CEYLON

Statement of contribution
Sir,

Participation in the Kennedy Round

1. I have the honour to refer to the notification of the Government of Ceylon dated 4th September, 1965 on the Kennedy Round of Trade Negotiations.

2. The Government of Ceylon has carefully studied the tariff concessions that have so far been offered by participating countries and regrets that, as the negotiations stand at present, there would be no worthwhile trade benefits to Ceylon. In fact, Ceylon would be faced with considerable difficulties as a result of the possible loss of preferences which she now enjoys and participation in the trade negotiations could well result in a net loss in her trading position.

3. Ceylon like other developing countries, is faced with chronic deficiencies in her foreign exchange earnings and her ability to offer concessions is limited by her balance of payments difficulties. However, bearing in mind the provisions of Part IV of the General Agreement and taking into account the objectives of the trade negotiations and also the expressions of sympathy with Ceylon’s difficulties made by delegations of participating countries, the Government of Ceylon is prepared to make the following contribution to the success of the negotiations.

4. The Government of Ceylon will bear in mind the need to maximize imports from participating countries having due regard to its balance of payments situation.

5. As a further contribution to the negotiations, the Government of Ceylon -

(a) is prepared to agree to reductions in margins of preference currently enjoyed provided it receives suitable compensation at the negotiations.

(b) is willing to negotiate reductions in preferences granted by Ceylon to other countries subject to consultations with the affected countries.

(c) is willing to negotiate with other less developed countries with a view to expanding trade between themselves.

6. The Government of Ceylon looks forward to full collaboration with other Contracting Parties in the endeavour to increase access to markets in the greatest possible measure.

Accept, Sir, the assurances of my highest consideration.

THE DIRECTOR GENERAL
GATT SECRETARIAT
Geneva

T. St. Elmo Joseph
Permanent Secretary
Ministry of External Affairs.