

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Thirty-Second Session

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SUMMARY RECORD OF THE THIRD MEETING

Held in the Palais des Nations, Geneva,
on Tuesday, 23 November 1976, at 3.30 p.m.

Chairman: Mr. EASTERBROOK SMITH (New Zealand)

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1. Activities of GATT

Mr. STONE (Canada) noted that while there was still uncertainty concerning the international economic situation there were also hopeful signs of recovery from the recession. These signs of recovery were not yet entirely clear and did not appear in the economies of all countries. He noted that the past period had been particularly difficult for many developing countries. The recession had given rise to protectionist pressures and balance-of-payments problems in many countries, but the General Agreement and the MTN had had an important restraining effect on the proliferation of such measures. He stated that the experience of the past year had demonstrated that the GATT continued to provide an invaluable set of rules for governing world trade and an essential framework for the resolution of bilateral problems, for consultations, and for conciliation of disputes. The economic problems had had an effect on both developed and developing countries. It was therefore to be hoped, since there were signs of recovery, that the international trading environment would not be set back by other measures which could have an adverse effect on economic recovery.

He emphasized that Canada continued to attach great importance to the principles of the Tokyo Declaration and to the successful conclusion of the MTN in terms of reducing barriers to world trade and stimulating economic development to the benefit of all contracting parties, including the developing countries. His Government continued to be conscious of the aspirations and objectives of the developing countries in these negotiations and to stand by the spirit and intent of the Tokyo Declaration in its provisions relating to developing countries.

Mr. HLAVATÝ (Czechoslovakia) said that the world was facing economic problems which had a serious impact on both developed and developing countries. In this situation there was a temptation to solve domestic problems by means of trade restrictive measures. This might well lead to a chain reaction of restrictive measures imposed by other countries and eventually to losses for the whole trading community. Protection against such disturbances was particularly important for the smaller industrialized countries because their flexibility to adapt to such disturbances was limited because of their dependence on foreign trade and the structure of their industries. In these circumstances, the contracting parties should resist protectionist pressures and reconfirm self-discipline in their trade policy. In his view there was an urgent need to follow policies of joint responsibility, not only through the better use of the provisions of the General Agreement but also through the removal of discriminatory measures. In this connexion, he pointed out that one contracting party had not applied the provisions of the General Agreement including most-favoured-nation treatment, with respect to his country for more than twenty-five years.

It was also important that protectionist pressures should not endanger the liberalization efforts taking place in the multilateral trade negotiations. He emphasized the need to accelerate the negotiations with a view to obtaining a high level of liberalization which would secure a stable expansion of trade for the benefit of all participating countries. He recognized the difficult situation faced by developing countries caused in particular by their balance-of-payments deficits and discrepancies in their terms of trade. His country intended to participate in the search for appropriate solutions to the problems in compliance with the spirit and intent of the Tokyo Declaration.

Mr. PHAN VAN PHI (European Communities) noted that there had been some economic recovery which however was unequally shared by contracting parties. There were, on the other hand, recent indications of some slowing down and it was not possible to say with certainty that the economic recovery would continue. Because of these uncertainties one could not exclude an aggravation in the inflation, a further deterioration in the balance-of-payments situation of deficit countries, a marked slowing down in economic growth and an increase in unemployment. If this should happen it would be more difficult for individual governments to resist protectionist pressures, but this was all the more reason for the contracting parties to increase their efforts, individually and collectively, to fight inflation and contain protectionism. This situation was proof of the interdependence of the economies and the common responsibility of governments.

He pointed out that the GATT had survived the economic crisis without any major damage and, apart from certain exceptions, there had been no generalized recourse to protectionism. He considered this a proof of the flexibility to adapt themselves and the collective wisdom of the CONTRACTING PARTIES. He stated that in the GATT realism prevailed, not by modifying the rules but rather by adjusting their application, by supplementing them and by relying on precedents.

Turning to the multilateral trade negotiations, he recalled the interest of the Community to preserve the principles and the rules of the GATT and to pursue an international trading system which was more liberal, more open and more secure. He reaffirmed the Community's objective to conclude the negotiations by the end of 1977. This required hard work, but it was also possible that at some point one might have to make a choice between very ambitious goals which would require too much time to realize or a rapid conclusion with less ambitious but reasonable and substantial results. He recalled the Community's attachment to the Tokyo Declaration, particularly paragraph 8 which states that the various elements in the negotiations should move forward together. He also recalled that priority should be given to tropical products and stated that the process of consultation and negotiation in this sector was about to be concluded. He confirmed that the EEC was prepared, subject to its internal procedures, to implement on 1 January 1977, its offers relating to its generalized system of preferences as well as to its tariff reductions on a most-favoured-nation basis.

With regard to agriculture, he recalled that the Community had put forward proposals in the three Sub-Groups, and that these proposals had progressively been completed and made more detailed. He also recalled that for several months the Community had been prepared to hold a meeting of the Group "Agriculture", to deal with concrete issues such as the examination of the applicability of the draft Code on Standards to agricultural products. He also stated that the Community was actively engaged in the procedure of consultations established by the Group for the agricultural products not covered by the three Sub-Groups. He stressed that the Community was determined to do its utmost in order that the negotiations might be successfully concluded by the end of 1977. He also emphasized that all participants in the negotiations shared the responsibility for the advancement and conclusion of the negotiations. This implied that contributions were expected from all countries, be it in different forms, and in proportion to their state of development and their economic situation, but it implied a higher degree of tariff concessions on the part of some developed countries and even on the part of some more developed countries among the developing countries. The negotiations should thus provide an improvement in the overall balance of rights and obligations of all participating countries.

He stated that the Community was particularly aware of the responsibilities of developed countries with regard to developing countries, especially the least developed developing countries. He mentioned that the Community already had several concrete frameworks of co-operation and discussion with developing countries. These included agreements on technical co-operation, trade promotion, food aid or financial co-operation, as well as agreements such as the Lomé Convention, the agreements concluded with the Mediterranean countries and the commercial co-operation agreements with the developing countries of Asia and Latin America. He said that the Community would continue to improve its GSP, which in 1977 would be improved by the inclusion of new products and by increasing preferential margins and the volume of trade covered by the scheme. With regard to the Conference on International Economic Co-operation, he stated that the Community was well aware of the value of this discussion and was continuing to prepare for the final phase in a positive and constructive spirit.

Mr. METAXAS (Greece) said that after one of the most important recessions, there was now an economic recovery which should have a favourable effect on trade and the economic development of other countries. This recovery, however, was accompanied by a persistent danger of inflation. However, this situation should not lead to the application of a restrictive trade policy since this would only result in a decline in international trade, and would have serious repercussions on the exports of developing countries. The impact of the economic recession and of inflation on developing countries had been considerable, especially on their balance-of-payments positions and on their external debts. He noted that the GATT had had an important rôle in preserving trade liberalization and preventing the application of measures which would have a restrictive effect on world trade.

He considered that the multilateral trade negotiations were the appropriate way towards a suppression of obstacles to trade and a high level of liberalization in international trade. In accordance with the Tokyo Declaration, substantial progress should be made in all fields of the negotiations taking into account the particular problems and difficulties of developing countries. Special treatment was necessary to facilitate access to markets for the exports from developing countries. In this connexion a review of Part IV of the General Agreement would be appropriate to make this part operative and to ensure a rapid and sustained expansion of exports by developing countries.

He welcomed the establishment by the Trade Negotiations Committee of a Group to examine possible improvements in the international framework for the conduct of world trade particularly with respect to trade between developed and developing countries. He also welcomed the extension of the mandate of the Consultative Group of Eighteen. He suggested that the Group should give special attention to the question of balance-of-payments problems. In conclusion, he stated that his country would actively participate in initiatives for the development of trade between developing countries. In this connexion he emphasized the need to expand the Protocol of Trade Negotiations among developing countries, as regards its participation, product coverage and the scope of its concessions as well as progress towards the elimination of non-tariff measures.

Mr. ADEWAKUN (Nigeria) drew the attention of contracting parties to the commendable efforts being made by the OPEC countries in general and his country in particular, to give financial aid in various forms to other developing countries in balance-of-payments difficulties. He stated that these efforts of the OPEC countries should be appreciated. Turning to the multilateral trade negotiations, he expressed satisfaction at the progress made in the tropical products sector. He pointed out however that it had often been difficult for many developing countries to send delegations to Geneva to participate in the negotiations. Therefore, it was possible that, although offers had been made, products of interest to such developing countries might not have been included. He appealed therefore that requests for concessions from such developing countries submitted after the implementation of the offers on 1 January 1977, should be considered with sympathy.

On the question of reciprocity, his delegation supported the general view of developing countries of making a general contribution under the MTN rather than making specific contributions to individual countries. With regard to the GSP he expressed support for the general suggestions made by developing countries for making the system more effective. He expressed disappointment, however, that his country had not been included in the GSP scheme of the United States. He appealed for the disinvocation of this measure discriminating against OPEC countries.

He expressed satisfaction at the useful rôle played by the Consultative Group of Eighteen. He expressed general dissatisfaction, in particular with the provisions of Article XIX and Part IV of the General Agreement. He suggested that even without a general review of the GATT the provisions of Part IV should be strengthened.

He expressed support for the establishment of the "Framework" Group and stressed the need for appropriate co-ordination so as to avoid duplication of functions of the other groups. It was also necessary for all interested groups, developing countries and major trading nations, to be adequately represented in the Group.

He stated that developing countries had actively participated in the drafting of a Standards Code and he trusted that their views would be incorporated in the final draft. He hoped that the draft would be ready by the end of the year so that it could be submitted to the various governments for consideration.

In conclusion, he drew attention to the serious problems faced by developing countries in the field of health and sanitary regulations. In many cases exporters from developing countries were unaware of the details of such regulations. He appealed that developed countries should co-operate fully with the developing countries in this respect.

Mr. AHMED (Bangladesh) welcomed the recent TNC decision to establish the "Framework" Group, despite the fact that there was not yet complete agreement on the subjects which should be discussed. He further noted with satisfaction that one of the subjects suggested for this new Group, was the question of differential and more favourable treatment to be accorded to developing countries. In this connexion he drew attention to paragraph 6 of the Tokyo Declaration, which called for special attention to be given to the particular problems of the least developed countries. He urged the Group to look also into this question in respect of which so far nothing had been done in the trade negotiations. He appreciated the tariff reductions offered in respect of tropical products but in the multilateral negotiations generally the questions of differential treatment for developing countries and in particular for the least developed countries had not yet been given attention. He supported the objective to conclude the negotiations by the end of 1977. As regards tropical products, he noted that many developing countries were dissatisfied with the offers. As a result of consultations some offers had been improved, but some others had not. He therefore urged developed countries to improve their final offers as much as possible, and to extend the range of products.

He stated that the MTN would not be of much benefit to developing countries unless they led to concrete results concerning non-tariff measures. It was important therefore, that the inventory of non-tariff barriers be completed and be utilized in the negotiations.

He pointed out that the Generalized System of Preferences was a series of unilateral actions, which did not provide much security for the beneficiary countries. He recalled that the Tokyo Declaration recognized the importance of maintaining and improving the GSP. He expressed appreciation for the technical assistance provided to developing countries, which was particularly important for the least developed countries.

Mr. CHE FONG YEE (Malaysia) referred to the many trade restrictive measures taken by developed countries, which affected a wide range of exports from his country, often products of newly established industries for which the machinery and technology had been purchased from the developed countries which now restricted imports of the goods produced. He noted that developed contracting parties had given various explanations to justify the restrictions, but they should also take into account the great difficulties faced by the developing countries due to those measures. He pointed out that although the GATT provided for the possibility of remedial action and even retaliation, the developing countries were not in a position to apply effectively retaliatory measures. Therefore the GATT should be strengthened, so as to be more effective in preventing trade barriers and especially those affecting the trade of developing countries.

He recalled that at the Ministerial Meeting in 1963, developed countries had agreed to grant duty-free entry to their markets for tropical products and pointed out that now, thirteen years later, the question of special measures to facilitate trade in tropical products was still being discussed.

He considered that improvements in the schemes of the Generalized System of Preferences were a positive step but that the results of the work of the different groups of the MTN were not yet encouraging. He hoped to see an appreciable improvement in the conditions of access to markets for products from developing countries which would enable them, in the future, to have a better share of world trade.

Mr. TEESE (Australia) said that the economies of developed as well as developing countries had gone through a very difficult period in the last few years. Although there were now some hopeful signs of economic recovery at least in some developed countries, the economy in his own country had so far not shown any sign of improvement. He stated that the activities of GATT were quite rightly being placed in the context of the world economy, but he pointed out that while the GATT was affected by the state of the economies of the contracting parties, it was not within its power to shape the state of individual economies or even the world economy. Australia saw the GATT basically as a series of contractual obligations and rights and as an instrument for the discussion of trade problems which arose between contracting parties. He noted that, during the past years, the debates in the various GATT fora had become more numerous and welcomed the fact that rational discussions had been possible on trade problems and actions taken by contracting parties, against the background of their rights and obligations. He therefore considered that the GATT had served the contracting parties well during the period of difficulties, in shaping trade relations between countries and in helping to achieve the most liberal possible international trading system. He considered that the GATT was well equipped to face the future in spite of the changes that would have to be made, for example, to accommodate into its system the problems of developing countries.

He stated that the most important task for the GATT in the coming year would be to conclude the multilateral trade negotiations in a successful manner. He reaffirmed Australia's firm commitment to the negotiations in which it would continue to participate actively. He stressed that the negotiations should bring about meaningful trade liberalization. As far as Australia was concerned the negotiations could not be successful if the problems of primary products, including agricultural products, could not be met and to some extent solved. One should try to strike a balance of advantages so that all participants could be satisfied with their outcome. He contended that the goals for the negotiations should not be too ambitious and it would be preferable to have limited goals which were obtainable within a reasonable period of time.

Mr. MEMSAH (Ghana) said that major developments in restructuring international trade were taking place. He welcomed in particular the conclusion of the Lomé Convention as a major development which was fully consistent with the objectives, in particular of paragraph 6, of the Tokyo Declaration. It was still too early to assess the full impact of the Convention, in particular on the benefits it provided to the great number of least developed among the developing countries which had signed the Convention. It was already evident, however, that this was a positive development and that special arrangements of this nature were guided by the principles of paragraph 6 of the Tokyo Declaration. He noted that considerable efforts were already being made in the multilateral negotiations, from which the developing countries as a group expected to obtain considerable improvement in their situation. All participants were aware of the special needs of developing countries and there was still time to achieve substantial results.

His delegation furthermore attached great importance to the work of the Group of Eighteen, in particular as regards the co-ordination between the IMF and the GATT. Many trade problems resulted from the fact that there was at present no stable international financial system. It was important that through increased co-operation between the GATT and the IMF attention was drawn to the relationship between a stable financial system and world trade.

Mr. MARTINEZ (Argentina) stated that 1976 had been a year of great activity in the GATT but, in his view, the results were not very satisfactory.

He referred to three aspects of the work of GATT. The first aspect was directly related to the application of the provisions of the General Agreement to international trade. He could not say, as other speakers had previously stated, that the Agreement had prevented many restrictive measures from being imposed by other contracting parties. It was impossible to quantify something which had not occurred and on that basis to determine whether the GATT through

its very existence had operated as a moderator in international trade. He could state however that no effective measures for improved access to markets had been implemented, that prices of many commodities of interest to developing countries had fallen and that new restrictive measures had been introduced. Thus, the results of the application of the GATT could not be seen as very positive.

As a second group of activities, he noted those related to the multilateral trade negotiations. He mentioned that the Trade Negotiations Committee had not met to discuss the work of the different groups as a whole. This was understandable, as the results of such a meeting would have been quite negative. The little that had happened, in the field of tropical products, was totally unsatisfactory to the developing countries, to which this action was specifically addressed. The negotiations had for a further year remained in the preparatory stage and no effective negotiations had been carried out in any Group or Sub-Group.

Commenting on the third aspect of the activities of GATT in 1976, the treatment given to developing countries, particularly in the light of the provisions of Part IV, he emphasized the total lack of response that developing countries had found in the GATT. He expressed his deep concern for the fact that the provisions of Part IV had not been operative; it had not even been accepted by all contracting parties. He had grave doubts as to how one could discuss in a new group improvements in the relationships between developed and developing countries, if the existing provisions did not operate.

Referring to the future of the negotiations, he said that it was essential that they should be relaunched in 1977 and lead to effective results compatible with the Tokyo Declaration. Many delegations had stated that they attached great importance to the contribution developing countries would make to the negotiations. He pointed out, however, that this contribution was not only related to the economic situation of developing countries and their social and economic development, but it was directly linked to securing real additional benefits which, according to the Tokyo Declaration, would accrue to the developing countries from the negotiations.

Mr. HARAN (Israel) stated that while a great number of trade measures taken by contracting parties had been considered by the Council, it had also occurred that actions had not been notified to the GATT. He stressed that trade measures should always be notified in accordance with the obligations of all contracting parties. He noted that the actions related either to emergency measures taken to safeguard particular products, or to measures generally taken for balance-of-payments reasons. He noted that as regards safeguard measures, efforts were now being made in the multilateral negotiations for an improvement of the rules for their application. He emphasized, however, that the principal problem for developed

as well as developing countries, was the important deficit in their trade balances. The fact that the importance of this problem was not always reflected in the trade policy of the country concerned found its causes in the GATT, in the trade pledge made by OECD member States, but also in the introduction of floating exchange rates which, in theory, although not in practice, should make trade restrictions unnecessary. The problem of trade deficits was so widespread and affected so many countries that it was essential to have it considered in the GATT. He recognized that discussions were being launched in the multilateral negotiations for an improvement in the framework of international trade, but considered that this would not be sufficient. The problem of trade deficits and the extent to which the change in the rules of the IMF reflected on GATT, had to be reviewed separately. He reaffirmed Israel's support for the MTN and in particular for the Framework Group, despite the fact that there was still some argument concerning the subjects to be discussed. He stressed in this connexion that no country had the right to refuse to negotiate any specific question that the Tokyo Declaration had declared to be negotiable. With regard to agriculture, he stated that progress must be made in the negotiations for all agricultural products, not only those covered by the three Sub-Groups. He also noted that some agricultural products were being negotiated in other fora, such as the UNCTAD integrated programme, and suggested that the GATT should be represented in these negotiations. In conclusion, he stated that Israel supported efforts to enlarge and deepen the scope for trade among developing countries under the Protocol Relating to Trade Negotiations Among Developing Countries and suggested that the presence in Geneva of trade negotiating teams provided a unique opportunity for carrying out negotiations to this effect.

Mr. TAN (Singapore) referred to the question of contributions to the GATT budget and pointed out that the criteria for determining the contributions had been fixed a long time ago and did not take into consideration the unique situation of a country like Singapore. As a consequence the present rate of the contribution for his country was out of proportion to its economic situation.

He regretted to note that barriers to trade were still in existence and had sometimes even been aggravated. He regretted in particular, that these barriers mainly affected products in the production of which developing countries had become competitive exporters. He recognized that against the background of the adverse economic conditions the GATT might well have had a restraining effect and that more actions could have been taken otherwise. He noted, however, that while under the adverse economic conditions the production, in particular of textiles for example, had been reduced in all countries, only the developing exporting countries continued to face import barriers or even additional barriers.

He stated that the developing countries had placed great hopes in the multilateral trade negotiations when they were launched three years ago. He noted, however, that the efforts and many activities, particularly in the last year, had so far not been very productive. He still hoped, however, that it would be possible within the time-limit set, to conclude the negotiations with reasonable and substantial results. With respect to tropical products, he recognized that a number of developed countries had made a genuine attempt to make a substantial offer, but in his view the total amount of the offers was still very small and covered only a very minor percentage of total trade. Requests for improvements in offers in many cases had been of no avail. In concluding, he stressed that no product of export interest to developing countries should be excluded from the negotiations and that if products were included they should not appear on developed countries' exception lists.

Mr. HAMZA (Egypt) stated that 1976 had been a year of critical difficulties for developing countries and he expressed regret that in GATT no extraordinary measures had been taken to ameliorate this situation, as had been done in certain other international organizations. He considered that a number of positive measures could have been taken, especially to help the most seriously affected developing countries, and suggested that no new restrictions should apply to products of vital interest to developing countries, that existing quotas should be increased for such products, and furthermore, that developing countries should be exempted from trade measures taken for balance-of-payments reasons and that they should not be required to extend voluntary export restraints. He stressed that such, and similar, emergency measures for the relief of developing countries, should be urgently considered.

Mr. AHMAD (Pakistan) expressed his deep concern about the difficulties developing countries were facing as a result of the world economic situation. He considered that greater importance should be given to the problems of developing countries, whether in the implementation of Part IV of the General Agreement, in the context of the multilateral trade negotiations or in the Group Tropical Products.

He emphasized his concern over the non-implementation of the provisions of Part IV by developed contracting parties. In his view, the developed countries, when introducing restrictions, did not take into account the particular interests of developing countries, with the result that the restrictions applied on a non-discriminatory basis to all contracting parties alike. He considered that a rigid application of the principle of non-discrimination ran counter to the intent of Part IV and to the interests of developing countries. He urged that some form of discrimination in favour of developing countries be introduced. Such differentiated treatment would be fully consistent with Part IV and should exempt developing countries whenever trade restrictive measures were applied by developed countries.

Referring to the multilateral trade negotiations he considered that the negotiations should be advanced with greater speed than heretofore. He urged that developed countries should agree on a set of differential measures in favour of developing countries. He particularly stressed that no products or sector of interest to developing countries should be excluded from the negotiations. He considered that the work in the Group Tropical Products had been useful to some extent, but that further efforts should be made to achieve better results for developing countries. Such efforts should relate to improvements in the offers, the readiness of developed countries to abolish non-tariff measures and to providing security for the GSP schemes. Moreover, the expectation of reciprocity by developing countries in connexion with tropical products should be ruled out completely.

He finally stated that his delegation attached great importance to the work that would be carried out next year by both the Consultative Group of Eighteen and the Group on the International Framework for the Conduct of World Trade.

2. Date of the thirty-third session

The CHAIRMAN proposed that the thirty-third session of the CONTRACTING PARTIES be held in the week beginning 28 November 1977. This suggestion was made with the understanding that the Council would be asked to fix the duration of the session and the actual date in the course of next year.

The CONTRACTING PARTIES agreed to the date of the thirty-third session as proposed by the Chairman, with the understanding suggested.

3. Election of officers

The following nominations were made:

Chairman of the CONTRACTING PARTIES	Mr. C. Alvares Maciel (Brazil)
Vice-Chairmen of the CONTRACTING PARTIES	Mr. A. Alatas (Indonesia) Mr. P.M. Colmant (France) Mr. J. Nyerges (Hungary)
Chairman of the Council of Representatives	Baron C. de Geer (Sweden)
Chairman of the Committee on Trade and Development	Mr. M. Hamza (Egypt)

The CONTRACTING PARTIES agreed to elect the officers nominated.

4. Closure of the session

The CHAIRMAN, in his concluding remarks said that the discussions during the session had underlined the responsibilities borne by all in the present international economic situation. The positive statements had made it clear that the contracting parties continued to recognize these responsibilities and that they intended to discharge them in a manner which reflected their awareness of the interdependence of actions and policies in the economic and trade fields, and which took into account the particularly serious nature of the difficulties which confronted all, and especially the developing and less powerful contracting parties. The balanced and stable growth of individual economies depended increasingly on a balanced and equitable growth of international trade, and this in turn depended on close co-operation and a mutual commitment to the objectives, principles and rules of the General Agreement in all areas of trade.

He believed that there were a number of important points which had emerged from the discussions.

First, there was general acceptance that, despite the problems faced by many, the contracting parties had to redouble their efforts to preserve the liberalization already achieved. He noted that all contracting parties had recognized the need to increase their determination to refrain from the use of trade restricting and trade distorting measures.

Second, there had been a widely expressed need for better implementation of Part IV of the GATT, so as to ensure that exports of developing countries were protected from the application of new restrictions and to minimize the impact on their economies of adverse developments in the international economy. There would also be need to give more consideration to the development of policies aimed at finding solutions for the difficulties affecting developing countries. Mention had been made of the rôle which extended trade exchanges among developing countries within the framework of the developing countries' protocol could play in allowing these countries to take advantage of complementarities of production among them. The Council and the Committee on Trade and Development would be expected to keep these matters under close review.

Thirdly, many references had been made to an expeditious settling of disputes and to the importance of dealing with them in a manner which took into account the interests of all concerned. In this regard there had been general acceptance to make full use of the GATT notification procedures and of the opportunities for consultation and conciliation in order to avoid unilateral measures or the proliferation of bilateral or plurilateral ad hoc arrangements.

Finally there had been widespread support for the need to accelerate the momentum of the Multilateral Trade Negotiations and to make rapid and substantial progress in all areas of the negotiations within the time-frame foreseen. This presupposed in particular that an early and viable solution be found to the manner in which agriculture was to be dealt with in these negotiations.

In concluding, and in closing the session, he expressed his gratitude to all representatives for their co-operation and help, which had facilitated his task.

Mr. MACIEL (Brazil) thanked the CONTRACTING PARTIES for his election. He expressed the hope that he might be the last Chairman of the CONTRACTING PARTIES to the GATT in its present form. He considered it particularly difficult to succeed Mr. Easterbrook Smith but he would do his best to fulfil this task. He thanked Mr. Easterbrook Smith on behalf of the CONTRACTING PARTIES for the way in which he had carried out his function.

The session closed at 6.15 p.m.