

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Trade Negotiations Committee of Developing Countries

PROCEEDINGS OF THE MEETINGS OF GOVERNMENTAL EXPERTS OF PARTICIPATING COUNTRIES IN OCTOBER 1968

Note by the Secretariat

1. In accordance with the decision taken by the Trade Negotiations Committee of Developing Countries on 12 September 1968 (cf. TN(LDC)10), a series of meetings at governmental expert level were held from 14 to 25 October. The purpose of the meetings, as indicated in TN(LDC)10, was to enable governments to obtain from each other information on trade patterns, tariff and other trade regulations, necessary for the establishment of requests lists for the negotiations and to explore the possibilities of negotiation in respect of individual products.

2. The following participating countries were represented at these meetings:

Argentina, Brazil, Ceylon, Chile, the Republic of China, Colombia, Cuba, Ethiopia, India, Iran, Israel, Jamaica, the Republic of Korea, Mexico, Peru, Philippines, Spain, Trinidad and Tobago, Turkey, the United Arab Republic, Uruguay, Venezuela and Yugoslavia.

MEETING ON 14 OCTOBER

3. At their first meeting, held on 14 October, the experts considered procedures to be followed during the two-week period. For this purpose the meeting had before it a note by the secretariat (TN(LDC)11). Mr. M.G. Mathur, Assistant Director-General, in his capacity as Chairman of the meeting, expressed the hope that full use would be made by the participating governments of the opportunity provided by this series of meetings in exchanging information and in exploring the possibilities of negotiation. The meeting generally agreed to the procedures suggested in TN(LDC)11; it was agreed that during the two-week period intensive bilateral consultations should be undertaken between delegations to exchange factual information with a view to identifying the areas and products which could usefully lend themselves to negotiations. As a time-saving device, a series of "country meetings" would be held during the same period, each of the meetings being devoted to the examination of the potentialities of imports into, and tariff and trade regulations applied by, one particular participating country, the meeting concerning each country being attended by delegations of all other participating countries which had addressed a request list to it as well as those which, though not having done so, wished to explore the possibilities of addressing a request to that country. It was also agreed that the progress made and arrangements for the further pursuit of the consultations in preparation for the negotiations should be reviewed at another general meeting of experts of the participating countries at the end of the two-week period.

4. It was agreed that no official record would be kept of the deliberations in these experts' meetings, although the secretariat would make unofficial notes which might be made available to participants on request.

MEETING ON 25 OCTOBER

5. As agreed the experts met again in general session on 25 October. The meeting was informed that since the meeting of experts on 14 October participating countries had held a series of consultations with one another as from 15 October. From 15 October to 24 October inclusive forty-four such consultations had taken place between seventeen participating countries. A list of the countries involved is contained in the Annex on page 8. Meetings of this kind have continued to be held after 25 October. During the same period joint consultations by interested participating countries had been held with eleven participating countries as follows:

15 October	Yugoslavia Colombia
16 October	Korea
17 October	Spain
21 October	India Turkey
22 October	Iran
24 October	United Arab Republic Philippines
25 October	Argentina Mexico

6. The Chairman of the meeting, reporting on the events of the past two weeks, said that it was a matter of gratification that so many joint consultations had been held in which the countries concerned had furnished very substantive information on their trade structure, tariff policies and import control systems. The number of bilateral consultations which had taken place between pairs of delegations had also been considerable. In these bilateral contacts negotiating possibilities had been explored in respect of particular commodities or groups of commodities which might lend themselves to fruitful negotiations. At the present stage it would be useful to review the progress achieved by way of completing information on the elements necessary for substantive negotiations and to consider what further steps should be taken to supplement and complete the first phase of the negotiations.

7. The representative of Uruguay said that in the absence of specific instructions from his Government his delegation had been unable to make a positive contribution to the joint and bilateral consultations held. However, his delegation had now been instructed to establish preliminary contacts with three countries participating in the negotiations. These contacts would subsequently be extended to other participating countries. The lists of products on which Uruguay would wish to seek concessions from these three countries, together with relevant trade data, would be submitted within the next few days. The Uruguayan Government placed great importance on these negotiations and considered that no dead-line should be set for their conclusion. Further, the participation of Uruguay was on the understanding that the negotiated concessions would be applied on a preferential basis.

8. The representative of Iran said that his delegation had participated both in the joint and bilateral consultations held over the past two weeks. These consultations had proved extremely illuminating and helpful in facilitating the exchange of information on trade patterns and policies of participating countries. He expressed the hope that as a result of these consultations delegations would soon find themselves in a position to establish specific request lists addressed to individual participating countries and that such lists would be made available well in advance of consultations that might be arranged in future. A further round of consultations might well prove necessary since all countries were not equally ready to start substantive negotiations. Efforts should also be made to secure participation of the largest possible number of developing countries in the negotiations. It was to be hoped that existing commitments in GATT or under other bilateral or multilateral arrangements would not stand in the way of the developing countries achieving the broadest possible results from this exercise and it would be possible to seek appropriate modifications in their commitments to this end.

9. The representative of the United Arab Republic said that his delegation had held a joint consultation with interested participating countries in which the import and export regulations and the tariff policy of his country were explained. The exchange of views seemed to have been useful for all concerned. His delegation intended to enter into bilateral consultations with other interested delegations in the week to follow. The negotiations being of a highly complex nature, bilateral contacts between participating governments should be sustained on a continuing basis. He favoured the idea of not setting a date at this stage for the conclusion of the negotiations.

10. The representative of Jamaica said that his country had recently joined the Caribbean Free Trade Association and a number of changes were being introduced in the import and tariff policies of his country. These factors had rendered it impossible for his country to take an effective part in the joint and bilateral consultations held. He had received a list of products from his Government for consideration in the context of these negotiations, and it would be transmitted to the secretariat as soon as it had been transposed into the Brussels Tariff Nomenclature. Jamaica was also of the view that no deadline should be set for the completion of the negotiations.

11. The representative of the Republic of Korea said that his delegation had participated in the joint and bilateral consultations held over the last two weeks. These consultations proved very helpful in facilitating the exchange of information on trade patterns of participating countries and to some extent in identifying products or groups of products which might feature in the negotiations. His delegation would stand ready up to 10 November 1968 to undertake bilateral consultations or to entertain substantive negotiations with any of the twenty-six participating countries to whom Korea had addressed request lists. He suggested that initially participating countries should exchange concessions on a small number of products, subject to a yearly review of their implementation aimed at bringing more products under the preferential arrangements.

12. The representative of Colombia said that his delegation had held a joint consultation and taken part in bilateral meetings during the past ten days. His delegation intended to establish further bilateral contacts with the interested delegations in the weeks to follow. It was however important for his Government to have some clarification concerning the status of non-GATT countries in the negotiations and on the principle which would govern the application of the benefits negotiated. While bilateral consultations would continue to be held between participating countries it was important to fix a date for a second round of multilateral meetings to discuss matters of interest to more than two delegations.

13. The representative of India said that the joint and bilateral consultations held in the last two weeks had led to a better understanding of the trade policies of certain participating governments. These consultations had facilitated the establishment of specific request lists to particular countries. While it might be premature to establish a date for the conclusion of the negotiations, it would facilitate progress to establish target dates for completing the intermediate stage of the exercise.

14. The representative of Israel said that her delegation was very much encouraged by the progress achieved in bilateral consultations with a number of other delegations. Short lists of products had been established and in some instances products had been identified on which concessions could be granted on a preferential basis, it being understood that this principle would have to be further defined and agreed upon by the Trade Negotiations Committee. The fact-finding phase had not been altogether completed and her delegation had come to an understanding with the interested delegations that further exchange of information would take place in another round of bilateral consultations at expert level.

15. The representative of Chile said that his delegation could not actively participate in the consultations during the last ten days, because factual information on Chile's trade pattern, tariffs and import control system was still awaited from his Government and because his Government was currently engaged in preparing offers for negotiations under Article XXVIII. He expressed the hope that the participation of his delegation would become more effective in the near future. The list of products submitted by Chile in the context of the negotiations contained only those products in which trade exchanges were possible. Once the present stage of the exercise was over Chile would be in a position to make specific offers, for which a date might be set in June 1969. Only at that stage would it be possible to consider the feasibility of setting a date for the conclusion of the negotiations. The participation of his country in the negotiations was on the specific understanding that the benefits will be applied on a preferential basis.

16. The representative of Argentina said that his delegation had participated in all the joint consultations held and had held very useful bilateral consultations with a number of participating countries. His delegation would soon be in a position to submit short request lists addressed to individual countries. He

suggested that a period towards the end of January next should be set aside for another round of such consultations. It was to be expected that thereafter specific request lists could be exchanged between participating countries and a deadline for the submission of offers could also then be set. The points raised concerning negotiating rules, the nature and scope of concessions were of great importance and could best be dealt with at the next meeting of the Trade Negotiations Committee. Argentina's participation in the negotiations was on the understanding that the negotiated concessions would be applied on a preferential basis. The question whether they would be restricted to participating countries or would be extended to all developing countries was a matter that could be discussed and decided upon at an appropriate stage of the negotiations.

17. The representative of Venezuela said that the joint and bilateral consultations in which his delegation took part had been extremely useful. His delegation would continue to participate in these consultations which he felt should be held on a continuing basis. As his country had certain obligations vis-à-vis certain developed countries, it was important for his Government to have some indication of the rules which would govern the application of concessions negotiated. He suggested that it would be advisable to define the rules of the game at an appropriate point of time. In this context it would be useful to know the period of validity of the concessions and the safeguard clause that could apply.

18. The representative of Peru said that his delegation had held very useful bilateral consultations with some of the delegations in which they also discussed the problems of maritime infra-structure, transport and shipping, which presented important obstacles to the expansion of trade among developing countries. Delegations should be encouraged to continue these consultations with one another and it would be premature to set a date for the conclusion of the negotiations. Peru was participating in the negotiations on the specific understanding that the results of the negotiations would be applied on a preferential basis. If the negotiations were to be conducted in accordance with the two fundamental GATT concepts of reciprocity and equivalent advantages, the negotiated concessions should for the time being be limited to countries which had actually participated in the negotiations. This question might be taken up at an early meeting of the Trade Negotiations Committee.

19. The representative of Yugoslavia said that the consultations held during the last two weeks had been very useful and his delegation had achieved much more than what it had initially hoped for. He suggested that another round of such consultations should be organized towards the end of January or early in February next year at which discussions aimed at bringing about the exchange of specific offers could be held.

20. The representative of Spain said that the joint consultations were extremely helpful and expressed the hope that the secretariat would supply records of the joint meetings so that delegations which could not attend them would also have access to the information exchanged. Another round of joint and bilateral consultations should be scheduled towards the end of January next year. He was

in full agreement that the negotiations should be conducted on a preferential basis. These questions could be discussed and decided upon at an appropriate time by the Trade Negotiations Committee.

21. The Chairman expressed appreciation for the frank and far ranging expression of views which had covered not only the consultations held over the last two weeks but also a number of substantive points of great significance. While some delegations felt that another round of multilateral and bilateral consultations was needed before they could define in concrete terms the concessions they might seek or possibly offer, others had already moved into a situation in which at least for some products and in relation to some countries they had a fairly clear picture of the possible exchange of concessions. This situation would no doubt be taken into account by the Trade Negotiations Committee in deciding upon further arrangements.

22. In clarification of certain procedural points the Chairman explained that there should be no difficulty for those delegations wishing to do so to continue with their bilateral consultations in the weeks to follow. As regards a mechanism for continuing contacts between delegations the Trade Negotiations Committee had been intended for this purpose. The organization of an intensive phase of consultations did not imply that there should be no further discussions and contacts between delegations. These contacts should continue for as long as they were found fruitful, and necessary. Periodically of course there would be an opportunity either at the meeting of the Trade Negotiations Committee or at a multilateral meeting of governmental experts to review the progress achieved through consultations and to decide on further measures which might be taken to further the objectives of the negotiations. As to the specific period during which joint and group discussions could fruitfully be resumed, it should be left for the Trade Negotiations Committee to decide.

23. It was agreed that there would be no official record of the joint consultations. But as a matter of assistance and economy, the secretariat would make available to interested delegations copies of the notes on the discussions which it had taken for its own use. These notes would, in accordance with the usual practice, be checked with the delegations concerned for accuracy, it being understood that they would have no official status.

24. The governmental experts took note of:

- (a) the views expressed in regard to the overall usefulness of the joint and bilateral consultations held;
- (b) the procedural suggestions made;
- (c) the additional points on which information might be provided at the next round of consultations;
- (d) the views expressed in regard to the negotiating rules, and the nature and scope of concessions;

- (e) the views expressed in regard to the question of setting a date for establishing more specific requests lists; and
- (f) the views expressed concerning a deadline for the conclusion of the negotiations.

25. It was agreed that the Trade Negotiations Committee should be invited to convene during the early part of the twenty-fifth session of the CONTRACTING PARTIES to take up the question of dates for the submission of specific requests lists and for the conclusion of the negotiations, and the question of organizing a further round of multilateral consultations. In the light of the views expressed, the Committee might also consider when the question of rules for the negotiations should be taken up.

Annex

LIST OF COUNTRIES TAKING PART IN BILATERAL CONSULTATIONS

Argentina

Brazil

Ceylon

Chile

China, Republic of

Colombia

Greece

India

Iran

Israel

Korea, Republic of

Mexico

Peru

Philippines

Turkey

United Arab Republic

Venezuela

Yugoslavia