

GENERAL AGREEMENT ON

RESTRICTED

CPC/116
16 April 1992

TARIFFS AND TRADE

Special Distribution

Preferential Arrangements among Developing Countries Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Summary of Discussions at the Sixty-Second Meeting held on 23 March 1992

1. The Committee of Participating Countries provided for in the Protocol Relating to Trade Negotiations among Developing Countries held its sixty-second meeting on 23 March 1992. The Chairperson was Mrs. O. Lazic-Djerdj (Yugoslavia).

2. The draft agenda circulated as document CPC/W/156 was adopted.

Schedules of concessions

3. The Chairperson recalled that at the last meeting, held in October 1991, a number of members expressed concern that preferential concessions not linked to m.f.n. tariffs had lost their value as m.f.n. tariffs had come down. The secretariat was requested to prepare a note setting out the factual position and to include, if appropriate, a draft decision or recommendation. This note and a draft decision - document CPC/W/154 - was now before the Committee. The Chairperson asked members for their views on the document and whether the draft recommendation, amended as necessary, could be adopted.

4. The delegate of Korea drew the attention of the Committee to document CPC/115, which set out action Korea had taken on an autonomous basis, effective 1 January 1992, to remedy the erosion of preferences. A preferential margin of 10 per cent had been established for all products, except one, in Korea's schedule of concessions under the Protocol. He invited other members to take similar action. The delegate of Turkey told the Committee that Turkey had taken measures on a unilateral and autonomous basis to remedy erosion in preferential margins. Turkey agreed that the Committee must decide on the means of resolving this issue.

Some members of the Committee questioned whether this was an appropriate time to consider this issue: new tariff schedules had been submitted and would be bound at the end of the Uruguay Round negotiations, and the Committee should return to this issue at that time. One member recalled that after discussions at the last meeting, the secretariat had been asked to prepare a note which could be a basis for discussion, and for

making a recommendation, if appropriate. He questioned the timeliness of the draft recommendation in Annex 1 of CPC/W/154. He thought that while it would be possible to identify concessions that had been eroded, it was premature at this stage of negotiations on market access to determine preferential margins. Some other members of the Committee thought a draft recommendation on the need to restore preferential margins was valid, irrespective of the outcome of the Uruguay Round. In response to a request from the Committee, a representative of the secretariat clarified that the draft recommendation proposed action in remedying erosion of preferences that had already taken place, and could be the basis for remedying future erosion. Taking note of the discussion the Committee agreed to postpone a decision on the draft declaration, and to return to this item of the agenda at its next meeting.

5. The Chairperson drew the attention of the Committee to document CPC/W/150/Rev.1, showing which participating countries had, following the transposition of their GATT schedules to the Harmonized System, revised their schedules of concessions under the Protocol. Several members of the Committee said their delegations had yet to conclude negotiations on their GATT Schedule under Article 28, after which they would transpose their schedules of concessions into the Harmonized System. A representative of the secretariat clarified that Article 28 procedures need not stand in the way of the transposition to the Harmonized System of the schedules of concessions. The Chairperson urged members to submit their schedules of concessions transposed to the Harmonized System.

6. The Chairperson recalled the discussion at the last meeting on the possibility of launching a new round of negotiations under the Protocol as a post-Uruguay Round activity. The Committee agreed to revert to this at the conclusion of the Uruguay Round.

Expansion of trade among developing countries

7. The Chairperson recalled the discussion on a proposal made at the last meeting on the advanced implementation of Uruguay Round concessions. Document CPC/W/155 had been prepared by the secretariat in response to these discussions. Members noted that, as many participating countries had taken autonomous measures in the recent past to liberalize trade régimes the scope for advanced implementation was limited. One member noted that a majority of concessions of developing countries related to ceiling bindings and bindings at base rates. Some members queried the implications of the advanced implementation of concessions negotiated elsewhere for the balance of rights and obligations under the Protocol. Members agreed that advanced implementation could relate only to items in the schedule of concessions. The Committee decided to revert to this proposal at the end of the Uruguay Round negotiations.

Certificate of origin

8. The Committee noted that additional information provided by Romania on certification of origin had been circulated in document CPC/10/Add.46.

A representative of the secretariat recalled that in 1973 the Committee had agreed that participating countries would notify names and addresses of competent organisations and their regional offices, and specimen impression of official stamps in use. Notification of names of officials was not necessary. The Committee took note of the notification requirements.

Next meeting

9. The Chairperson indicated that the date of the next meeting would, in accordance with usual practice, be fixed in consultation with delegations and with the secretariat.