

GENERAL AGREEMENT ON TARIFFS AND TRADE

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MINUTES OF THE MEETING OF THE INFORMAL GROUP OF LESS-DEVELOPED COUNTRIES ON 14 NOVEMBER 1966

Prepared by the Secretariat

1. The forty-ninth in a series of weekly meetings of the informal group of less-developed countries in GATT was held on 14 November under the Chairmanship of H.E. Dr. José Antonio Encinas del Pando, Ambassador of Peru. The meeting was attended by the representatives of Argentina, Brazil, Chile, Cuba, India, Indonesia, Israel, Jamaica, Nigeria, Pakistan, Peru, Sierra Leone, Spain, Tunisia, the United Arab Republic and Yugoslavia.
2. The following points were discussed:
 - (i) Questions connected with the procedures for trade negotiations among less-developed countries;
 - (ii) Examination of non-tariff measures for the expansion of trade among less-developed countries; and
 - (iii) Items on the agenda of the GATT Council meeting to be held on 17 November.

Questions connected with the procedures for trade negotiations among less-developed countries

3. The representative of Cuba recalled that, in a memorandum submitted by his delegation early in September and noted by the informal group at its forty-fifth meeting, there were set out a number of specific principles which, in the view of his Government, should be followed in the trade negotiations among less-developed countries (INT(66)524). He drew attention to the salient points in that memorandum and stressed the importance of those principles. It was also the view of the Cuban Government that these negotiations should take account of General Principles 2, 8 and 10 recommended by the UNCTAD (cf. Recommendation A.I.1 of UNCTAD 1964). In so far as export trade of less-developed countries was hampered by transport problems, they might be able to make use of the services of the Cuban merchant fleet. Cuba was in a position to promote the sale of products from less-developed countries in Cuban territory through trade fairs and exhibitions or in any other manner by mutual advantageous agreement. Negotiations could also cover cultural and scientific exchanges among less-developed countries. The Cuban Government was willing to promote an expansion of trade with developing countries, but considered

that tariff reductions alone would not be sufficient to stimulate such trade in all cases. Cuba had sent requests lists to two countries and intended to submit requests lists to two others. It was hoped that, following informal conversations it would be possible to add to these lists and to present requests lists to other countries. Cuba was willing to co-operate in securing the success of the current negotiations and hoped that they would result in real benefits for all the countries concerned.

4. Some representatives felt that there would be advantage in limiting the application of any preferential scheme that might be worked out to the countries which had participated in the negotiations so as to provide incentive for countries to take an active part and to make contributions. Other representatives recalled the principle of general application endorsed by the Committee on Trade and Development at its meeting last March. Others recalled that on an earlier occasion it had been agreed in the informal group to leave aside this question until the negotiations had advanced sufficiently.

5. There was a suggestion that, in submitting information along the lines suggested by the five Latin American delegations at the meeting of governmental experts on 7 November, delegations should indicate the main developed and less-developed suppliers of products appearing in the requests lists. It was suggested that the meeting of the experts should be resumed after a certain amount of information and data had been exchanged among the participating countries.

6. The group took note of reports by various representatives on bilateral talks which had taken place since the opening meeting of the governmental experts. It noted with satisfaction that the countries concerned had found the talks useful. It was agreed that the various suggestions made in the course of the present discussion might be taken up by the governmental experts at their next meeting.

Examination of non-tariff measures for the expansion of trade among developing countries

7. The representative of India introduced the subject by referring to the various suggestions put forward by his delegation at the meeting of the Group on the Expansion of Trade Among Developing Countries last February, as set out in paragraph 10 of the Interim Report of the Group in COM.TD/D/3. He stressed the importance and urgency of finding solutions to the problems faced by developing countries in their trade with other developing countries and urged that some of the suggestions (in particular, point (e) relating to governmental purchases and State trading, point (f) relating to the use of aid funds, and point (g) relating to the provision of loans for financing trade among developing countries) be taken up again at an early date. The official Group had agreed

that the Indian suggestions on non-tariff barriers should, in the first instance, be discussed in the informal group of developing countries. In the view of his delegation, it was nevertheless desirable that, on the points mentioned above, a dialogue should be established as early as possible with the developed countries so as to ascertain the possibilities. Consequently, the Indian delegation considered that the official Group should be reconvened in November or early December with a view to conducting at least a preliminary examination of the suggestions.

8. Some representatives stressed the desirability of discussing the Indian suggestions first among the developing countries themselves so as to achieve the largest possible measure of agreement before they confronted the developed countries. In their view, this consideration, which had motivated the decision to refer the matter to the informal group, remained valid. Some representatives indicated that, in the absence of prior notice, they could not take a position at the present meeting on this point.

9. The Group agreed that the suggestions in regard to measures for expansion of trade among developing countries put forward by the Indian delegation as well as any other suggestions which other members of the group might wish to put forward, should be considered at a meeting of the informal group to be convened on Monday, 21 November. This could be expected to provide some guidance as to when the formal Group could usefully meet.

10. The group noted the suggestion that, along with the Indian suggestions, attention should also be given to the problems created by the imbalance of trade between individual developing countries.

Items on the agenda of the GATT Council meeting to be held on 17 November 1966

11. The representative of Chile drew the attention of the group to item 7 of the agenda for the Council meeting on 17 November and referred to the budget estimates for 1967 and certain related matters raised in the report of the Committee on the Budget, Finance and Administration. He also proposed that the group discuss item 9 relating to the programme of GATT meetings for the coming year, including the question of the date of the twenty-fourth session.

12. During the discussion some representatives expressed the view that as the Kennedy Round of negotiations was scheduled to conclude by the middle of 1967, there should be a high level meeting of contracting parties, if possible at Ministerial level, before the summer. While a meeting before the conclusion could be utilized to influence some of the final decisions, one after it would provide the opportunity for useful assessment of the results of the negotiations.

13. Asked whether the secretariat could give an indication of the probable date for the twenty-fourth session and of the possibility of holding the session at Ministerial level, Mr. Mathur, Assistant Director-General, replied that the decision on these questions of course rested with the CONTRACTING PARTIES and the Council. Informal consultations on the question would probably be in progress prior to the Council meeting on 17 November. The common view, however, was that in view of the preoccupation of contracting parties with the Kennedy Round, the regular annual session of the CONTRACTING PARTIES would best be held in autumn 1967. The question of a session of the Trade Negotiations Committee being held at Ministerial level would probably be left open, to be reviewed by the Council in the light of developments at a later time when the prospects of the Kennedy Round became more discernible.

14. It was agreed that the Chairman of the informal group should discuss this matter with the secretariat, ascertain the views of other contracting parties and report to the group on 17 November, so that the developing countries could have a final exchange of views before the Council meeting on that day.