

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

W.20/13/Rev.1
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Limited Distribution

CONTRACTING PARTIES
Twentieth Session

IMPACT OF COMMODITY PROBLEMS ON INTERNATIONAL TRADE

Note by the Executive Secretary

Revision

In document W.20/13 certain conclusions were formulated with the intention that they might be agreed for inclusion in the Summary Record as observations and conclusions of the CONTRACTING PARTIES. However, it does not seem practicable to request delegations at this late stage in the session to adopt a text which would imply the concurrence of their governments and in these circumstances it might be preferable simply to place these observations on record as those of the Executive Secretary. With this in view, the proposed paragraphs have been revised as follows:

- (a) Even though some improvement in the volume of exports of primary products may be looked for, there appears to be no present basis for expecting any substantial favourable change in the level of prices relative to prices of manufactured products.
- (b) For some products traditional-type commodity arrangements may be of some assistance in expanding world trade and stabilizing world markets so as to avoid a persistent unfavourable trend in prices. For these reasons governments might adopt a positive attitude towards the conclusion of such arrangements.
- (c) In this connexion delegations welcomed the conclusion of the Coffee Agreement and noted with satisfaction that discussions were shortly to be resumed with a view to the conclusion of a Cocoa Agreement. They welcomed the constructive attitude now being adopted by contracting parties generally in the discussion of these matters.
- (d) The fluctuation of commodity prices continues to be a matter of grave concern to developing and less-developed countries because of the corresponding uncertainty which this introduces in their balance of payments and consequently in their programmes for economic expansion and development planning.

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