

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

TN(LDC)/2
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Special Distribution

Trade Negotiations Committee of
Developing Countries

SUGGESTIONS ON A WORKING PLAN

Note by the Chairman of the Committee

1. In the Trade Negotiations Committee of Developing Countries, there seems to be general agreement¹ that before decisions can be taken on the key elements in the ground rules for negotiations, it will be necessary for each developing country to have a more precise idea than it has at the present time, of the possibilities for its exports in the markets of other developing countries and of the problems that may stand in the way of realizing these possibilities. It has at the same time been emphasized that these possibilities must be examined not only in relation to the existing pattern and composition of trade but also in relation to the potential trade.
2. It is suggested that the most practical way of identifying these possibilities and the problems that need to be dealt with would be for each developing country to establish for each other developing country a short list of not more than twenty-five products which it is either exporting or believes it is capable of exporting to the markets of that country. Where possible, the list could be accompanied by an indication of specific problems affecting particular products.
3. After the transmission of the lists and their examination by the countries to whom they are addressed, the interested exporting country should enter into consultations with the developing country whose market it is interested in exploring. In the course of these consultations it should be possible for the interested exporting country to: (a) discuss any specific problems that it can identify as affecting its exports to the particular market and the means by which these problems might be resolved; (b) obtain information on imports of the listed products in the importing country from all sources; (c) get information on import treatment as well as other factors that affect export possibilities for the listed products in the particular market. The discussion under (c) will cover not only the rôle played by existing tariff and other commercial policy regulations but also other factors affecting trade.

¹See document TN(LDC)/1.

4. Since each country which identifies products in its export trade for discussion with potential importers will be receiving lists of products for which it might provide an import market for other developing countries, the consultations will evidently cover the exchange of information and discussion both on products for which the country is an exporter or can be an exporter and on products for which it is an importer or can be an importer from other developing country sources. Once this process has been completed between pairs of developing countries, it will be found that a number of countries have a common interest as exporters of the same items to the same markets and that they are affected to a varying degree by the same kind of problems in the import markets. For products where such common interest and such common problems exist, consultations should then become multilateralized.

5. The bilateral or multilateral discussions should indicate to what extent the problems affecting exports of particular developing countries in particular markets of other developing countries need to be dealt with and indeed can be dealt with through tariff or other commercial policy action and to what extent the development of trade depends on the solution of other difficulties, for example, in the field of transport, banking facilities, trade information, etc. A judgment would then also be possible, on a realistic basis having regard to all relevant factors including the pattern of trade and the interest of other suppliers, as to the appropriate form which the tariff or non-tariff concessions could take.

6. Once this point has been reached, it will be possible to move into the stage of concrete negotiations based on specific requests for concessions in respect of tariff and non-tariff barriers. The negotiations will proceed against a background of adequate information in regard to the problems involved and the nature of the benefits that can reasonably be expected to flow from the types of concessions sought.