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RECENT ACTIVITIES IN OTHER GATT BODIES AND IN OTHER INTERNATIONAL ORGANIZATIONS

Note by the Secretariat

This note is intended to supplement and up-date the information contained in document COM.TD/W/166. It briefly summarizes activities in other GATT bodies since the Twenty-First Session of the Committee on Trade and Development held on 17-18 July 1972 and other developments of interest to developing countries.

ACTIVITIES IN OTHER GATT BODIES

1. Council

At its July meeting the Council discussed, *inter alia*, the participation of developing countries in the preparations for the multilateral trade negotiations expected to commence in 1973. The Director-General informed the Council that he had invited developing countries non-contracting parties to associate themselves, if they so wished, with the preparatory work for the negotiations (L/3718). As a result, approximately twenty such countries have so far indicated their desire to follow the activities taking place in this respect in the various GATT bodies. Arrangements have also been made for these countries to receive documentation concerning the preparatory work.

At its September meeting, the Council was informed that negotiations had been concluded in July relating to the establishment of six free-trade areas. These negotiations had been conducted between, on the one hand, the European Economic Community, the European Coal and Steel Community, and the present and acceding member States of the European Communities and, on the other hand, the governments of Austria, Finland, Iceland, Portugal, Sweden and Switzerland. The parties to these agreements were ready to communicate the texts as soon as they were available in final form and were prepared to discuss the texts at any time convenient.

2. Committee on Trade in Industrial Products

In July, the Committee on Trade in Industrial Products continued its work on possible techniques and modalities for the trade negotiations, including the question of the adequacy of existing safeguard provisions. During the meeting a note was circulated containing a preliminary examination by the secretariat of the implications for developing countries of various suggested techniques and modalities (COM.IND/W/85). The secretariat was also requested to prepare a note on existing safeguard provisions, which subsequently appeared as COM.IND/W/86. It was agreed that the Committee would take up these questions at its October meeting.

Working Group 1 (export subsidies) met in October to continue its discussion of possible ad referendum solutions to the problem of export subsidies, including consideration of a list of prohibited practices that might be drawn up, as well as a possible set of general criteria for determining whether a measure was an export subsidy. Consideration was also given to ways in which the Group should deal with problems of trade distortion arising from concessional export financing among developed countries.

Working Group 2 (import documentation including consular formalities) met in October to consider, inter alia, a note prepared by the secretariat on import documentation.

The Drafting Group of Working Group 3 (standards) met in September/October and drew up a revised text of a proposed code of conduct for preventing technical barriers to trade, for submission to the Working Group.

In pursuance of its mandate to elaborate concrete solutions on an ad referendum basis, Working Group 4 (licensing) has submitted to the Committee on Trade in Industrial Products, draft texts to deal with automatic licensing and licensing to administer import restrictions (COM.IND/W/82). The Group noted proposals made by developing countries that quantitative restrictions affecting their export trade should be removed by a fixed target date, if necessary on a preferential basis and that pending their total elimination, quota allocations to them should be improved. It was also proposed, inter alia, that new developing country suppliers should be granted an adequate share of quotas and that imports intended for re-export should not be subject to quota. The Group agreed that the problems of developing countries in regard to quantitative restrictions would receive special attention when it addressed itself to this subject.

3. Agriculture Committee

In July, the Working Group on Techniques and Modalities asked the secretariat to submit to the Agriculture Committee a note on the implications for developing countries of the various suggested techniques and modalities for the future negotiations related to agriculture contained in working paper COM.AG/W/77 and in light of the discussions held in the Working Groups. Details of the discussion of this note (COM.AG/W/86) which took place at a meeting of the Agriculture Committee in September, are contained in document COM.AG/26.

The Committee also approved the report of the Working Group on Techniques and Modalities (COM.AG/W/33) for transmission to the Council. This report reflects the importance which the Committee feels should be attached to solving the specific problems of developing countries and note is taken of adaptations which some developing countries would like to make to the application of certain negotiating techniques and modalities. As these suggestions have been of a preliminary nature, the Working Group has expressed the hope that more specific suggestions would be forthcoming in due course from the developing countries to enable any necessary modifications to be made to meet their particular needs and interests in the agricultural sector.

4. Working Party on Trade in Textiles

A Working Party on Trade in Textiles has been established, as agreed by the Council at its June meeting. The Working Party, under the chairmanship of the Director General, met in July to begin its work in connexion with the preparation of a study of fact regarding the economic, technical, social and commercial elements which influence world trade in textiles and textile goods of cotton, wool and man-made fibres. At this meeting there was discussion on various topics related to the study, a draft of which was to be prepared by the secretariat for examination by the Working Party. Parts of the draft dealing with production and consumption of textiles, an analysis of trends of international trade in textiles, and relevant statistics were discussed by the Working Party in September. The remaining portions covering the structure of the textile industry, the importance of the textile industry to national economies, measures of industrial adjustment, and trade barriers and commercial policies have been made available to members for consideration at the meeting in October.

5. Working Party on Accessions to the European Communities

The Working Party met in July to continue its discussion of the documentation to be provided for the purpose of examining the Treaty on enlargement under Article XXIV. In October the Working Party reviewed, inter alia, the situation as regards documentation required for the procedures in connexion with Article XXIV:5 and 6, including the assistance which might be provided by the secretariat to developing countries. At its next meeting, scheduled for late October, the Working Party expects to discuss the techniques and modalities in connexion with the examination under Article XXIV:5 and the negotiations under Article XXIV:6.

6. Committee on Anti-Dumping Practices and Working Party on Acceptance of the Anti-Dumping Code

The Committee on Anti-Dumping Practices held its annual meeting in September. The Working Party on Acceptance of the Anti-Dumping Code also met and discussed, inter alia, a proposal by a developing country with regard to the application of portions of Article 2 of the Code concerning the determination of dumping in the case of exports from developing countries. The proposal is to remain under consideration by the Working Party.

OTHER INTERNATIONAL ORGANIZATIONS

7. International Monetary Fund

In September the International Monetary Fund held its annual meeting to consider a number of matters concerned with a review of the international monetary system. The recently-formed Committee of Twenty of the Board of Governors of the Fund - the Committee on Reform of the International Monetary System and Related Issues - also met for the first time.

8. UNCTAD

At the time of preparing this note, the UNCTAD Trade and Development Board and the United Nations Cocoa Conference, 1972, were still in session.