

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Trade Negotiations Committee

PROCEEDINGS OF THE TWELFTH MEETING

Held at the Palais des Nations, Geneva,
on 16 September 1965

Chairman: Mr. E. WYNDHAM WHITE

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1. The Chairman recalled what he had said at the previous meeting of the Committee on 13 July 1965: when the Committee resumed in September, negotiations should 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 be called for if the final stage of the negotiations should be reached early in 1966. The Chairman said that the Committee had now to decide on the procedure and the time-table for the continued negotiations. He particularly wished to stress the importance and the urgency of the negotiations relating to the products of interest to the less-developed countries. Even if there should be some difficulties in keeping up speed in the negotiations in certain sectors affecting the industrialized countries it was important to reach a rapid conclusion in so far as the special sectors of interest to the less-developed countries were concerned.

Industrial products

2. The Chairman said that one should aim at reaching a position at the end of 1965 where it would be apparent to all participants which were the specific conditions which were necessary if the level of offers that had been established at the opening of the negotiations was to be maintained or improved. Bilateral conversations between the countries concerned would be the main factor but in some areas, where the maximum result could only be achieved by collaboration between the mainly interested parties, multilateral discussions would be arranged. Amongst the products which should be discussed in such multilateral groups were steel,

chemicals, textiles, pulp and paper, and possibly some base metals. The less-developed countries should take an active part in the talks on the products of interest to them.

Agricultural products

3. The Chairman stressed the importance of activating the negotiations on agriculture. There was in that sector a certain lag which had to be made up to put the industrial and the agricultural sectors on an equal footing in the final stage of the negotiations. Procedures for the agricultural negotiations had already been agreed upon, the principal element of which was the tabling of offers on 16 September for all items apart from cereals for which proposals had already been tabled in the context of the Cereals Group. For meat and dairy products the form of the proposals and offers had been agreed upon in the Groups; for other products the offers should relate to all relevant elements of the protection or support given to the products or to the total effect of those elements. The Chairman said that more precise procedures for the negotiations could be elaborated in the light of the nature of the offers made. He invited delegations to indicate to what extent they were in a position to table their offers that same day.

4. The representative of Argentina said that he would table on 16 September a proposal covering meat and dairy products in accordance with what had been agreed in the Groups. For other agricultural products an offer would be tabled in a few days.

5. The representative of the United States said that his delegation would table that day a substantial offer, covering an import value of more than 500 million dollars. Specific offers on tropical products would be made.

6. The representative of the United Kingdom said that he would table on 16 September a detailed and substantial offer covering chapters 1-24 in the Brussels Nomenclature, which he hoped would contribute to the success of the Kennedy Round. It was important that as much progress as possible was made in the course of the next few months. The bilateral approach, which had proved to be productive in the industrial negotiations, should also be tried in the agricultural sector. He proposed in particular that efforts should be made to discover common ground in the tropical products sector.

7. The representative of Sweden said that he would submit on that day an offer covering the agricultural sector. Like the representative of the United Kingdom he attached a special importance to rapid results in the negotiations on tropical products.

8. The representative of Japan said that technical difficulties would make it impossible for his delegation to table its offer on 16 September. It would be tabled, however, before end of September.
9. The representative of Canada said that he would table on 16 September an agricultural offer and an offer covering the tropical products.
10. The representative of Switzerland said that his delegation would table on 16 September an offer covering almost the totality of Swiss agricultural imports.
11. The representative of Austria said that his delegation would table its agricultural offer on 16 September. Negotiations on products not included in the offer would not be precluded. For certain products there was no indication of the size of the tariff cut offered; in such cases it was subject to negotiation. For tropical products, inter alia, precise offers were made, but there were possibilities of going still further on those products. When tabling its offers in the industrial sector, Austria had indicated certain items in chapters 1-24 of the Brussels Nomenclature which it considered to be industrial products; for those items the linear offer was valid. Austria would also submit a list of items which had been bound duty free in GATT.
12. The representative of Denmark said that his delegation would table on 16 September its agricultural offer, including offers on tropical products.
13. The representative of the Commission of the EEC said that due to force majeure his delegation would not be in a position to table its offer on 16 September. He hoped, however, that the delay was only temporary. The representatives of Greece and Turkey said that in view of the relationship of the offers of their Governments to that of the Community, they would not be in a position to table their offers on 16 September.
14. The representative of Norway pointed out that the general elections, which had just been held in his country, would result in a new Government taking over. The offer that had been prepared would have to be approved by the new Government. He hoped that it could be tabled within a few weeks.
15. The representative of Finland said that he would table Finland's offer, which covered an important part of its agricultural imports, on 16 September. Finland was prepared to reduce or remove tariffs on several tropical products.
16. The representative of Australia said that he would table on 16 September an offer relating both to the industrial and to the agricultural spheres.

17. The representative of India said that his delegation had unfortunately not been in a position to table its offers so far but expected to be able to do so soon. He was grateful to delegations which had declared themselves prepared to include tropical products in their offers. He recalled that Ministers had noted in May 1964 that all participants were prepared to consider the possibility of taking such steps as were open to them to make cuts deeper than 50 per cent in or to eliminate completely duties on products of special interest to less-developed countries. The procedures to be adopted should admit rapid action in the tropical products' sector. An early meeting of the Sub-Committee on the Participation of the Less-Developed Countries was desirable. He also expressed the hope that the countries which had suspended duties on certain tropical products up to the end of 1965 should be able to extend the suspension until the conclusion of the negotiations on those products.

18. The Chairman said that he had noted the wish of the Indian delegation that the Sub-Committee on the Participation of the Less-Developed Countries should be convened at an early date.

19. The representative of Poland said that he would table an offer on 16 September. The negotiations on agriculture were for Poland a very important part of the Kennedy Round.

20. The representative of New Zealand recalled that under the agreed procedures set out in TN.64/39/Rev.1 there was an obligation on all countries to table offers over the whole range of agricultural products including meat and dairy products. The fact that one major participant in the negotiations would not be able to submit its offers on 16 September was accepted with regret but the reason was understood. New Zealand would table on that day its offer on industrial and agricultural products as well as a paper containing proposals for a "general arrangement" on dairy products. The offers were based on the assumption that New Zealand would receive reciprocity as agreed by Ministers in 1963 and 1964.

21. The representative of South Africa said that he was not in a position to table his Government's offers on 16 September. He expected, however, to be able to table offers on both industrial and agricultural products in a few weeks.

22. The representative of Czechoslovakia pointed out that both industrial and agricultural products were covered by the offer tabled by his Government on 16 November 1964. This was to be further confirmed in a communication which he was going to submit on 16 September.

23. The representative of Jamaica and Nigeria said that technical difficulties had made it impossible for them to table the offers of their Governments on the foreseen date. They expected to be able to submit them very soon.

24. The representative of Ceylon said that Ceylon's offer would be tabled thirty days after the tabling of the agricultural offers. He supported the views that had been expressed in favour of concluding the negotiations on tropical products without awaiting the outcome of the negotiations in general and in favour of extending the existing suspensions of duties on tropical products.
25. The representative of Spain said that his Government would table an offer on industrial as well as agricultural products in thirty days. A prerequisite therefore was, however, that the position in the negotiations of Spain's main markets had become clear at that time.
26. The representative of the United Arab Republic said that the offer of his Government would be submitted thirty days after the tabling of the agricultural offers.
27. The Chairman said that the statements by the delegations had given a clear picture of the possibility to proceed. He suggested that the representatives, who were in a position to do so, should table their offers at 3 p.m. the same afternoon in the Director-General's office. The representatives concerned could thereafter discuss the circulation of the offers and the precise procedures for the further negotiations. This was agreed.
28. The Chairman said that the Cereals Group would soon resume its discussion at technical level. As regards the Groups on Meat and Dairy Products, as soon as governments had had time to take stock of the content of the proposals made, he would decide in consultation with delegations concerned on appropriate dates for reconvening the Groups.
29. The representative of New Zealand said, with reference to dairy products that New Zealand had always envisaged that the negotiations would take place on two levels: negotiations on the relevant elements of support and protection as with agricultural products generally in which all countries would be involved, and the consideration of supplementary general arrangements in the Dairy Group with countries not members of the Group but with an important interest in the trade and production of dairy products also participating. He expressed the hope that the EEC would have the opportunity to participate as fully as its circumstances allowed particularly in the discussions which the New Zealand paper might sustain in the Dairy Group so that satisfactory continuity could be established. An early meeting of the Dairy Group some time in October was proposed for consideration in the internal discussions to follow. The representative of the Commission of the EEC said that his delegation would do its best to participate in the negotiations as actively as the circumstances would permit.

30. The representative of the United States agreed with the Chairman and other speakers on the need to maintain the momentum of the negotiations. While he understood the difficulties of certain other delegations, the United States was ready to proceed as required in order to conclude the bilateral phase of the negotiations - at least as regards industrial products - and the multilateral talks so that, hopefully by the end of the year it would be possible to make an assessment of the conditions necessary to maintain the offers. The assessment would obviously depend on the negotiations on agriculture and it was important to move on concurrently with those.