# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Trade Negotiations Committee of Developing Countries

#### PROCEEDINGS OF THE FOURTH MEETING

## Held at the International Labour Office, Geneva, on Thursday, 12 September 1968, at 3 p.m.

Chairman: Mr. O. LONG

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Subjects discussed:	I.	Progress in the pre-negotiation consultations	1
	II.	Arrangements for meetings of governmental experts	3
	III.	Nature of the concessions to be negotiated	3

#### I. Progress in the pre-negotiation consultations

- 1. The Chairman recalled that it had been agreed at the last meeting of the Committee in June that participating delegations should initiate consultations with each other with a view to identifying products on which concessions could usefully be requested. To this end, delegations had been invited to obtain and keep at their disposal the necessary trade statistics, customs tariffs and information on other import regulations. It had been envisaged that the consultations between delegations would commence in September. The secretariat had been informed that most of the participating delegations were now in possession of the necessary material. The present meeting had been convened in order that the Committee might take stock of the progress achieved and consider what further practical measures might be taken to further the preparatory work for the actual negotiations.
- 2. Members of the Committee mentioned various reasons, including the absence of delegation personnel during the summer holidays, the pressure of work arising from meetings in other organizations, etc. owing to which they had been unable to start the consultations until now. The representatives of Afghanistan, Brazil, Chile, Colombia, Greece, India, Mexico, Peru, Turkey and Yugoslavia stated that their delegations were now fully equipped and were ready to enter into consultations with any other delegations interested in exploring the possibilities of exchanging concessions with them.

- 3. The representatives of Argentina, Ceylon, Cube, Iran, Israel, the Philippines, Spain, the United Arab Republic and Uruguay informed the Committee that they expect soon to be in a position to engage in consultations with other delegations; they were either studying the requests lists received from other delegations, or were in the process of drawing up their own working list, or were awaiting instructions from their governments.
- 4. The representative of Trinidad and Tobago explained that owing to the forming of the Caribbean Free Trade Association (CARIFTA) which came into being on 1 May 1968, his delegation would be unable to take part in the negotiations until such time as new policy directives were received from his Government. The representative of Jamaica said that his country was also a member of CARIFTA and for a similar reason was unable to take an active part in the work of the Trade Negotiations Committee at present.

In the course of the discussion the Committee was informed that:

- (i) The Mexican authorities were in the process of preparing a list of products for which Mexico intended to seek concessions from other participating countries; the list would be transmitted to members of the Committee in the near future.
- (ii) The Government of Greece was currently considering the drawing up of a list for transmission to the Committee.
- (iii) The delegation of Yugoslavia had transmitted information on the pattern of Yugoslav trade to delegations which had addressed requests to Yugoslavia.
- (iv) The delegation of Israel had already supplied relevant import statistics to members of the Committee, and export statistics would be made available shortly.
- 5. Certain delegations also took the opportunity to inform members of the Committee of their import regulations. The representative of <u>Brazil</u> stated that all imports into Brazil were free from restrictions with the exception of petroleum and wheat which were imported by State agencies. Requests made on Brazil which were in conflict with the country's commitments under the Latin American Free Trade Association were unlikely to be met since the LAFTA commitments would have to take precedence. The representative of <u>Afghanistan</u> stated that all imports into his country were free from restrictions with the exception of sugar, petroleum products and tobacco which were handled by State organizations.

6. In summing up, the Chairman observed that the discussion showed that some progress had indeed been made in the preparatory work for the negotiations. It was gratifying to note that those delegations which had up to now been unable to enter into consultations hoped that progress in this direction would be made in the near future. He expressed the hope that all delegations would continue their efforts so that the preparatory stage would soon be completed so as to enable the substantive negotiations to begin.

#### II. Meeting of governmental experts

7. A number of representatives, notably those of Afghanistan, India, the Philippines, the United Arab Republic, Uruguay and Yugoslavia observed that one of the factors which had impeded progress in initiating bilateral consultations was the absence from Geneva of governmental experts who had detailed knowledge in this field. Since it was not possible for governments to release their experts for a prolonged period it was necessary for the Committee to fix a period during which such experts could be present for intensive consultations. After a discussion, it was agreed that while all participating delegations should from now on actively pursue their bilateral consultations, the consultations should enter a more intensive phase with a series of meetings which should take place during the two-week period from 14 to 25 October. These meetings should be aimed at enabling governments to obtain from one another the information required to establish and pursue requests for concessions on specific products and to make a factual exploration of the possibilities in respect of individual items, and governments should be urged to send to these meetings experts acquainted with the trade pattern, tariff problems for products that might feature in these negotiations and capable of engaging in detailed discussions of the requests made on their respective countries.

### III. Nature of the concessions to be exchanged

- 8. The representatives of <u>Jamaica</u>, <u>Brazil</u>, <u>Spain</u>, <u>Uruguay</u>, and <u>Colombia</u> expressed the view that it was important to establish whether negotiated concessions would be applied on a preferential basis or on a most-favoured-nation basis, before any meaningful negotiations could be embarked upon. The representative of <u>Colombia</u> stated that his Government attached great importance to this question and suggested that it might be discussed at the next meeting of the Committee. The representative of <u>Peru</u> said that participation of his country in the negotiations was on the specific understanding that the results of the negotiations would be implemented on a preferential basis.
- 9. Mr. Mathur, speaking on behalf of the secretariat, recalled that at the last meeting of the Committee in June, it had been agreed that questions relating to the rules by which the negotiated concessions would be governed should be taken up in the Committee at an appropriate time prior to the final stage of the negotiations. That stage would be reached when the participating countries had, in the light of their trade patterns, arrived at some preliminary assessment

of the trade coverage and trade potential of these items which they felt might feature in the exchange of concessions. He assured the Committee of the secretariat's entire willingness to assist delegations in establishing the factual basis for an assessment of the value of the concessions according to the different hypotheses that might apply to their multilateral extension.

10. The Chairman noted in conclusion that it would be advisable for participating countries to defer the formal discussion of the rules governing the application of the concessions until further progress had been made in establishing a factual basis for the exchange of concessions. He assured the delegations, including those of non-GATT countries, that all participating countries would have a full opportunity of participating in a discussion of the rules at the appropriate stage of the negotiations. In the meantime, the secretariat was at the disposal of delegations for any assistance that they might require in connexion with negotiating techniques and procedures, etc.