

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Trade Negotiations Committee
of Developing Countries

PROCEEDINGS OF THE TENTH MEETING

Held in the Villa Le Bocage, Geneva,
on Thursday 17 December 1970 at 3 p.m.

Chairman: Mr. O. LONG

Introduction

The purpose of the meeting was to review progress in the consultations between participating countries and to consider further arrangements for the negotiations.

Review of progress in consultations held during October-December 1970

1. The Chairman recalled that the Committee had met on 19 October 1970 with a view to making arrangements for consultations between participating countries aimed at enabling them to discuss and appraise requests and provisional offers presented in the context of the negotiations. As the period set aside for the purpose had come to a close, it seemed appropriate to take stock of the situation and see what further steps needed to be taken to carry the negotiations to the next stage. The Committee was informed that according to the information available with the secretariat, more than 100 bilateral consultations had been held between the eighteen countries which had presented specific requests for concessions. Many of these consultations had been assisted by experts from headquarters. All those who had presented, received or reciprocally exchanged requests, had been able to meet each other at least once. Provisional offers by six governments had been circulated to other participating countries and offers from another five countries were being processed. Four or five other delegations had informed the secretariat of their intention to table provisional offers in the very near future. It thus seemed justified to infer that the two-month period of consultations and negotiations, with the participation of experts from capitals, had satisfactorily served the purpose of permitting governments to get a preliminary overall view of their interest in the negotiations and had enabled them to explore with other participants products in respect of which negotiating possibilities existed.

2. In the course of the consultations requests for additional information concerning individual requests and offers had been exchanged between delegations and there were likely to be many other points on which delegations might wish to seek further clarification from one another. In the view of the Chairman it thus appeared necessary that consultations already initiated between delegations should continue without interruption. Once governments had had time to develop and elaborate their

positions, assess the results of the present phase of the negotiations and complete the internal processes necessary for establishing firm offers, the negotiations should move on to the next substantive phase involving the presentation of firm offers by each country and discussion of outstanding elements of the rules and procedures. This phase, which would require participation by experts from headquarters, might commence at the end of March 1971. There was however no reason to go into recess until then; for the purpose of moving ahead it would be helpful if those who were in a position to present their preliminary offers would do so as soon as possible after 1 January. The secretariat would continue to provide such information as might be needed on products, trade régimes, tariffs, trade patterns etc. that had been discussed over the past two months, and to assist delegations in meeting their needs for additional data, in arranging meetings and in maintaining liaison. The Chairman invited comments on these proposals.

3. The representative of the Philippines said that, although technical details were being worked out, it had not yet been possible for his Government to present offers. A proposal will be submitted to Congress to amend the existing statute to make it possible for the Government of the Philippines to offer concessional duty rates to developing countries. It was estimated that the amendment, if adopted, would be implemented by July 1971. The Philippine delegation participation in the suggested March-April negotiations would be conditioned by these circumstances.

4. The representative of Spain said that his delegation had received requests for concessions from other participants on over 285 trade positions which were being examined by the Spanish authorities. He hoped that his Government would be in a position to submit provisional offers very shortly.

5. The representative of Yugoslavia felt that the expert level consultations had resulted in a better understanding of trading opportunities between developing countries. His delegation was convinced that mutual benefits would accrue from the negotiations. Comments and proposals addressed to the Yugoslav delegation in the course of these consultations were being transmitted to his Government for consideration and he was confident that a very serious effort would be made to take these into account.

6. The representative of Pakistan said that apart from the provisional offers already addressed to eight participating countries, his Government would be presenting an expanded list of offers to all those with whom Pakistan had exchanged requests reciprocally. It would help governments to finalize their offers if the offers so far presented could be made available to all the participating countries. His delegation would be available as required for consultations or for furnishing information on any aspect of the Pakistan economy.

7. The representative of Argentina said that his delegation had held fruitful consultations with a number of participating countries, and was looking forward with optimism to the outcome of these negotiations. Owing to the recent re-adjustment of the Argentine tariff the information supplied earlier to delegations had to be revised. It should however be possible for his Government to present offers in the near future.

8. The representative of Turkey informed the Committee that his Government had already presented provisional offers to eight participating countries. Further offers to another four or five participants would be tabled shortly.
9. The representative of Israel stated that in the course of bilateral consultations her delegation had received reactions from other participants to specific requests presented by Israel. These reactions and offers were being examined by the competent authorities. The proposal for resumption of the negotiations at the end of March would be transmitted to the Government, and the secretariat would be informed of its reaction in due course.
10. The representative of Greece noted with satisfaction that participating countries had demonstrated an earnest desire to move ahead with the negotiations. In the course of the consultations a number of problems had come to light to which serious attention should be given by governments so that best use could be made of consultations scheduled for early 1971. His delegation was ready to associate itself with any suggestion that might accelerate the achievement of the objectives of the negotiations.
11. The representative of Ceylon stated that, while his delegation had received specific offers from a number of participating countries, in view of the fact that it had been engaged in an overall review of trade policies it had not been possible for his Government until now to present offers. In his contacts with other delegations, he had identified a number of products on which it might be possible for the Ceylonese Government to offer concessions at a later date. It would be possible for his Government to take further action once it was in a position to enter into substantive negotiations.
12. The representative of India said that useful preparatory work had been done in the expert level consultations. These consultations had done much to carry the negotiations forward. It was heartening to note that even those participating countries who were parties to various regional or special trading arrangements were fully conscious of the importance and usefulness of this exercise and were earnest in their efforts to contribute fully towards the aims and objectives of the trade negotiations among developing countries. During these extensive consultations a number of important problems had been exposed. He expressed the hope that all participating governments would give serious consideration to these problems so that quick progress could be made when experts resumed consultations.
13. The representative of Chile observed that it would facilitate the drawing up of offers in capitals if a copy of all offers so far submitted could be made available to all countries taking active part in the negotiations.
14. In response to the point raised by the representatives of Chile and Pakistan, the Chairman stated that it was important that each participating government should have a complete picture of the offers so far submitted. To this end, and in agreement with the countries concerned, the secretariat was taking steps to circulate the provisional offer lists so far presented to all concerned and would continue to do so with respect to other offers when received.

15. The representative of Ethiopia said that his delegation had been receiving all the information and documentation concerning the trade negotiations among developing countries as well as requests specifically addressed to his Government. They had been transmitted to the authorities in Addis Ababa. His Government supported the efforts of developing countries towards establishing a preferential system between themselves, and looked upon it as an additional step towards self-reliance where due consideration would be given to the different stages of economic development of participating countries. He expressed the hope that his Government would be kept informed of further developments in the negotiations.

16. The representative of Mexico expressed satisfaction at the progress made in the expert level consultations. His Government had, however, not received adequate information from a number of participants in regard to the products on which they would wish to negotiate with Mexico. He appealed to the negotiating countries to present well-defined requests and offers as early as possible; this would enable governments to see clearly what further efforts were required on their part to achieve the objectives of the negotiations.

Participation of a larger number of developing countries

17. The representatives of Yugoslavia, Turkey and Greece suggested that the Committee should explore the possibility of securing participation in the negotiations of those developing countries who had not until now taken an active part in this work. In this context the Yugoslav representative expressed the hope that it would be possible to build into the negotiations concrete benefits for the least developed among the developing countries; special concessions benefiting such countries might provide larger openings for the mutual expansion of trade among developing countries as a whole.

18. Referring to this suggestion, the Chairman observed that every effort should be made to encourage the broadest possible participation of developing countries in the work of the Trade Negotiations Committee. He believed that substantive progress in the negotiations would encourage other countries to join in. According to information available to the secretariat, a number of developing countries had been considering the possibility of following the negotiations in an active way. It would also be helpful for those countries who had been participating actively in the work of the TNC to share with others their experiences regarding the negotiations and to see how they might deal with any questions concerning the participation of the latter in this exercise. The secretariat for its part had kept countries not members of the TNC informed of developments in the trade negotiations. The secretariat would continue to maintain contacts with countries who may have an interest in participating in the work of the TNC.

Rules and procedures

19. The representative of Turkey suggested that consideration might be given to the procedures that might be adopted to give effect to the results of the negotiations.

20. The Chairman said that the CONTRACTING PARTIES in the near future would be giving consideration to accommodating the generalized scheme of preferences in the General Agreement. Under these circumstances the Committee might wish to defer discussion of the action that might need to be taken in GATT to enable the results of the negotiations to be implemented until such time as action had been taken on the generalized scheme of preferences.

21. Agreeing with the view expressed by the Chairman, the representative of India said that it would be advisable to wait and see how the generalized scheme of preferences would be accommodated within the framework of the General Agreement. Further, any discussion of the legal framework would have to take into account the product and country coverage scheme.

22. The representative of Brazil stressed the need for finalizing the rules governing the negotiations when the second round of consultations, aimed at bringing the negotiations to a successful close, was resumed. It would be difficult to negotiate firm concessions without knowing the rules governing the application of the concessions.

Future work programme

23. Participants in the discussions generally supported the programme of further work outlined by the Chairman in his opening remarks. In summing up, the Chairman said that it had become clear from the debate that it was the wish of the participating countries that consultations and negotiations at expert level should be resumed towards the end of March 1971. During this period the Committee would also address itself to settling outstanding points relating to rules and procedures governing the application of the concessions. He suggested that the Committee should reconvene on 29 March.

24. The Committee agreed that substantive consultations and negotiations at expert level would be resumed in accordance with the time-table suggested by the Chairman. It was further agreed that in order to permit governments to make a preliminary assessment of the scope of the negotiations and the products covered by them, participants would make every endeavour to complete the tabling of preliminary offers as early as possible. During the period from beginning of January until end of March 1971, participating delegations would pursue bilateral consultations with assistance by the secretariat, as required.