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TARIFFS AND TRADE

CONTRACTING PARTIES Forty-Fourth Session

SUMMARY RECORD OF THE THIRD MEETING

Held at the International Conference Centre, Geneva on Tuesday, 8 November 1988, at 10.15 a.m.

Chairman: Mr. Alan Oxley (Australia)

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Activities of GATT (continued)

The following statements were made:

Mr. Rubens Ricupero, Ambassador, Permanent Representative of Brazil (speaking on behalf of the contracting parties members of the Latin American Economic System (SELA))	SR.44/ST/14
Mr. Ercüment Yavuzalp, Ambassador, Permanent Representative of Turkey	SR.44/ST/15
Mr. Janusz Kaczurba, Deputy Minister of Foreign Economic Relations of Poland	SR.44/ST/16
Mr. S.P. Shukla, Ambassador, Permanent Representative of India	SR.44/ST/17
Mr. S.A. Owoeye, Chargé d'Affaires a.i., Permanent Mission of Nigeria	SR.44/ST/18
Mr. Oto Hlavacek, Commercial Counsellor, Permanent Representative of Czechoslovakia	SR.44/ST/19

Mr. David Charles Hawes, SR.44/ST/20 Principal Adviser, Department of Foreign Affairs and Trade of Australia

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Mr. Tran Van-Thinh, Head of the Permanent Delegation of the European Communities in Geneva	SR.44/ST/21
Mr. Michael A. Samuels Ambassador of the United States, Deputy Trade Representative	SR.44/ST/22
Mr. Gerhard Waas, Director-General, Federal Ministry of Economic Affairs of Austria	SR.44/ST/23
Mr. Amir Habib Jamal, Ambassador, Permanent Representative of Tanzania	SR.44/ST/24
Mr. Nabil Elaraby, Ambassador, Permanent Representative of Egypt	SR.44/ST/25
Mr. M. Ishay Talukdar, Minister (Economic Affairs), Permanent Mission of Bangladesh	SR.44/ST/4/Add.1
Mr. Alioune Sene, Ambassador, Permanent Representative of Senegal	SR.44/ST/26
Mr. Darry Salim, Ambassador of Indonesia, Special Representative to the Textile Surveillance Body	SR.44/ST/27
Mr. Qian Jiadong, Ambassador, Permanent Representative of China (speaking as an Observer)	SR.44/ST/28

The CONTRACTING PARTIES <u>adopted</u> the report of the Committee on Trade and Development (L/6418) and <u>took note</u> of the reports of the MTN Committees and Councils (L/6415, L/6403, L/6414, L/6406, L/6407, L/6420, L/6423, L/6422 and L/6413).

Summing up the discussion at the Session thus far, the CHAIRMAN remarked that, in a sense, the meeting had been held within the shadow of the preparations for the Montreal mid-term review meeting of the Uruguay Round. He thought that was one of the factors which had enabled the CONTRACTING PARTIES to deal with the business to be transacted at this Session with a degree of despatch. Quite properly, delegations were struggling with an intense period of preparation for the Round. The debate itself had proved to be a good barometer of the issues at large in the trading scene and the GATT which were of concern to delegations.

Reference had been made to the significant expansion in international trade and in the global economy -- and that was one of the highlights of the current times -- but in addition, a number of representatives had pointed out quite pertinently that the ability of all contracting parties to share the benefits of this trade was constrained by some serious factors on the international scene. In this particular respect, there had been some important statements of principle about the requirements and particular needs of developing countries, which had, in addition, elucidated some of the significant sectoral distortions in the international trading scene which were preventing the spread of benefits of this growth to countries, including, and particularly in that respect, developing countries.

Much comment had been made on the important fact that many trade problems sprang from the financial situation, a point on which no elaboration was necessary. References had been made to the debt situation, as indeed to the problems arising from imbalances of payments and from currency exchange factors. This was an environment which could not be ignored and in which the trading system operated.

The most important message from the debate had been the importance of success in the Uruguay Round. Some sage advice had been given about the Round and, in particular, the meeting at Montreal. References had been made concerning the particular importance of that meeting and -- most importantly -- to the fact that it should give particular shape and direction to the negotiations for the remainder of the Round. He thanked the United States for having reminded contracting parties at one point that they all had rocks in their hands. That, in fact, was a key point to bear in mind. Much had been made of the fact that the dispute settlement procedures of the GATT had been revitalized in the last two years. That was, he believed, a direct "spin-off" of the launch of the Uruguay Round: there was no doubt that the international credibility of the trading system had been enhanced, but at the same time, all delegations, all representatives, should listen carefully to the comments about the dispute settlement procedures, because, while revitalization and a re-establishment of the authority of that process had been seen, there were some elements already present in the system which could quite easily take away the authority which had been given to that process. It was, indeed, a fragile flower.

Mr. Hill (Jamaica) said that he had noted at the present Session the desire of contracting parties to conclude it even before the regularly scheduled time. Perhaps this would be borne in mind when some of the proposals regarding the strengthening of the rôle of the CONTRACTING PARTIES would come up for discussion. He added that he had wanted to raise a question regarding what the CONTRACTING PARTIES would do in respect of the reports on the MTN Agreements and Arrangements. The CONTRACTING PARTIES had taken note of these reports without effectively having had a chance to review them. He had wanted to make some comments on these reports and had expected that, at an appropriate time, they would have been discussed. Perhaps there would be an opportunity at a future Session to consider what should be done in this respect.

The CHAIRMAN said that the customary practice had been followed concerning the reports of the MTN Committees and Councils, and that the CONTRACTING PARTIES had had a cognate discussion. As he had not closed the debate, the floor was open for additional comments on those reports.

Mr. Hill (Jamaica) said that he would make no further comments on the present occasion.

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Arrangements for the Forty-Fifth Session

The CONTRACTING PARTIES <u>agreed</u> that the Forty-Fifth Session would be held in the week starting Monday, 27 November 1989, bearing in mind the possibility for the Chairman of the CONTRACTING PARTIES, in consultation with delegations, to fix the dates and the duration of the Session with greater precision in the course of 1989, and even to modify the dates if circumstances made this desirable.

Election of Officers

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The following nominations were made:	
Chairman of the CONTRACTING PARTIES:	Mr. Amir Habib Jamal (Tanzania)
Vice-Chairman of the CONTRACTING PARTIES:	Mr. Janusz Kaczurba (Poland)
	Mr. Marko Kosin (Yugoslavia)
	Mr. Olli Mennander (Finland)
Chairman of the Council of Representatives:	Mr. John M. Weekes (Canada)
Chairman of the Committee on Trade and Development:	Mr. Rubens Ricupero (Brazil)

The CONTRACTING PARTIES <u>elected</u> the officers nominated.

Closure of the Session

The Session <u>closed</u> at 1.00 p.m.