

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MDF/32

9 July 1986

Special Distribution

Working Party on Trade in
Certain Natural Resource Products
Non-Ferrous Metals and Minerals
16 May 1986

MINUTES OF THE MEETING OF THE WORKING PARTY
ON TRADE IN CERTAIN NATURAL RESOURCE PRODUCTS
NON-FERROUS METALS AND MINERALS
HELD ON 16 MAY 1986

Prepared by the secretariat

1. The Working Party on Trade in Certain Natural Resource Products met on 16 May 1986 under the Chairmanship of Mr. M. Cartland (Hong Kong).
2. The Chairman announced that the agenda of the meeting included the following items: the adoption of the final report of the Working Party in the area of non-ferrous metals and minerals and their products to be submitted to the Council and at the Forty-Second Session of the CONTRACTING PARTIES; the continuation of the discussion on aluminium; and the distribution of the secretariat's background studies on the six major metals.
3. The Chairman recalled that the draft report of the Working Party prepared by the secretariat (MDF/W/64) was discussed at the informal meetings of the Working Party which took place on 24 April and 15 May 1986 and the final report in its revised version (MDF/W/64/Rev.1) was submitted to the Working Party for adoption. There were no objections by the members of the Working Party and the report adopted by the Working Party will be presented to the Council at its meeting in June (L/5995).
4. Referring to aluminium, the Chairman said that at the meeting of the Working Party in April, some delegations expressed their wish to have the possibility to revert to the study on aluminium at the meeting in May. He informed the members of the Working Party that in the meantime the secretariat had received technical comments and corrections from several delegations. As there was no further discussion on aluminium, he invited members of the Working Party to submit any further comments in writing to the secretariat until 31 May 1986, after which the secretariat would prepare a corrigendum and addendum to the aluminium study (MDF/W/61).
5. The Chairman recalled the discussion regarding the distribution of the secretariat background studies held at the April meeting. He mentioned that if the studies were made available to a larger public they should be first derestricted. In their interventions on this subject, most delegations considered that the studies presented solid background documentation containing useful information, especially with regard to trade policy measures, which could be of interest to a wider public. They further considered that the studies should be issued as secretariat documents and that the addendum and corrigendum should be incorporated to the extent possible into the main study. In this context, the representative of Canada recalled that the study on lead, which was the first one of the series and was not as comprehensive as the others, had still to be revised. Some revision also had to be undertaken with respect to some of the other studies.

6. The representative of the United States mentioned that her authorities needed more time to review all the documents and consider the question of derestriction. The representatives of Japan and Sweden also needed more time for the consideration of this question. The representative of the EEC pointed out that the EEC would agree to derestrict only the studies on non-ferrous metals, as his delegation might face some problems regarding the distribution of the studies on fisheries and forestry. He supported the suggestion of the representative of Sweden to issue the studies with a cover, similar to some other GATT documents, and to sell them. After having heard the explanation on the procedure for the derestriction of documents by the secretariat, the members of the Working Party decided to notify their decision to the secretariat by 15 June. If nothing was heard by the secretariat by this date, the secretariat background studies on non-ferrous metals and minerals and their products, would be included in the list of GATT documents to be submitted to the Council for approval at its December meeting and derestricted in February 1987. The same procedure would be adopted for the derestriction of the other two studies (fisheries and forestry). The secretariat would then examine the possibility of larger distribution of the studies on non-ferrous metals and minerals.

7. Under other business, the representative of Jamaica reverted to the study on aluminium. He informed the members of the Working Party that his delegation had transmitted to the secretariat comments on the aluminium study recently received from his authorities. In the view of his authorities, the study on aluminium was satisfactory as a descriptive one. However, they tended to disagree with the analysis concerning the effects of taxation on the bauxite industry. They also considered that the sections of the study on transnational corporation strategies, the ownership and the control of the industry as well as data and approach to the elasticities needed to be updated. He further mentioned that in their view, the solution of the problems facing the bauxite/alumina/aluminium industry might not necessarily be found in trade liberalization, but that the industry had undergone very important structural changes which had to be taken into account. He enquired about the possibility of reproducing his authorities' written statement in extenso so that the members of the Working Party might take note of his authorities' comments. The representative of the United States expressed the view that while perhaps some additional factors could have been cited in explaining the marked shifts in production shares noted in paragraph 31 of the Study, the effect of levies on bauxite exports and market shares should not be under-rated. Responding to the request of the representative of Jamaica, the Chairman said that the comments by the Jamaican authorities referred to the aluminium study and that under the established procedure Jamaica's statement would be reflected in an addendum to the study on aluminium as other comments and corrections submitted to the secretariat by other delegations before 31 May 1986.