GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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CONTRACTING PARTIES Thirty-Eighth Session

SUMMARY RECORD OF THE TENTH MEETING

Held in the Geneva International Conference Centre, on Tuesday, 30 November 1982, at 4 p.m.

Chairman: Mr. DONALD S. McPHAIL (Canada)

- Subjects discussed: 1. Report of the Council, continued
 - 2. Dates of the thirty-minth session
 - 3. Election of officers
 - 4. Closure of the session
- Report of the Council, continued (L/5414 and Corr.1; L/5414/Add.1 and Corrs.1 and 2; L/5414/Add.2) 1 1.
- 1(a) Preparations for the Ministerial meeting

The CHAIRMAN recalled that this sub-point had been deferred until later in the session since it dealt with matters to be taken up during the Ministerial part of the session.

Mr. HILL (Jamaica) said that he had raised in the Council and in the Preparatory Committee the question of the financial implications of the Decision. Now that the Ministerial Declaration had been adopted, it was up to the CONTRACTING PARTIES to examine the costs. He enquired whether this matter would be dealt with at the next meeting of the Council.

The DIRECTOR-GENERAL said that it was his intention to distribute prior to the end of the week the results of the assessment by the secretariat of the additional expenditures that could be incurred in the work programme of GATT as a result of the implementation of the Ministerial Declaration. Thereafter the Committee on Budget, Finance and Administration would be convened in the latter half of the following week.

 $[\]frac{1}{L}$ L/5414/Add.1/Corr.2: French and Spanish only

The CONTRACTING PARTIES adopted sub-point 1(a) of the report of the Council.

Point 3 - Consultative Group of Eighteen

The CHAIRMAN recalled that the CONTRACTING PARTIES had adopted this point in the Council's report but had left open the composition of the Consultative Group. He announced that following consultations among delegations, the composition of the Consultative Group for 1983 would be as follows:

Argentina, Australia, Brazil, Canada, Colombia, Egypt, European Communities and their member States, Hungary, India, Japan, Nigeria, Norway, Pakistan, Singapore, Switzerland, Turkey, United States and Zaire.

Mr. VILLARAN (Peru) said that in view of the fact that Ambassador Jaramillo (Colombia) was Chairman of the Informal Group of Developing Countries in GATT, Peru had decided to yield in 1983 its seat in the Consultative Group.

Mr. CARVAJAL (Chile) said that his delegation had supported the move by the Latin American Group in respect of the candidacy of Ambassador Jaramillo to the Consultative Group.

Mr. JARAMILLO (Colombia) said that the Consultative Group consisted of contracting parties and not of individuals.

Mr. SOLA VILA (Cuba) said that while his delegation agreed with the proposed composition of the Consultative Group, he felt that it was somewhat like the Security Council of the United Nations in that there were permanent seats and others.

The CONTRACTING PARTIES <u>approved</u> the composition of the Consultative Group of Eighteen.

<u>Point 13</u> - Trade restrictions affecting Argentina applied for noneconomic reasons

The CHAIRMAN recalled the discussions that had taken place earlier in the session on this matter and said that further consultations had resulted in a revised draft decision concerning Article XXI of the General Agreement (W.38/5) which he had circulated for the consideration of delegations. He said that the initial portion of the text should read "Considering that the exceptions envisaged in Article XXI of the General Agreement constitute".

Mr. MARTINEZ (Argentina) said that, in the light of the considerable efforts that had been made by the Chairman and delegations to reach a consensus on this sensitive subject, he could support the text contained in W.38/5. His delegation regarded operative paragraph 2 of the text as covering all actions to which contracting parties might have recourse to defend their rights under the General Agreement.

Mr. SOLA VILA (Cuba) said that his delegation wished to join the consensus in favour of adopting the draft decision, and supported the interpretation of the representative of Argentina in regard to operative paragraph 2.

The CONTRACTING PARTIES adopted the draft decision (L/5426).

The CONTRACTING PARTIES adopted point 13 of the report of the Council.

Having adopted all the points in the report of the Council, the CONTRACTING PARTIES adopted the report as a whole and took note of the statements.

2. Dates of the thirty-ninth session

The CHAIRMAN proposed that the thirty-ninth session of the CONTRACTING PARTIES be held at about the same time as the present session, bearing in mind the possibility for the Council to fix the dates and the duration of the next session with greater precision in the course of the year, and even to modify the dates if circumstances made this desirable.

The CONTRACTING PARTIES <u>agreed</u> to hold their thirty-ninth session in the week beginning on 21 November 1983. The Council was authorized to fix the opening date and the duration of the session in the course of next year.

3. Election of officers

The following nominations were made:

Chairman of the CONTRACTING PARTIES: Mr. Bhagirath Lal Das (India)

Vice-Chairmen of the CONTRACTING PARTIES:

Mr. Peter S. Field (Australia) Mr. Federico Grunwaldt Ramasso (Uruguay)

Mr. János Nyerges (Hungary)

Chairman of the Council of Representatives:

Mr. Hans V. Ewerlöf (Sweden)

Chairman of the Committee on Trade and Development:

Mr. Kazimir Vidas (Yugoslavia)

The CONTRACTING PARTIES agreed to elect the officers nominated.

4. Closure of the session

Mr. JARAMILLO (Colombia), speaking on behalf of the Informal Group of Developing Countries, thanked the Chairman for the way in which he had conducted the work during the session and in the Preparatory Committee. He also thanked Mr. Das (India) for the work done as Chairman of the Council and in preparing the text for the Ministerial meeting.

In his closing remarks, the CHAIRMAN said that this had been without doubt the most significant session of CONTRACTING PARTIES in the past decade - not merely because Ministers were present but because of the severity of the problems faced and the magnitude of the efforts made to deal with them. For all delegations and for the secretariat the process of preparation over the preceding twelve months had created an exceedingly heavy burden of work. He did not wish to leave the Chair without extending his sincere gratitude to each and every person involved in what had been a mammoth undertaking. The Ministerial meeting had taken place against the background of a grim and menacing economic situation. There could not have been a more difficult climate in which to bring Ministers together under the GATT. The fact that they had met, that they had the opportunity to appreciate that they shared many of the same difficulties and had been thoroughly sensitized to the importance of preserving the trading system, would be of lasting benefit. He said that over the past year all had been under heavy pressure. He did not think that the coming year would be very much easier. The GATT now faced the task of ensuring that the consensus reached by Ministers was put into effect - promptly, efficiently and in full. This heavy responsibility fell in the first instance to the newly elected Chairmen of the CONTRACTING PARTIES and of the Council. He considered it fortunate to have such men in these posts; but they would need all the support and goodwill of everyone, both among delegations and in the secretariat. It should be ensured that the resources available to the secretariat would be equal to the workload placed on it by the Ministers. It was in the carrying out of the work programme and the studies which had resulted from the Ministerial Declaration that the GATT would give substance to the political commitments which Ministers had undertaken on the previous day. The task laid upon the GATT should now be performed in good faith.

Mr. DAS (India) expressed his thanks to the contracting parties for having elected him into the highest office in GATT, which he considered as a great honour bestowed on him and on his country. He also thanked the representatives for the assistance they had given to him while serving as Chairman of the Council during the past year, which had been a particularly difficult one for the Council. Looking to the future he said that the year ahead would not be an easy time for the GATT and particularly for the Council, since whatever had been decided by the Ministerial Declaration would only have meaning in the light of the work to be performed by the Council and the Committee on Trade and Development. He stressed that the trend of GATT would be evident from the functioning of these two bodies and from the responses of individual contracting parties to the decisions of these bodies during the first few months of the year. He said that all looked forward to it with hope, optimism and caution. He said that the outgoing Chairman had worked with distinction not only as Chairman of the CONTRACTING PARTIES but also as Chairman of the Preparatory Committee. In the latter capacity the outgoing Chairman's efforts had resulted in the text which had formed the basis for the intensive work of the Council.

Mr. EWERLOF (Sweden) thanked the contracting parties for having elected him as Chairman of the Council, which was an honour to his country as well as to himself. He said that the Council had been called upon by the Ministers to carry out a large amount of important work. In this respect he took comfort from the knowledge that there was in Geneva a team of people in the permanent missions who had learned to work closely together in the common desire to make best use of and to defend the GATT institutions. He felt reassured that he could count on the active support of the contracting parties. He himself would do his best to justify the confidence placed in him.

Mr. HILL (Jamaica) wished the newly-elected Chairman of the Council success in his work and recalled that the Minister of Jamaica in his statement had drawn attention to the fact that the momentum started in the Council for improved notification, surveillance and dispute settlement procedures should be continued and be given attention and priority in the forthcoming work of the Council.

The session closed at 5:45 p.m.