuing. of the work involved was highly technical and time-consuming, but it was an essential preliminary to the final negotiations.
- It had become clear, however, that in some important industrial sectors the problems involved were unlikely to be resolved solely by bilateral negotiation and that, if the maximum offer of tariff reductions was to be secured, a more multilateral technique of negotiation had to be evolved. Arrangements to that end were

already in train between delegations, and the multilateral negotiations would be held in the autumn, starting after the summer recess in September.

5. The Chairman added that he had hoped that the bilateral negotiations would also have made it possible for the countries concerned before the summer recess to define their desiderata concerning items excepted by other participants, which, if satisfied, would enable them to maintain their 50 per cent across-the-board offer. This stage had not, however, yet been reached, but he hoped it would be possible to get there soon after the resumption of the negotiations in September.

(b) Agriculture

- 6. Cereals Important and hopeful progress had been made in the discussions which had taken place in the Cereals Group. In the beginning of May the participating governments, members of the Group, had tabled their specific proposals according to the agreed procedure. A substantive discussion on the proposals had been held in the first half of June at the end of which the Group had agreed to carry out a number of technical studies. Considerable progress on these studies had been made already and the Group was continuing its meetings at the time of the meeting of the Committee.
- Other products At its last meeting the Trade Negotiations Committee had agreed that discussions in respect of meat, dairy products and all other agricultural products except cercals should be held with a view, inter alia both to seeking to indentify the relevant elements of support or protection which could enter into the negotiation and to exploring the views of participating countries regarding the type and content of offers required to achieve the objectives pursued by the Committee on Agriculture. Those discussions had been held by the Committee on Agriculture and the Groups on Meat and Dairy Products between 10 May and 2 July 1965. The discussions in principle had related to products included in the first twenty-four chapters of the Brussels Nomenclature, but cortain other products which one or more participating countries felt should be dealt with in the negotiations on agricultural products, had also been examined. For practical reasons, a number of tropical products had been included in the examination in conjunction with non-tropical products of a similar nature. The discussions had enabled participating countries to identify the relevant elements of support or protection which could enter into the negotiations as well as to obtain explanations on the content and scope of offers. Countries had also availed themselves of the possibility of making known their requests with regard to offers to be made by other participants. The present programme provided for the tabling of offers on all those products on 16 September. As from that date, therefore, substantive negotiations on all agricultural products could be activated, and they would be an important part of the autumn programme.

(c) Tropical products

8. As the Committee would be dealing with tropical products on a separate item on the Agenda, the Chairman only wanted to point out that there appeared to be no reason why offers on tropical products should not be tabled on 16 September and negotiations on them fully activated as from that date.

(d) Non-tariff barriers

9. Following the submission of a paper by the United Kingdom delegation (TN.64/NTB/38), a new group had been established on the question of anti-dumping policies. The group would be convening its first meeting on 19 July. That apart, there had been no further development since the last meeting of the Committee in the field of non-tariff barriers, the general feeling remaining that further work on those barriers was best left until more progress had been made on other aspects of the negotiations.

(e) Participation of the less-developed countries

10. At its last meeting the Committee had adopted a plan for the participation of the less-developed countries. A large number of less-developed countries had notified their wish to take part in the negotiations under that plan, and those countries were at present taking part in the examination of the items of interest to them which were included in the exceptions lists of the developed countries. He hoped that the examination, by clarifying the benefits likely to accrue in the industrial sector to less-developed countries, would assist them in formulating the statements of the offers which they were prepared to make as a contribution to the objectives of the negotiations.

(f) Participation of Poland

11. In accordance with the procedure for the participation of Poland in the negotiations earlier agreed upon by the Committee, the Government of Poland had submitted in April the offers which would be the basis for her participation. Bilateral contacts had since been taken by the Polish delegation and the delegations of some other participating countries. Multilateral discussions would be resumed in September.

(g) General

12. The Chairman said that he hoped that it would be clear from his brief review of the negotiations and of the programme for the resumption of work in the early autumn that, while no spectacular progress had been achieved since the Committee last met, the negotiations were continuing in the pattern and in accordance with the time-table which had then been formulated and that, when the Committee resumed

in September, negotiations could be fully engaged on all sectors and with the full participation of all countries who had indicated their intention to participate. A determined effort would, however, be called for if the final stage of the negotiations should be reached early in 1966.

13. The representative of <u>India</u> said that his Government, while fully recognizing the need for expedition in the negotiations, would have some difficulty in submitting its offers on 1 September as foreseen. The Government of India had estimated that, after the examination of the items of interest to the less-developed countries in the exceptions lists of the industrialized countries, two months would be required to assess the situation and prepare the offers. As the examination had been somewhat delayed, there might also be some delay in the submission of the offers.

2. Procedure for negotiations on tropical products (TN.64/TP/3)

- 14. The Chairman recalled that at the last meeting of the Trade Negotiations Committee a preliminary discussion had been held on certain procedural suggestions for the treatment of tropical products in the trade negotiations. A joint proposal had been made at that time by four Nordic countries (TN.64/40). In the light of subsequent consultations with delegations, the Chairman had submitted to the Tropical Products Group a proposal on the procedure for negotiations on tropical products, which took into account the principal ideas in the joint proposal of the Nordic countries and also the desirability that the procedure should not be too divergent from that agreed for the negotiations on agricultural products in general.
- 15. The Group on Tropical Products had discussed the proposed procedure on 24 June. As the report (TN.64/TP/3) explained, the Group had not reached full agreement on a final text and the report set out the various texts suggested, together with the relevant points made in the discussion. It was worthwhile to note, however, that there was full agreement in the Group on a number of important points. There was thus agreement that specific and concrete offers were to be made in respect of tropical products and that such offers would be tabled on 16 September 1965, that is on the same date as the offers on agricultural products in general.
- 16. It would seem to him that it was also accepted that it would not be essential to have an agreed and recognized list of tropical products in order for the negotiations to start. Several participating governments had made it clear that in tabling their offers they would duly take into account tropical products included in the lists submitted by less-developed countries, irrespective of whether or not these products figured on an indicative list of tropical products.
- 17. There was also agreement, as appeared from paragraph 12 of the report, that nothing in the procedures on tropical products could detract from the obligations undertaken by participating countries in respect of the procedures established for

the negotiations on agriculture. It followed that discussions on products which had already been initiated in the Committee on Agriculture would continue there in accordance with the agreed procedure. There was also a clear understanding that in this case discussions in the Committee on Agriculture were open to all participating governments interested in a particular product. Furthermore, it was understood that such a procedure did not prevent a participating country from raising in the Group on Tropical Products any questions relating to tropical products which were being dealt with in the Committee on Agriculture. That followed clearly from paragraphs 6 and 7 of the proposed procedure, on which agreement had been reached, namely that after the tabling of the offers, negotiations should start by multilateral confrontation in the Group, in the course of which participating governments should be prepared to furnish explanations on the content and scope of their offers to the interested participating governments which so requested. Thereafter the negotiations would proceed on the basis of the offers tabled.

18. Clearly, on a number of points, including points of substance, no full agreement had been reached in the Group as to how in the procedure to be laid down certain desires, certain requests, and certain objectives should be worded. It would, of course, be possible for the Committee to discuss the report with particular reference to the points on which agreement had not been reached, and with a view to attempting to reach such agreement. The Chairman doubted, however, whether this would be a particularly fruitful course to take. It would rather seem to him from the various points he had mentioned, that the area of agreement which did exist would be sufficient to get the negotiating machinery started. That being so, he wondered whether the best course would not be for the Committee, irrespective of the points of difference, to adopt the report and thereby agree on the points of agreement he had referred to.

19. It was so agreed.

- 20. The representative of <u>India</u> said that the indicative list of tropical products (TN.64/TP/1) in the opinion of his delegation contained some omissions. India would submit a list of some additional items which it considered to be tropical products. His delegation agreed that too much time should not be spent on discussions on procedure. He wished to stress the importance of a speedy move towards freest possible entry for tropical products, an objective accepted by Ministers already at their meeting in 1963.
- 21. The representative of <u>Nigeria</u> said, with reference to the indicative list of tropical products, that his delegation wished it to be understood that soyabeans should be included in tropical oilseeds and that soyabean oil should be included in tropical vegetable oils.