

GENERAL AGREEMENT ON

RESTRICTED

L/6566
20 September 1989

TARIFFS AND TRADE

Limited Distribution

INVITATION BY THE CONTRACTING PARTIES
TO REPORT ON WAYS TO ACHIEVE GREATER
COHERENCE IN GLOBAL ECONOMIC POLICY MAKING

Note by the Director-General

1. On 12 April 1989 the CONTRACTING PARTIES, responding to a recommendation included in the Mid-Term Review decisions of the Trade Negotiations Committee regarding the Functioning of the GATT System (MTN.TNC/11, page 36), agreed (L/6490) to:

- "(a) invite the Director-General to approach the heads of the IMF and the World Bank, as a first step, to explore ways to achieve greater coherence in global economic policy making through strengthening the relationship of GATT with other relevant international organizations; and
- (b) request him to report back by 1 September 1989, and, in his report, to take into account the views, issues and proposals raised in the context of the Negotiating Group."

2. Following this decision, discussions at senior staff level took place between the GATT secretariat and the International Monetary Fund and World Bank both in Geneva and in Washington. The Director-General also had meetings with Mr. Michel Camdessus, Managing Director of the Fund, and Mr. Barber Conable, President of the World Bank. The views and proposals put forward in the Negotiating Group on the Functioning of the GATT System regarding a strengthened relationship between GATT and the other two institutions provided the basis for these discussions.

3. The Director-General has now completed his report, and forwarded it to the Chairman of the Trade Negotiations Committee for consideration in the Negotiating Group on the Functioning of the GATT System. The report has been issued as document MTN.GNG/NG14/W/35, dated 20 September 1989.