

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

LDC/M/84

13 February 1970

Special Distribution

MINUTES OF THE MEETING OF THE INFORMAL GROUP OF DEVELOPING COUNTRIES HELD ON 5 FEBRUARY 1970

Prepared by the Secretariat

1. A meeting of the Informal Group of Developing Countries in GATT was held on 5 February 1970 under the Chairmanship of H.E. Mr. C.H. Archibald, Ambassador of Trinidad and Tobago. The meeting was attended by the representatives of Argentina, Ceylon, Chile, Congo (Democratic Republic of), Cuba, India, Indonesia, Israel, Ivory Coast, Jamaica, Korea, Niger, Nigeria, Pakistan, Peru, Spain, Trinidad and Tobago, Tunisia, Turkey, United Arab Republic, Uruguay and Yugoslavia.
2. The Group addressed itself to matters of particular interest to developing countries on the provisional agenda for the twenty-sixth session of the CONTRACTING PARTIES (L/3304/Rev.1).
3. In response to a question concerning preparations for the session, Mr. M.G. Mathur, Assistant Director-General, said that the secretariat would be issuing for the meeting of the Council a paper suggesting an order of business for the CONTRACTING PARTIES. It was intended that the reports of the three main Committees and the report of the Council, should be taken up during the first week of the session. In the beginning of the second week the CONTRACTING PARTIES should be able to agree on a set of meaningful conclusions in the light of the discussions held under the item Expansion of International Trade. The conclusions should hopefully provide some guidelines for the future action of the CONTRACTING PARTIES in this field. It was also expected that during the second week of the session there would be a possibility for informal talks between delegations on certain matters which did not appear on the provisional agenda. Such an informal exchange of views might cover such questions as the general non-discriminatory scheme of preferences in favour of developing countries and the international balance-of-payments situation which did not appear ripe for formal discussion at this stage.
4. In the exchange of views that followed it was generally felt that the progress in implementing the Conclusions of the twenty-fourth and twenty-fifth sessions had fallen short of the expectations of developing countries. The matters of particular interest to developing countries were being dealt with in the three main Committees, namely, the Committee on Trade and Development, the Agriculture Committee and the Industrial Committee. The Agriculture Committee as well as the Industrial Committee

had undertaken a great deal of preparatory work and had identified problems in these sectors which should lead to concrete action in the future. It was now for developing countries themselves to ensure that maximum benefit was derived from the work of these Committees so that the trading situation of developing countries might be improved to the benefit of their economic development. To this end, it would be appropriate if developing countries could concert their views on the issues of particular interest to them. An attempt should be made not only to indicate the concerted views of developing countries at the forthcoming session of the CONTRACTING PARTIES, but also to project them in the work of the various bodies of GATT during the course of the year. A number of suggestions were made concerning matters of particular interest to developing countries which might be taken up on an urgent basis. The main points made in the discussion are described below.

Committee on Trade and Development

5. At the last session of the Committee, discussion was held on consultation procedures under Article XXXVII:2 of the General Agreement. The developing countries should seek the establishment of a consultative machinery for the examination of problems raised by them under Part IV of the General Agreement. Such institutional machinery having been established, developing countries should bring forward concrete instances in regard to industrial countries and specified products where developed countries had not, in the view of developing countries, carried out their obligations under Part IV.
6. The Group on Residual Restrictions had already done some valuable work in this field. The Group had drawn up a list of products of particular interest to developing countries, and this work should be continued. The developing countries should now ensure that, in the work of the Joint Working Group on Import Restrictions, due attention would be paid to removal of restrictions of more particular interest to them.
7. The developed countries should be requested to state what consideration their governments had given to the solution of problems of trade in tropical products.
8. The developing countries should try to secure a decision of the CONTRACTING PARTIES that the Committee on Trade and Development should discuss the problems connected with the reservation made by developing countries with respect to the Anti-Dumping Code with a view to exploring how the acceptance by developing countries of the Code should be facilitated.

Committee on Trade in Industrial Products

9. Restrictive measures had been imposed by some of the major contracting parties without sufficient regard being given to the harmful effects of these measures on the trading interests of developing countries. Developing countries should insist at every stage that the obligations undertaken by the developed countries under Part IV must be respected, whatever their economic difficulties might be. While the Draft Declaration of Intent might be desirable for the protection of the trading interests of developed countries, the standstill commitments under Part IV to protect the interests of developing countries must be fully maintained. The Draft Declaration of Intent required developed countries to consult before applying new restrictive measures. It should be made quite clear in this Declaration that such consultations that might be held, would not give any contracting party the right to ignore its obligations under Article XXXVII:1 of the General Agreement.

Agriculture Committee

10. The proposals submitted by Nigeria and Ceylon for the reduction and elimination of tariff and non-tariff barriers to tropical oilseeds and vegetable oils had not been given the consideration they deserved. Efforts should be made to ensure that these proposals were dealt with outside the global approach suggested and that agreement was secured on a "standstill".

Trade Negotiations Committee of Developing Countries

11. The trade negotiations among developing countries might provide a means of self-help to all developing countries for the advancement of their trade. In the discussions at the session, be they formal or informal, some means might be found for resolving the difficulties that were preventing significant progress in the work of the Trade Negotiations Committee.

Cotton Textiles Arrangement

12. The developing countries should ensure that the Arrangement was not extended to cover other textiles, as contemplated by one of the important industrialized countries. Further, before agreeing to the extension of the present Cotton Textiles Arrangement, the developing countries should get a firm understanding with regard to the progressive phasing out of the Arrangement.

Balance-of-payments consultations

13. The balance-of-payments consultations had proved helpful to developing countries in making adjustments in their trading policies. Those developing countries which did not consult should be urged to do so.

International Trade Centre

14. Consideration should be given to resolving some of the administrative problems and anomalies related to joint operation of the Centre by UNCTAD and GATT.

General scheme of preferences

15. The secretariat should undertake a study of the legal modalities for the implementation of the general non-discriminatory scheme of preferences in favour of developing countries. An understanding on this point might be obtained from developed countries, on an informal basis.

Other matters

16. The GATT should provide more assistance to developing countries by expanding its training activities and technical assistance. It should assist developing countries, in particular the least developed among developing countries in the identification of tariff and non-tariff barriers hampering their export trade.

17. After a short discussion the Group agreed that having regard to the Conclusions adopted by the CONTRACTING PARTIES at their twenty-fourth and twenty-fifth sessions and the views expressed at the present meeting, an effort should be made to bring together the views of developing countries on various matters of particular interest to them to be discussed at the forthcoming session. In accordance with the wish of the Group, the Chairman agreed to prepare a paper with the assistance of delegations for consideration at the next meeting of the Informal Group.