

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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CONTRACTING PARTIES
Fortieth Session

SUMMARY RECORD OF THE THIRD MEETING

Held at the International Labour Office,
on Tuesday, 27 November 1984, at 3.45 p.m.

Chairman: Mr. H.V. Ewerlöf (Sweden)

Subject discussed: - Report of the Council (continued)

Report of the Council (L/5734), continued

Point 27. Poland - Economic management system

Mr. SOSNOWSKI (Poland) referred to the informal meeting of 28 June 1984 which his Government had organized in GATT to discuss the changes in Poland's economic management system. This meeting had enabled all interested parties to learn more about Poland's economic reform, and had proved that the new system was open and more favourable to expansion of international economic co-operation. Poland would continue to keep the contracting parties abreast of measures which might affect the commercial interests of its trading partners. He noted that Poland had already formally notified GATT of certain relevant legislative acts.

Point 28. Evolution of the GATT system - Suggestions by Jamaica

Mr. BERGUNO (Chile) referred to the points raised by the representative of Jamaica at the March Council meeting, and in particular to the relationship of the MTN Agreements and Arrangements with the legal framework of the GATT. He recalled earlier references in GATT to a lack of integration in the system, and said that Chile felt it important that efforts be made to integrate these and other bodies in GATT. In this context, he said that it might be necessary, for example, to consider certain aspects of the functioning of the Consultative Group of Eighteen, whose representativeness and regional balance had been a source of concern to Chile. He suggested that the Group might be made into a high-level forum to which senior individuals from the United Nations system and perhaps from regional economic commissions and trade systems would be invited. The Group should more actively foster activities such as structural adjustment. Another fundamental aspect of the GATT system was the functioning of the safeguards system. At present, less and less trade was being carried out under the aegis of the m.f.n. clause, which led Chile to query its coherence as a regulatory instrument. Work in this area was highly important in order to reshape the system and to reinforce its original objective. He said that an improved, efficient system of dispute settlement was indispensable. For the developing countries in particular, the dispute

settlement system represented the guarantee that the General Agreement would be essentially an instrument to defend their commercial interests and of justice and equity. To this end, the system should be broadened to include a preventive stage by increasing the possibilities for consultation and conciliation. More sophisticated follow-up should also be considered in order to help make the dispute settlement process a tool for ensuring respect for GATT rules.

Point 29. Training Activities

Many contracting parties expressed gratitude for the GATT Commercial Policy Training Courses and noted their value for the developing countries.

Mr. PARK (Korea) recalled the position of his delegation taken at the November Council meeting (C/M/183, page 83).

Mr. JAYASEKERA (Sri Lanka) recalled that his delegation had consistently stressed the importance of these courses to developing countries, and the need to increase the number of participants in them. Sri Lanka welcomed the enlargement of the training course and the introduction of a course in Spanish. The training courses were the centre-piece of the GATT Technical Co-operation Program and should be insulated as far as practicable from any efforts to achieve new economies. His delegation was of the view that the Committee on Budget, Finance and Administration was not the proper forum to discuss any basic modifications in the courses, and suggested that the consultations on the future of the courses be held within a wider group, to include countries which regularly had participants in them.

Mr. RAHMAN (Bangladesh) recalled that at the November Council meeting his delegation had underlined the importance of these courses for the developing countries, including Bangladesh. The courses had enabled the commercial officers of participating developing countries to familiarize themselves with GATT rules and practices, and had greatly enhanced their ability to extract tangible benefits from the General Agreement. It was in this context that his country had requested an expansion of these courses to accommodate more participants from the developing countries. This would be in keeping with paragraph 4 of the 1982 Ministerial decision on GATT Rules and Activities Relating to Developing Countries (BISD 29S/13). He recalled Bangladesh's appeal for a strengthening of this program by overcoming any budgetary constraints.

Mr. HAMZA (Egypt) said that his country, like others, had benefitted from these courses, and hoped that GATT would continue to enhance its activities in this area.

Mr. HAMID (Malaysia), on behalf of the ASEAN countries, recalled his delegation's statement at the November Council meeting (C/M/183, page 86) and associated these countries with the statement by the representative of Sri Lanka at the present session.

Mr. VILLARÁN (Peru) expressed satisfaction that a Spanish language course had been established on a permanent basis.

Mr. LACARTE (Uruguay) noted the usefulness of these courses and the availability of a Spanish language course; his delegation supported the statement by Sri Lanka as to the proper forum for discussion of the budgetary aspects of these courses.

Point 30. International Trade Centre - Joint Advisory Group

Mr. JAYASEKERA (Sri Lanka) expressed his country's appreciation for the International Trade Centre's (ITC) activities and urged an increase in trust fund contributions and diversification of financing in order to ensure expansion of its technical co-operation program. He drew particular attention to the additional responsibilities with which the ITC had been charged in UNCTAD Conference Resolution 158/VI, which broadened the scope of its activities to include trade in commodities. He expressed disappointment with the modest contributions to the new commodities program, announced at the last session of the Joint Advisory Group and the UNCTAD Trade and Development Board. Sri Lanka trusted that an increase in voluntary contributions would be forthcoming so as to enable the ITC to pursue an expanded program of technical co-operation.

Mr. MBAGA (Tanzania) said that his delegation, like many others from developing countries, had been a constant supporter of ITC trade promotion activities, and had on a number of occasions expressed its concern over the decline in ITC funding. He reiterated Tanzania's appeal to trust fund donors and other countries to increase their financial contributions to the ITC to enable it to meet the increasing demand for its services.

Mr. RAHMAN (Bangladesh) expressed his delegation's gratitude for the ITC's activities, which were of great benefit to the developing countries and particularly to the least developed among them. He noted the rapid increase in demand for ITC services - reinforced by UNCTAD Resolution 158/VI - which called for an immediate increase in the level of funding. His delegation reiterated its appeal for voluntary contributions to the ITC, which was among those organizations which had consistently served the cause of the least-developed countries and had made significant contributions to their economic development. Bangladesh supported the proposal in paragraphs 63 and 64 of the Budget Committee's report (L/5699).

Point 34. Smoking

Mr. BERGUNO (Chile) made several suggestions with regard to consideration of this matter within GATT.

The meeting adjourned at 4.30 p.m.