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REPORT OF THE COMMITTEE ON TRADE AND DEVELOPMENT TO THE CONTRACTING PARTIES

Introduction

1. Since the Forty-Fourth Session of the CONTRACTING PARTIES in November 1988, the Committee on Trade and Development held two meetings, comprising its Sixty-Sixth and Sixty-Seventh Sessions, under the Chairmanship of H.E. Ambassador R. Ricupero (Brazil).

2. The Sixth-Sixth Session of the Committee was held on 26 June 1989. At this session, the Committee undertook a review of developments in international trade and in the Uruguay Round. The Committee also carried out a review of recent developments in regard to the implementation of Part IV and the operation of the Enabling Clause. The Committee reviewed the technical assistance activities to developing countries in the context of the Uruguay Round. The Committee also took note of the work done by the Sub-Committee on the Trade of Least-Developed Countries in relation to issues in the Uruguay Round of particular interest to the least-developed countries. Document COM.TD/129 contains the note on the proceedings of the Sixty-Sixth Session of the Committee.

3. For its Sixty-Seventh Session, held on 9 and 14 November 1989, the Committee had the following items on its agenda: review of developments in international trade and in the Uruguay Round; review of the implementation of the provisions of Part IV and the operation of the Enabling Clause; technical assistance to developing countries in the context of the Uruguay Round; work of the Sub-Committee on the Trade of Least-Developed Countries; annual report of the Committee of Participating Countries on the operation of the Protocol Relating to Trade Negotiations Among Developing Countries.

Item (i): Review of developments in international trade and in the Uruguay Round

4. The Chairman recalled that in reviewing progress of negotiations in the Uruguay Round from the point of view of developing countries, members of the Committee exchanged views on the following points: (i) developments in international trade and in the Uruguay Round; (ii) developments in negotiating bodies of the Uruguay Round with regard to special and differential treatment, fuller participation and reciprocity; (iii) specific topics in the Uruguay Round of particular relevance to trade between developed and developing countries. For the purpose of reviewing developments in international trade at this meeting Committee members had available the first volume of International Trade 1988-89 prepared by the secretariat. Some of the highlights from this analysis were contained in

documents GATT/1460 to 1463. In regard to specific topics of particular relevance to trade between developed and developing countries it was recalled that at its previous meeting in June the Committee had an exchange of views on the interlinkages between trade, money and finance and that a number of delegations expressed interest in having a further exchange of views on this topic at this meeting. At the June meeting of the Committee it was also suggested that delegations take up in the discussion other specific topics including "credits" in negotiations for trade liberalization measures undertaken by developing countries. The Chairman further said that, under an exchange of views on this latter topic, delegations wishing to seek credit or recognition for these measures might perhaps focus on questions such as: (a) GATT provisions and procedures which may be used to facilitate contributions in negotiations by developing countries in exchange for improved and more secure market access for their exports; (b) any supplementary procedures that might be needed in order to facilitate contributions by developing countries in accordance with their specific trade, financial and development needs including notification and reviewing arrangements.

5. A number of developing-country representatives expressed interest in defining ways and means in order to receive credit and recognition for trade liberalization measures undertaken by them autonomously or as part of adjustment programmes agreed with international financial institutions. It was pointed out that a number of developing countries have adopted in recent years significant trade liberalization measures in the tariff and non-tariff areas as well as in other areas which had a positive impact on market-access conditions for their trading partners and constituted a contribution to the objectives of the Uruguay Round. Several representatives outlined certain features of their trade liberalization programmes and emphasized the significance of the efforts made as well as the important degree of market-opening achieved.

6. During the exchange of views it was recalled that the need for elaborating approaches to receive credit and/or recognition for such liberalization measures was recognized in relevant texts of the Mid-Term Review and that this issue was under consideration in several market-access groups as well as in the FOGS Negotiating Group. Delegations made comments and raised a number of conceptual and technical points related to the question of credits and recognition which are summarized in paragraphs 7-17 below.

7. One representative recalled that in the past countries were reluctant to adopt trade liberalization measures when no multilateral negotiations were underway. Trade liberalization was postponed until such negotiations were launched since they offered the opportunity to use such measures in order to obtain concessions from their trading partners. Trade liberalization measures adopted in recent years by a number of developing countries had created a new situation for GATT, which should find appropriate mechanisms to ensure that countries concerned receive credit and recognition for those measures. This would help them in resisting domestic pressures against trade liberalization and would be an incentive for the continuation of such policies which also benefit their trading

partners and strengthen the multilateral trading system. Both measures adopted autonomously and under structural adjustment programmes should be taken into account as they contribute to the same objective of trade liberalization. The speaker further said that the traditional approach consisting in giving credit only for measures which would be bound was not satisfactory. New approaches which would make a distinction between "credit" and "recognition" were needed as specified in the Mid-Term Review Text on Tariffs. In this connection the representative recalled that his country had a ceiling binding for almost its entire tariff at 50 per cent level and that the applied rates were between 10 and 20 per cent. By way of example, he raised the question of how an offer to bind the tariff at lower ceiling rates would receive credit and recognition in negotiations and which would be the trading partners in a position to pay for such an offer. The representative considered it useful to continue an exchange of views on the question of "credit" and "recognition" in order to identify the nature of the measures which deserved either credit or recognition, examine the procedures available in GATT, including the Enabling Clause that might be used, consider the financial, monetary and development aspects related to trade liberalization and define modalities for notification and surveillance.

8. Some other representatives shared the approach outlined by the previous speaker. One of them drew the attention of the Committee to the fact that his country had bound its entire tariff and pursued a steady trade liberalizing policy since 1983. He felt that such an effort should be recognized and credit should be given for bindings undertaken. In this connection the representative observed that the Annotated Agenda did not mention the notion of credit for bindings which had been recognized in the Mid-Term Review Text.

9. Other developing-country representatives acknowledged that trade liberalization measures undertaken by their countries were motivated by domestic economic reasons. In certain cases they were primarily meant to improve the external financial position of the country and diminish its level of indebtedness. However, while those measures were for the good of the countries concerned, they had at the same time contributed to the process of trade liberalization. One representative pointed out that the dismantling of import controls and the extensive tariff reductions undertaken by his country in the framework of its structural adjustment programmes had resulted in a significant increase in imports and a decline in trade surpluses. The implementation of such a policy was not without serious domestic difficulties. His authorities would have preferred to go even further on the road of liberalization but the servicing of foreign debt had imposed severe limitations. Had the problem of foreign debt been resolved in a different manner his country would be in a position to open its market to an even greater degree. The representative further underlined that in accordance with the Punta del Este Declaration developing countries should not be requested to make contributions beyond their individual capabilities. Those countries which had already undertaken trade liberalization measures now expected similar moves to come from their trading partners. While his country was willing to consider further moves towards liberalization such moves might not be adequately

dealt with under the existing GATT procedures such as adherence to Codes and undertaking of bindings. It would therefore be useful to explore different procedures or arrangements which would take account of particular circumstances in individual developing countries.

10. One representative felt that it was important to establish criteria which would be applicable to give credit or recognition for trade liberalization measures. This would help developing countries to anticipate the possible outcome of negotiations with their trading partners. He expressed the view that contractual GATT status for trade liberalization measures should be looked at depending on the GATT legal basis of different measures applied. His country could not undertake binding commitments on measures applied for BOP reasons if its trading partners did not eliminate protectionist measures and did not commit themselves not to reintroduce them after the completion of the Round.

11. A representative recalled that his country had supported structural adjustment programmes of developing countries as the revitalization of these countries' economies were not only in their interest but also in the interest of their trading partners. His government lent its support to provision of financial resources through the IMF and the World Bank and provided financial relief through the Paris Club. It had also sought to ensure that its commercial banks were in a position to contribute financially at a level commensurate with their involvement. In addition a major objective of his country's bilateral aid programme involved support for structural adjustment programmes and the list of countries eligible for development assistance had been extended accordingly. While the adjustment programmes were in the interest of developing countries themselves his authorities were prepared to address the issue of negotiating credit for unilateral trade liberalization measures in those negotiating groups where this might be possible. However, if such measures were to receive some compensation in a multilateral context, they must lose some of their unilateral character and be bound in the GATT. He expressed readiness to examine proposals for modalities to this end with a view to making corresponding concessions in exchange for binding of unilateral measures.

12. Some representatives believed that the definition of appropriate criteria and practical modalities to give credit for unilateral trade liberalization measures were mainly relevant to the tariff and non-tariff areas. Such modalities should give contractual status to those measures, ensure predictability of market access and encourage developing countries to participate even more fully in the Round. They favoured an approach for defining and extending credit on a case-by-case basis, although the proposals made in the Tariffs Group on some general criteria for credits for binding might be examined further. One difficulty in addressing the issue of credit was related to the fact that developing countries had not presented detailed information on the measures for which they were seeking credit nor had they indicated in which negotiating areas they wanted to pursue this objective.

13. The spokesman of a group of countries said that appropriate procedures were needed in order to implement the understanding contained in the Mid-Term Review decisions concerning credit for bindings and appropriate recognition for trade liberalization measures. Commenting upon the views expressed by some previous speakers he believed that the notion of credit was applicable in certain areas of negotiations only. Such areas were tariffs, non-tariff measures and agriculture. The representative questioned the need for establishing general criteria or guidelines for giving credit. He felt that this was a matter to be dealt with in the give-and-take process to take place among trading partners and the balance struck should be assessed by each of them. However, a number of steps were necessary prior to such negotiations: provision of adequate information on trade liberalization measures adopted for which credit was sought in negotiations; defining modalities for ensuring predictability and security for trade through binding of those measures; and determination of base data as of which measures adopted would be taken into account, i.e. the launching of the Round.

14. One delegation stated that the issue of negotiating credit warranted consideration. It could provide a permanent character to trade liberalization measures undertaken by countries through, for example, Fund or Bank programmes and it rewarded binding of such measures with concessions from other countries. The issue was therefore of interest for both countries giving and those receiving credit. Practical modalities should be explored in market-access negotiating groups where such credit was to be implemented. Under a flexible approach to the issue of credit it would be envisaged that each developing countries would indicate the trade liberalization measures that it wished to include in negotiations for binding. Bindings agreed bilaterally should contribute towards the targets agreed at the Mid-Term Review on improvement of market access. They could cover tariffs as well as non-tariff measures. The assessment of such bindings, the concessions to be given in exchange and whether additional trade measures would have to be included in the final offer would be matters for bilateral negotiation. A number of questions were of relevance to the issue of credit and warranted examination: (i) the type of measures for which credit might be sought; (ii) whether credit should be given even for liberalization of GATT-inconsistent measures; (iii) the trade significance of bindings required for receiving credit; (iv) should countries expect to get credit for binding tariffs if the effect of such measure was nullified by quantitative restrictions or vice-versa; (v) would unbound liberalization measures for which a country was seeking recognition be subject to reversal through the "escape" provisions of the GATT such as Articles XVIII and XIX; (vi) would all countries be entitled to claim credit for autonomous liberalization efforts e.g. under GSP schemes. The delegation further said that for instance countries which had bound their entire tariff under the GATT but applied rates at 30 percentage points lower could take advantage in negotiations of these lower rates as they could meet the Mid-Term Review target of reducing tariffs by roughly one-third without actually cutting the applied tariff.

15. Commenting upon certain statements made in the course of the discussion, the representative who expressed the views reflected in paragraph 7 above, said that he did not see what further information on liberalizing measures by his country was needed since it had bound the whole tariff. Reverting to the distinction between "credit" and "recognition" which was explicitly made in the Mid-Term Review the representative stressed that credit for bindings should take the form of concessions by trading partners. As to trade liberalization measures adopted since 1986 on which binding commitments could not be undertaken it was necessary to explore further the form of recognition that they might receive. To this end participants in negotiations should perhaps define a new kind of contractual agreement which would contain commitments at a lesser level than the traditional bindings.

16. Another representative recalled the liberal import regime maintained by her country and which should be recognized even if it existed before the launching of the Uruguay Round. This régime had not been reversed after the commencement of the Round although some trading partners had increased their tariffs affecting her country's exports. She further said that certain approaches suggested in regard to negotiating credit could easily become inconsistent with the principle that developing countries should not be requested to make contributions in negotiations which were incompatible with their trade, financial and development needs. Finally the representative stressed that bindings of tariff rates at ceiling levels should also be regarded as of value and should receive appropriate credit.

17. One delegation also remarked that trade liberalization measures under structural adjustment programmes were of a long term nature and therefore the necessary predictability was ensured without bindings. Bindings should not be a precondition in negotiations. Commitments on stability of trade liberalization measures had to be balanced by similar action by trading partners.

18. In concluding the discussion, the Chairman said that the exchange of views had been very interesting and constructive and could provide a useful contribution to further work in negotiating groups. With respect to the comment made by one delegation on the Annotated Agenda he emphasized that the language used was meant to suggest to discuss all aspects related to the use in negotiations of trade liberalization measures and not to modify the distinction made in the Mid-Term Review between credit for bindings and recognition for trade liberalization measures. Finally the Chairman suggested that members of the Committee reflect further on the approaches put forward and the comments made in the course of the exchange of views held on the topic of "credits" and revert to it at future meetings as necessary.

Item (ii): Review of the implementation of the provisions of Part IV and the operation of the Enabling Clause

19. The Chairman noted that in accordance with its terms of reference the Committee kept under continuous review the implementation of the provisions

of Part IV of the General Agreement. The Committee also had primary responsibility for the supervision of the implementation of the Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries. The last review of implementation of the provisions of Part IV and the operation of the Enabling Clause was undertaken by the Committee at its Sixty-Sixth Session in June 1989. For the purpose of the review at this meeting, the Committee had before it a number of notifications on GSP schemes made by Austria (L/4108/Add.34, 35 and 36), Czechoslovakia (L/3703/Add.7), Finland (L/3694/Add.20) and Norway (L/4242/Add.31 and Corr.1 and Add.32) since its Sixty Sixth Session. The Committee had also before it the 1989 Report submitted by member States of the Latin American Integration Association (document L/6531), a communication made by Yugoslavia on the Global System of Trade Preferences Among Developing Countries (L/6564) and a communication from the Chairman of the ASEAN Geneva Committee forwarding the Report on ASEAN Preferential Trading Arrangements (L/6569).

20. Referring to the 1989 Report by member States of the Latin American Integration Association (ALADI) circulated in L/6531 one representative welcomed this notification which provided information on 1987-1988 activities and contributed to increased transparency. However she requested that the notification be supplemented by a tariff-line specific listing of preferences granted under the agreement and inquired whether this information could be provided at this meeting or by the next meeting of the Committee. The representative of a member State of ALADI responded that this request would be transmitted to the secretariat of ALADI.

21. The Report on ASEAN Preferential Trading Arrangements (L/6569) was introduced by the representative of Indonesia speaking also on behalf of other ASEAN countries. As specified in the Report, Indonesia, Philippines, Singapore and Thailand concluded an Agreement on ASEAN Preferential Trading Arrangements on 24 February 1977. Brunei Darussalam acceded to the Agreement on 8 December 1987. The Agreement was in accordance with the Enabling Clause which allowed for conclusion of regional or global arrangements among developing countries for mutual reduction of tariffs and non-tariff measures on products imported from one another. The Report had been submitted at this meeting of the Committee for its information in accordance with the mandate of the Committee which had primary responsibility for supervising the operation of the Enabling Clause. Referring to paragraph 9 of L/6569 the representative said that due to some technical difficulties the permanent missions of the ASEAN countries in Geneva had not yet received the list of concessions from their capitals. The list was expected to be received soon in order to be made available to the GATT secretariat for consultation by interested contracting parties.

22. Commenting on the notification concerning the Global System of Trade Preferences Among Developing Countries (GSTP) circulated in L/6564 the representative of the United States welcomed the willingness of developing countries to undertake trade liberalizing, market-opening measures. This was sound economic policy for countries at all levels of development. Increased market access opportunities would stimulate growth and

diversification. Diversification of developing country export markets, as well as products, would be critical to improving their export performance. The representative hoped that developing countries' willingness to exchange concessions among themselves indicated interest in participating fully in the Uruguay Round. She also hoped that participants in the GSTP would bind on an m.f.n. basis in the Uruguay Round the liberalization measures undertaken in the Agreement. This would be in line with the provisions of paragraph 3(d) of the Enabling Clause which stated that the agreements concluded under its provisions "shall not constitute an impediment to the reduction or elimination of tariffs or other restrictions to trade on a most-favoured-nation basis". The representative further noted that the list of GSTP participants contained in the notification did not appear to comprise either a global or regional group of developing countries. She therefore inquired how the GSTP participants viewed the compatibility of the Agreement with paragraph 2(c) of the Enabling Clause which allowed for conclusion of global or regional arrangements among developing countries. In this connection the representative observed that some developing countries including Israel, China, Hong Kong and Turkey were not participants in the Agreement and inquired what were the conditions for becoming participants in the GSTP Agreement and whether any developing country which wished to participate was not allowed and if so for what reason. The Agreement deserved further examination in order to determine that it was consistent with paragraph 3(a) of the Enabling Clause and did not have diversionary effects on the trade of products of interest to her country. In this context she inquired what assurances could be given by the GSTP participants that the Agreement did not raise barriers or create undue difficulties for the trade of other contracting parties. The representative suggested that signatories report regularly to GATT on the operation of the Agreement in order to meet transparency requirements under the Enabling Clause and ensure its consistency with GATT obligations. While the Committee could serve as a forum to receive such reports and its responsibility for reviewing such preferential agreements was well understood, the representative felt unclear about several points on which she requested clarification from the secretariat: the legal status of the Agreement in GATT after the review was completed and whether the CONTRACTING PARTIES were expected to approve it; the relationship of the Protocol Relating to Trade Negotiations Among Developing Countries to the GSTP. Finally, the representative reserved the right of her delegation under paragraph 4(b) of the Enabling Clause to comment further on the GSTP Agreement at future meetings of the Committee.

23. The representative of Yugoslavia informed the Committee that since the submission of the notification contained in L/6564 the GSTP Agreement entered into force for three more participants which were contracting parties to the GATT namely Indonesia, Chile and Trinidad and Tobago. Their schedules of concessions would be notified to GATT shortly. The notification before the Committee was made in accordance with the Enabling Clause and reflected the awareness of the GSTP participants which were contracting parties to the GATT of their rights and obligations towards their trading partners. While the GSTP represented an instrument for trade cooperation among developing countries it could also contribute to the

expansion and diversification of world trade as specified in the preamble of the Agreement. Furthermore the Belgarde Ministerial Declaration of 13 April 1988 stated that the GSTP might, inter alia, "promote greater cooperation with developed countries and contribute significantly to the growth and expansion of world economy". Although the tariff concessions were limited in depth and coverage further negotiations were envisaged to extend the scope of the Agreement. In response to questions addressed by the previous speaker the representative reaffirmed that the GSTP Agreement was fully in accordance with paragraph 2(c) of the Enabling Clause and that it could be considered as a global arrangement having in mind that countries from three regions participate in the Agreement. Participants intended to notify to the GATT any further developments under the Agreement. It was not intended to raise difficulties to non-member contracting parties or affect their trading interests. As specified in Article I of the Agreement the participation was open to members of the Group of 77 only and to sub-regional/regional/ inter-regional groupings of developing countries members of the Group of 77. The participation of non-members of the Group of 77 would require modification of the provisions of the Agreement which could be done only by consensus of all participants. The relationship of the GSTP with the Protocol Relating to Trade Negotiations Among Developing Countries had not been discussed in the first round of negotiations but he believed that there was no relationship between the two arrangements.

24. Another representative who supported the statement by Yugoslavia observed that the GSTP Agreement was conceived and negotiated in another organization where the Group of 77 was recognized as such on an equal footing with other regional groups. From the GATT point of view participants in GSTP which were contracting parties had only the obligation to notify the Agreement and any further changes and comply with the provisions for consultations under the Enabling Clause.

25. With reference to the clarification sought by the first speaker regarding the approval by the CONTRACTING PARTIES of the arrangements concluded under the Enabling Clause a representative of the secretariat said that the Committee has not established detailed procedures for the examination of arrangements which were notified under the Enabling Clause. The Committee was given from the CONTRACTING PARTIES in 1980 the responsibility for supervising the operation of the Enabling Clause. Under this mandate the Committee had so far received a limited number of notifications on arrangements concluded in accordance with paragraph 2(c) of the Enabling Clause. The practice of the Committee had been so far to take note of these arrangements after having duly examined them and completed such examination. On that basis the Committee reported statements made in regard to such arrangements and any action taken in relation to them in its annual reports to the CONTRACTING PARTIES. As to the question concerning relationship of the Protocol Relating to Trade Negotiations Among Developing Countries to the GSTP the representative said that there was no relationship between these two instruments in a GATT-legal sense.

26. The representative of the European Communities said that his authorities were examining the GSTP Agreement as many of its participants were contracting parties to the GATT. The examination in the Committee should focus on whether the commitments entered into by those participants corresponded to their rights and obligations under the GATT. He was interested in receiving clarification on some of the questions raised by the United States in particular on the specific provisions under paragraph 2(c) concerning regional or global arrangements that would be applicable in respect to the GSTP Agreement. Therefore he would like to revert to these matters at a future meeting of the Committee.

27. The representative of Israel shared the concerns expressed by the United States in particular with regard to the GSTP membership. He hoped that the GSTP would not endanger trade liberalization efforts made in GATT especially in the framework of the Protocol Relating to Trade Negotiations Among Developing Countries. This was the only legal instrument within the GATT system which allowed for trade liberalization among developing countries in the GATT sense. The efforts being made under the protocol were reflected in paragraph 7 of the report submitted to the Committee in L/6573. Israel as a developing country reserved its rights under paragraph 4(b) of the Enabling Clause to consult with participants in the GSTP which were contracting parties to the GATT on any matter or problems that might arise from the implementation of the GSTP.

28. The representative of Hong Kong expressed concern over the fact that participation in GSTP was limited to members of the Group of 77. She called upon the participants in the GSTP to consider the possibility of allowing broader participation in the Agreement thus expanding its contribution to the liberalization of world trade.

29. Referring to the Generalized System of Preferences the representative of the United States informed the Committee on the following recent developments in their GSP programme:

- (i) on 3 November 1989 the United States extended GSP preferences to Hungary;
- (ii) the President has proclaimed, effective 17 November, the extension of GSP duty-free treatment to 18 categories of watches (out of a total of 58 tariff categories). Principal suppliers were the Philippines and Thailand. The Trade and Tariff Act of 1988 provided that duty-free treatment under the GSP could be granted to "whose watches entered after 30 June 1989 that the President specifically determines, after public notice and comment, will not cause material injury to watch or watch band, strap, or bracelet manufacturing and assembly operations in the United States or the United States insular possessions". Prior to this amendment, all watches had been explicitly prohibited by statute from receiving GSP;

(iii) in addition the President announced his anti-drug initiative on trade for countries in the Andean region. This initiative meant that for Bolivia, Colombia, Peru and Ecuador implementation of any GSP benefits would be accelerated as a normal part of the 1989 GSP Annual Review. This included product petitions now under review as well as product redesignations. Opportunity would also be offered to submit new GSP petitions as soon as was practical, and review these on an expedited basis. Petitions would be due on 15 January 1990, with results announced 15 July and implemented 1 August. GSP technical seminars would be provided to assist Andean countries to expand their use of GSP petitions. Provision of technical seminars and technical advice beyond 1990 would also be considered.

30. The Committee took note of the statements made under this item of the agenda. The Committee also took note of the 1989 Report by member States of the Latin American Integration Association and of the Report on ASEAN Preferential Trading Arrangements contained in documents L/6531 and L/6569 respectively. The Committee decided to revert to the GSTP Agreement at a future meeting.

Item (iii): Technical assistance to developing countries in the context of the Uruguay Round

31. The Committee had before it an updated summary of the technical cooperation activities of the GATT secretariat since the beginning of the year (document COM.TD/W/477). As agreed by the Committee at its Sixty-Third Session in April 1988, governments and international organizations which provide technical assistance to developing countries in relation to work in the Uruguay Round were invited to keep the Committee periodically informed on activities which they have carried out as well as of facilities which were available under their programmes.

32. The representative of UNCTAD recalled that the programme of technical assistance of his organization had been outlined at the Sixty-Fourth Session of the Committee in July 1988. Further details on the programme were provided for information of the Committee in a paper submitted for circulation at this meeting (COM.TD/W/478). Since its inception in 1987 the programme had covered a wide range of activities involving the preparation of studies on various issues of the Uruguay Round, advisory missions to capitals of developing countries and the convening of national, sub-regional and inter-regional seminars and round tables. A major new component was added to the programme after July 1988 namely the "Software for Market Analysis" (SMART) which was being implemented in collaboration with the World Bank and involved additional financial support by UNDP. It was designed to meet the perceived need of developing countries for improving the management of large volumes of complex data on trade and trade barriers and their utilization for evaluating different negotiating options. Moreover a large number of technical studies had been carried out under the programme. Some of them had been made available for general circulation in a volume of selected papers. Other volumes including studies in the areas of technology and trade policy and services were

scheduled for publication later this year. Since July 1988 over fifty seminars and round tables had been convened in all regions of the world. Approximately half of them had been national seminars. Others had covered all the developing regions and included round tables and specific issue-oriented meetings on services, agriculture, textiles, anti-dumping, TRIPS and TRIMS. In this connection the representative expressed appreciation to the secretariat of GATT as well as to other organizations for making available experts and resource persons to contribute to the work of such seminars. UNCTAD expected to intensify further its technical assistance during the next year when the Uruguay Round entered into its final phase.

33. Many delegations expressed appreciation for the technical assistance provided by the GATT secretariat as well as for the contributions made by individual governments such as the Federal Republic of Germany and Norway. Appreciation was also expressed for the technical assistance provided by other international organizations such as UNCTAD, UNDP, SELA and FAO and for the participation of the GATT secretariat in some of their activities. It was felt that these activities had been useful and had helped developing countries to increase and improve their participation in negotiations. Hope was expressed that technical assistance by the GATT secretariat as well as by other organizations would be strengthened and intensified including through new voluntary contributions by governments in order to meet the needs of developing countries in the critical stage in which the Uruguay Round was now entering.

34. Several representatives singled out a number of specific activities which they had found particularly useful. Among these were the regional seminars in Asia and Latin America, national seminars or round tables organized in a number of developing countries, provision of data and information in a number of developing countries in conjunction with the Uruguay Round negotiations. Reference was also made to the usefulness of trade policy courses regularly organized by the GATT secretariat as well as to the seminar/workshop on the Integrated Data Base. The forthcoming special training course on GATT dispute settlement procedures was also considered a valuable initiative.

35. Some representatives felt that better identification of specific needs of developing countries by UNCTAD prior to defining programmes of technical assistance was required. The need for avoiding any overlapping between GATT and UNCTAD activities was also emphasized. One representative expressed hope that UNCTAD seminars organized in Geneva for developing-country delegates would provide in future interpretation in order to facilitate the participation of French speaking delegates. Another representative recalled that a number of seminars had been organized in his country in recent years in order to familiarize officials with the GATT work. He hoped that such activities would be continued.

36. The representative of the EEC restated the importance attached by the Community to technical assistance provided to developing countries. In this connection he noted the great number of activities that had been carried out as well as the increased participation by many developing

countries in the ongoing negotiations. He informed the Committee that an exceptional contribution by the Federal Republic of Germany was made available for a seminar in Asia and that the Community as such would shortly make an additional exceptional contribution for technical assistance activities.

37. The Committee took note of the report by the GATT secretariat on technical cooperation with developing countries (COM.TD/W/477) and of the views expressed and statements made under this item of the agenda.

Item (iv): Work of the Sub-Committee on the Trade of Least-Developed Countries

38. It was recalled that in accordance to the mandate given by the Committee the Sub-Committee on the Trade of Least-Developed Countries was keeping under continuous review issues in the Uruguay Round of particular interest to the least-developed countries. Since the Sixty-Sixth Session of the Committee in June 1989, the Sub-Committee met on 28 September 1989. The draft note on the proceedings of that meeting had been circulated in document COM.TD/LLDC/12.

39. The representative of Canada reiterated his country's interest in the work of the Sub-Committee in particular in relation to issues in the Uruguay Round of interest to least-developed countries. He was looking forward to examining and commenting further on the proposals made by Bangladesh at the last meeting of the Sub-Committee. The representative recalled that the contribution made by his country in the context of the negotiations on tropical products which included measures aimed at improving market access for exports of the least-developed countries had already been implemented.

40. The representative of Cameroon informed the Committee that his country had undertaken a number of tariff and non-tariff liberalizing measures under its structural adjustment programme which would be notified to the secretariat in due course.

41. The Committee took note of the statements made.

Item (v): Annual report of the Committee of Participating Countries on the operation of the Protocol Relating to Trade Negotiations Among Developing Countries

42. Recalling that the Committee served as a forum for following developments under the Protocol Relating to Trade Negotiations Among Developing Countries the Chairman noted that the Sixteenth Annual Report concerning the Protocol, circulated in document L/6573 and Addenda was before the Committee for consideration and adoption.

43. Referring to global or regional arrangements amongst developing countries one representative restated his country's support for the reduction or elimination of tariffs on the basis of reciprocity. In his view the Protocol had so far been operating satisfactorily. He noted in

particular that no participating country made use of the provisions concerning renegotiation and modification of concessions or temporary suspension of rights and obligations. A positive development was the decision to review the schedules of concessions of participating countries with a view to facilitating action aimed at updating and improving the scope and coverage of concessions on the basis of considerations and principles embodied in the preamble of the protocol.

44. The Committee took note of the statement made and adopted the Sixteenth Annual Report of the Committee of Participating Countries concerning the operation of the Protocol Relating to Trade Negotiations Among Developing Countries (L/6573 and Addenda) for submission to CONTRACTING PARTIES.

Next meeting of the Committee

45. The Committee agreed that its next meeting would be determined by the Chairman of the Committee in consultation with delegations and the secretariat.