

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Committee on Trade and Development

RECENT DEVELOPMENTS IN COMMERCIAL POLICIES, ACTIVITIES IN GATT AND IN OTHER INTERNATIONAL ORGANIZATIONS

Note by the Secretariat

1. The following notes summarize certain recent developments of interest to developing countries which have come to the notice of the secretariat.

I. Measures recently taken by governments relevant to the implementation of Part IV

2. Action taken in this connexion was last reported in COM.TD/W/128 and Addenda which were considered at the seventeenth session of the Committee in December 1970. Some recent measures concerning action taken in respect of import duties, quantitative restrictions and internal charges affecting tropical products are outlined in SGTP/22 and Corrigendum 1. The European Economic Community began implementing its preferential system in favour of developing countries on 1 July 1971.

II. Activities in GATT

3. An informal session of the CONTRACTING PARTIES was held from 28 to 30 April 1971 to review the current situation in international trade as well as to review the work programme of GATT paying particular attention to the trade problems of developing countries and having in mind the twenty-seventh session of the CONTRACTING PARTIES scheduled for November 1971. Delegates agreed on the need to pursue and develop in all possible fields the present GATT programme of work in order to promote the further expansion of world trade. In giving particular attention to the trade problems of developing countries, delegations were assisted by a preliminary report of the Group of Three.

4. Meetings have recently taken place of the sub-groups of the Committee on Trade in Industrial Products dealing with valuation, standards and licensing. Members of the Committee on Trade and Development will be informed of the results of these meetings. Progress in work on the Tariff Study is summarized in a secretariat note, COM.TD/W/142.

5. Following a discussion which took place in the Council on 25 May 1971, GATT Member governments voted to authorize the introduction by developed Member countries of generalized, non-discriminatory preferential tariff treatment for products originating in developing countries. The authorization takes the form of a ten-year waiver, under the terms of Article XXV of the GATT, from the most-favoured-nation rule of Article I.

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III. Activities in other international organizations¹

OECD

6. At a meeting of the OECD Council at ministerial level held on 7-8 June 1971, Ministers affirmed that their governments will pursue policies aimed at greater liberalization of international trade. They decided to set up within the Organization a small high-level group whose members would be chosen by reason of their wide competence and experience from among high officials or other persons designated by governments. This group will analyze the trade and related problems which arise in a longer-term perspective, i.e. it will define the problems and assess their relative urgency, consider how these problems might be dealt with, and set out options for their solution. Ministers stressed that this study should take account of the work being undertaken in the GATT by virtue of its responsibilities and prerogatives under the General Agreement.

UNCTAD

Committee on Manufactures

7. The agenda of the fifth session of the Committee on Manufactures, held in May 1971 included items dealing with non-tariff barriers, adjustment assistance, tariff reclassification and restrictive business practices. The Committee heard, *inter alia*, a statement on Gatt's work in the field of non-tariff barriers.

Advisory Committee to the Board and to the Committee on Commodities

8. The sixth session of the Advisory Committee held during March/April 1971 was concerned mainly with the question of diversification in developing countries. The Committee reviewed and considered the aims and objectives of diversification, problems of particular commodities and countries, the rôle of government policies, international action and the rôle of international agencies.

Permanent Group on Synthetics and Substitutes

9. The fifth session of the Permanent Group was held from 28 June to 5 July 1971. The agenda included items dealing with research and development programmes for natural products facing competition from synthetics and a review of problems of, and policies for, specific commodities facing competition from synthetics and substitutes.

¹With regard to activities of relevance to tropical products, details are contained in SGTP/23 and Addendum 1.