

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Special Distribution

MINUTES OF THE MEETING OF THE INFORMAL GROUP OF DEVELOPING COUNTRIES HELD ON 12 MARCH 1970

Prepared by the Secretariat

1. A meeting of the Informal Group of Developing Countries in GATT was held on 12 March 1970, under the Chairmanship of H.E. Mr. C.H. Archibald, Ambassador of Trinidad and Tobago. Present were the representatives of Argentina, Brazil, Ceylon, Chile, Cuba, Gabon, Ghana, India, Israel, Ivory Coast, Jamaica, Malaysia, Pakistan, Peru, Spain, Trinidad and Tobago, Turkey, United Arab Republic and Yugoslavia.¹
2. The Informal Group addressed itself to the following matters:
 - consultation procedures for the implementation of Part IV of the General Agreement;
 - future work programme of the Committee on Trade and Development;
 - election of Chairman.

Consultation procedures for the implementation of Part IV

3. The Chairman recalled that the question of consultation procedures on the implementation of Part IV of the General Agreement would be discussed at the next meeting of the Committee on Trade and Development on 23 March 1970. Past discussions had shown that there were differences of opinion, not only among developed countries but also between developing countries concerning the establishment of a panel of experts or a working party to carry out such consultations. As there did not seem to be any possibility for an agreement on either alternative, developing countries might support the secretariat proposal whereby the choice of machinery was left open to be decided depending on the particular circumstances of each case.
4. After a short discussion it was agreed that developing countries should support the secretariat proposal. Once a problem of non-compliance was raised, the Committee would take a decision, by mutual agreement by the parties concerned, whether consultations should be entrusted to a panel of experts or a working party, bearing in mind the nature of the problems involved and the type of consultations to be carried out.

¹In paragraph 1 of the minutes of the previous meeting of the Informal Group (LDC/M/85) held on 16 February 1970, add "Malawi" after "Korea".

Future work programme of the Committee on Trade and Development

5. Several members of the Group observed that the participation of developing countries in the deliberations of various bodies of GATT had so far been of a marginal character. To achieve concrete results, it was necessary that their problems should be identified and elaborated in specific terms. To this end, developing countries should undertake to prepare their participation in the work of various bodies of GATT as effectively as possible, if necessary with the help of the secretariat.

6. Speaking at the request of the Chairman, Mr. G. Patterson, Assistant Director-General, said that Working Group II of the Committee on Trade in Industrial Products was scheduled to meet on 17 March 1970. It would examine certain non-tariff barriers (customs valuation and administrative procedures) which had been notified by developing countries as well as those being maintained by developing countries. He urged those developing countries who were members of the Group to participate actively. The secretariat was ready to provide any assistance that developing countries might require in elaborating their problems. He added that, according to the Conclusions of the twenty-sixth session, the Committee on Trade and Development was also expected to look into the results of the work of the Joint Working Group on Import Restrictions and he urged developing countries to play an active rôle also in this body.

7. A member of the Group recalled that in the Conclusions of the twenty-sixth session it had been recommended that the Tariff Study should be completed as early as possible. The developing countries should ensure that a special section was incorporated in that Study relating to those sectors which were of particular interest to them. There had however so far been no progress in drawing up this section. It was understood that the secretariat would be in a position to examine differential tariffs applied to products of particular interest to developing countries. Without ruling out the other analyses which would have to be carried out sooner or later, it would perhaps be appropriate to request the secretariat to embark upon a study of differential tariffs as soon as possible.

8. Mr. J. Tumir, Director of Trade Intelligence Division, in explaining the position of the Tariff Study, referred to Tabulation III which covered the area of special interest to developing countries. It was envisaged that this Tabulation would show exports by developing countries to the eleven industrial markets studied and should reflect the average of those eleven national tariffs as they affected imports from developing countries. It was this effort that had led to considerable technical difficulties in the Expert Group. The secretariat had discussed with interested developing countries an approach which would bring out mainly the effects of the tariff escalation on both the volume and composition of imports into developed countries from developing countries. This approach seemed promising and there should be no difficulty in obtaining the approval of the Expert Group to the proposal. If it were approved, all three tabulations could be made available according to the original time schedule. The sample

tabulation should be ready by the end of March so that in early April an informal meeting with developing countries could be held and later in April a meeting of the Expert Group.

9. One member of the Group said that the problems experienced by developing countries in expanding exports of commodities of particular interest to them had not been given adequate attention in GATT. There were still numerous tariff barriers in the agricultural sector inhibiting the expansion of exports of commodities from developing countries. He suggested that GATT should undertake a study of various barriers in the importing countries applied to exports of these commodities. He cited the example of rubber which was affected by differential tariffs. In this context a reference was made to paragraph 10 of the Conclusions of the twenty-sixth session where the need to adopt additional measures designed to improve conditions of access and stabilize conditions of world market for the exports from developing countries had been emphasized. It was suggested that the secretariat might prepare a sample study on one or two products to show how such additional measures could give some meaning to the provisions of Part IV of the General Agreement.

10. One member of the Group recalled that during the drafting of the Anti-Dumping Code, developing countries had suggested the inclusion of an article containing a reference to Part IV and certain provisions to meet the particular inflation/price problems of developing countries. The suggestions had not been accepted by developed countries, and consequently a reservation had been registered by developing countries in the report of the Group on Anti-Dumping Practices. It was extremely important for developing countries to ensure that anti-dumping action was taken only when it had been proved that the goods were being sold below the price in other international markets, not just in the domestic market of the country. To help the deliberations of the question the secretariat might prepare a brief summary of past discussions of this subject.

11. Mr. Patterson said that the question of more contracting parties becoming signatories to the Anti-Dumping Code would be taken up by Working Group II at its forthcoming meeting. The secretariat would be glad to prepare a summary of past discussions if it would be of help to developing countries when this question was discussed. In regard to the question of the application of the Code, Mr. Patterson explained that when this matter was raised at the twenty-fifth session, the Director-General had ruled that the Code would have to be applied to all contracting parties in accordance with the provisions of Article I of the General Agreement. However, not all of the signatories to the Code had indicated they accepted this ruling.

Election of Chairman

12. All members of the Group paid tribute to H.E. Mr. C.H. Archibald, Ambassador of Trinidad and Tobago, for the devotion and skill he had shown in handling the chairmanship and for the tactful and diplomatic way in which he had steered the work of the Group over the past year. Ambassador Archibald was unanimously re-elected as Chairman of the Informal Group.