

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/1891
2 November 1962

Limited Distribution

CONTRACTING PARTIES
Twentieth Session

JOINT PROPOSAL BY THE GOVERNMENT OF THE UNITED STATES
AND THE GOVERNMENT OF CANADA FOR A MEETING OF MINISTERS IN 1963

Agenda Item 41

Pressing and important problems in the field of international trade confront the CONTRACTING PARTIES. The nature of the difficulties is now generally recognized and early solutions must be found if satisfactory and mutually beneficial trading relations are to be maintained.

Almost a year has elapsed since the last ministerial meeting held by the CONTRACTING PARTIES. In this period there have been a number of major developments which warrant another meeting of Ministers to consider basic trade problems and policies, to establish a firm and positive direction for the future work of the CONTRACTING PARTIES, and to provide the necessary stimulus for a broad and comprehensive programme of world trade liberalization.

Further developments with far-reaching implications for world trade have taken place with regard to regional arrangements. The recently enacted United States Trade Expansion Act provides far-reaching authority to permit the Government of the United States to participate in a new programme for the comprehensive reduction and elimination of tariff barriers to trade.

A tariff conference would be in accordance with the agreement registered by the Ministers at their meeting last year "that the reduction of tariff barriers on a most-favoured-nation basis in accordance with the terms of the General Agreement should be continued". It would be desirable, therefore, that the GATT Ministers should now meet again to decide on the holding of such a conference in 1964 and to provide the necessary directives to ensure the successful mounting and conclusion of a broad movement for the further liberalization of tariffs and trade.

Significant progress must be made in other fields besides tariffs if the objectives of the General Agreement and the legitimate interests of the CONTRACTING PARTIES are to be met. Trade in agriculture still remains one

./.

of the most difficult problems before the CONTRACTING PARTIES. Problems exist in trade in tropical products and raw materials. The need of the less-developed countries for export markets is even more acute than when this matter was considered by the Ministers last year. If a large number of contracting parties are to play a part in the tariff negotiations and make their contribution to the further liberalization of trade, further specific progress must be made in solving the problems in these areas.

The Government of the United States and the Government of Canada therefore propose that a meeting of Ministers be convened early in 1963 to deal with these matters.