

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Special Distribution

MINUTES OF THE MEETING OF A GROUP OF LESS-DEVELOPED COUNTRIES ON 2 NOVEMBER 1965

Prepared by the Secretariat

1. The thirtieth in a series of meetings of a group of less-developed countries was held on 2 November 1965, under the chairmanship of H.E. Mr. E. Letts, Ambassador of Peru.
2. The meeting was attended by the representatives of Brazil, Chile, Cuba, Ghana, India, Indonesia, Israel, Jamaica, Peru, Trinidad and Tobago, United Arab Republic, Uruguay and Yugoslavia.
3. The meeting was convened to consider the proposal set out in paragraph 6 of document LDC/M/29.
4. Most members agreed that in general the proposal provided a useful approach to the establishment of a practical programme of action for the expansion of trade between less-developed countries. In this connexion it was pointed out that certain other matters not at present mentioned in paragraph 6 such as the financing of exports might also need to be studied and discussed. The group also recognized that it would be helpful to undertake an exercise along the lines of the proposal, not only as a practical approach to give effect to the declaration of intention by less-developed countries to expand trade between themselves in the context of the Kennedy Round, but also in relation to the forthcoming meeting of the Ad Hoc Group on Expansion of Trade among Less-Developed Countries.
5. It was observed that points 1, 2 and 3 of the proposal at paragraph 6 involved primarily the collection of data and this could be taken in hand immediately by the delegations in Geneva. Points 4 and 5 contained certain other elements involving policy issues on which governments would need to take a view. Further, concerning action which less-developed countries might wish to take in the field of payments arrangements and transportation, it was pointed out that account would have to be taken of the work being done by the UNCTAD Committees on Shipping, on Invisibles and Financing, and the UNCTAD Expert Group on International Monetary Issues dealing with the adequacy of liquidity from the point of view of less-developed countries. Also the link between the establishment of preferences by developed countries in favour of developing countries and the exchange of preferences among less-developed countries should not be overlooked.

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6. While most members of the group agreed to commence compilation of the data required under points 1, 2 and 3 of the proposal, and to seek instructions from their governments on points 4 and 5, some members of the group indicated that it was necessary for them to seek instructions from their governments on all the points contained in the proposal. One member of the group stated that his delegation may not be in a position to make a meaningful contribution to this exercise until his government had considered a number of other elements relating to the problem of expanding trade of less-developed countries, some of which were being studied elsewhere. It was, moreover, the understanding of his delegation that the study of measures aimed at implementing the declaration of intention, by less-developed countries to expand their mutual trade, would be pursued actively but not on the basis that these measures would be drawn up during the currency of the Kennedy Round itself.
7. It was generally agreed that the consolidated list of products which had been notified as being of export interest to less-developed countries in the context of the Kennedy Round could be taken as a starting point for compilation of data under points 1, 2 and 3 of the proposal. However, it was open to each country to suggest other products of export interest to it which it wished to be taken into account. It was pointed out that the products which had been notified by less-developed countries as being of export interest to them in relation to the Kennedy Round, had been picked out largely on the basis of sales possibilities in industrialized countries. However, some less-developed countries might be producing industrial and consumer goods which could be promoted on the markets of other less-developed countries more easily than on those of the industrialized countries.
8. In this connexion a member of the group stated that his government had all along supported the concept of expanding trade between less-developed countries. He expressed appreciation of the valuable work being done by the International Trade Centre within GATT by way of providing information on the marketing possibilities in less-developed countries for the benefit of other less-developed countries. Such information had been helpful for example in enabling his country to start exporting mineral water to Nigeria.
9. After some discussion on the most appropriate date for convening the meeting of the Ad Hoc Group for Expansion of Trade among Less-Developed Countries, it was agreed that the secretariat should be requested to postpone the meeting of the Ad Hoc Group which had been scheduled for 9 November 1965 until such time as some of the basic material under points 1, 2 and 3 of the proposal became available. It was also suggested that even prior to the meeting of the Ad Hoc Group the secretariat might be able to collect the statistical and analytical material which would illustrate the scope for less-developed countries to expand their trade through trade action on a most-favoured-nation or preferential basis.
10. Referring to the forthcoming meeting of the Working Party on the Australian request for a waiver, one member of the group pointed out that as a discussion on the question of preferences was likely to take place in the OECD around 25 November, it would be appropriate to hold the meeting of this Working Party after this date. It was agreed that the secretariat should be requested to start the meeting on 29 or 30 November 1965.