

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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Preparatory Committee for
Trade Negotiations

DRAFT DECLARATION

Revision

1. The Ministers, having considered the report of the Preparatory Committee for the Trade Negotiations and having noted that a number of governments have decided to enter into comprehensive multilateral trade negotiations in the framework of GATT and that other governments have indicated their intention to make a decision as soon as possible, declare the negotiations officially open. Those governments which have decided to negotiate have notified the Director-General of GATT to this effect, and the Ministers agree that it will be open to any other government, through a notification to the Director-General, to participate in the negotiations. The Ministers hope that the negotiations will involve the active participation of as many countries as possible. They expect the negotiations to be engaged effectively as rapidly as possible, and that, to that end, the governments concerned will have such authority as may be required.

2. The negotiations shall aim to:

- achieve the expansion and ever-greater liberalization of world trade and improvement in the standard of living and welfare of the people of the world, objectives which can be achieved, inter alia, through the progressive dismantling of obstacles to trade, the improvement of the international framework for the conduct of world trade and the creation of conditions for the achievement of a more rational and more equitable international division of labour.

- secure additional benefits for the international trade of developing countries so as to achieve a substantial increase in their foreign exchange earnings; the diversification of their exports, the acceleration of the rate of growth of their trade, taking into account their development needs, an improvement in the possibilities for these countries to participate in the expansion of world trade and a better balance as between developed and developing countries, in the sharing of the advantages resulting from this expansion, through, in the largest possible measure, a substantial improvement in the conditions of access for their products and, wherever appropriate, measures designed to attain stable, equitable and remunerative prices for primary products.

To this end, co-ordinated efforts shall be made to solve in an equitable way the trade problems of all participating countries, taking into account the specific trade problems of the developing countries.

Complementary economic negotiations should be pursued in parallel in the appropriate fora to enable developing countries to derive maximum benefit from concessions granted in the trade negotiations.

3. The objectives of the negotiations in the agricultural sector shall be in harmony with the general objectives, but at the same time shall also take into account the special characteristics of agriculture.⁷¹

¹See also paragraphs 7 and 8.

4. The negotiations shall be conducted on the basis of the principles of mutual advantage, mutual commitment and overall reciprocity among the developed countries and among the developing countries, while observing the most-favoured-nation clause, and consistently with the provisions of the General Agreement relating to such negotiations. Participants shall jointly endeavour in the negotiations to achieve, by appropriate methods, an overall balance of advantage at the highest possible level. The developed countries do not expect reciprocity for commitments made by them in the negotiations to reduce or remove tariff and other barriers to the trade of developing countries, i.e., the developed countries do not expect the developing countries, in the course of the trade negotiations, to make contributions which are inconsistent with their individual development, financial and trade needs. The Ministers recognize the need for differential or special measures to be taken in the negotiations to assist the developing countries in their efforts to increase their export earnings and promote their economic development and, where appropriate, for priority attention to be given to products or areas of interest to developing countries. They also recognize the importance of maintaining and improving the Generalized System of Preferences. They further recognize the importance of the application of preferential or differential treatment special measures to developing countries in areas of the negotiation where this is feasible and appropriate. OR They further recognize the importance of the application of special or differential measures to developing countries in areas of the negotiation where this is feasible and appropriate, not excluding the possibility of searching for solutions on a preferential basis.

5. [The Ministers recognize that the particular situation and problems of the least developed among the developing countries shall be given special attention, and stress the need to ensure that these countries receive special treatment in the context of, and as an addition to, any general or specific measures taken in favour of the developing countries during the negotiations.]

OR

[The Ministers recognize the particular situation and problems of the least developed among the developing countries and the land-locked developing countries shall be given special attention, and stress the need to ensure that the special treatment these countries receive in the context of any general measures taken in favour of the developing countries during the negotiations guarantees at the same time that the interests of the developing countries be neither harmed nor prejudiced in any way whatsoever.]

6. To be drafted

7. The negotiations shall cover tariffs, non-tariff barriers and other measures which impede or distort international trade in both industrial and agricultural products, including tropical products and raw materials, whether in primary form or at any stage of processing including in particular products of export interest to developing countries and measures affecting their exports. ~~In~~ the negotiations due account shall be taken of the specific characteristics of each class of products ~~in particular the specific characteristics of agricultural products~~ ~~whether agricultural or industrial.~~

8. Within the framework of the overall objectives and principles set out above, the negotiations should, inter alia:

(a) be designed to secure a substantial reduction, phased as appropriate, in tariff protection and distortions /and to preserve/ /and, in so doing, having fully in mind/ /the Generalized System of Preferences;/

(b) be designed to reduce or eliminate non-tariff measures or, where this is not appropriate, to reduce or eliminate their trade restricting or distorting effects, and to bring such measures under more effective international discipline;

(c) include an examination of the possibilities for the co-ordinated reduction or elimination of all barriers to trade in selected sectors as a complementary technique;

(d) include an examination of the adequacy of the multilateral safeguard system with a view to furthering trade liberalization and preserving its results;

(e) /realize, with regard to trade in agricultural products, a steady expansion of such trade under /stable market conditions/ /orderly market conditions/ /stable, equitable and remunerative prices/ taking into consideration the special circumstances in the agricultural field;/

OR

/take due account, where appropriate, of any special problems of particular products, whether agricultural or industrial;/

OR

/give due consideration to special characteristics of certain products, or classes of products, including agricultural products, recognizing that different solutions may be required according to the particular circumstances;/ and

(f) treat tropical products as a special and priority sector.

9. The negotiations shall be considered as one undertaking, the various elements of which shall move forward together.

10. Support is reaffirmed for the principles, rules and disciplines provided for under the General Agreement.¹ /In considering possible improvements in the international framework for the conduct of world trade which might be desirable in the light of progress in the negotiations, care/ /Consideration shall be given to improvements in the international framework for the conduct of world trade which might be desirable in the light of progress in the negotiations. Care/ shall be taken to ensure that any measures introduced as a result of this consideration are consistent with the overall objectives and principles of the trade negotiations /and particularly the objective of liberalizing trade./ /Any change in the international framework for the conduct of international trade shall take full account of preferential or differential treatment for developing countries./

¹This does not necessarily represent the views of representatives of countries not now parties to the General Agreement.

11. A Trade Negotiations Committee is established, with authority, taking into account the present Declaration, inter alia:

- (a) to elaborate and put into effect detailed trade negotiating plans and to establish appropriate negotiating procedures /, including special procedures for the negotiations between developed and developing countries.7
- (b) to supervise the progress of the negotiations.

The Trade Negotiations Committee shall be open to participating governments.¹

The Trade Negotiations Committee shall hold its opening meeting not later than 1 November 1973.

12. The multilateral trade negotiations /shall/ /should/ be concluded in 1975.

¹Including the European Communities.