

GENERAL AGREEMENT ON TARIFFS AND TRADE

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MINUTES OF THE MEETING OF THE INFORMAL GROUP OF OF DEVELOPING COUNTRIES HELD ON 8 MARCH 1967

Prepared by the Secretariat

1. Another in a series of regular meetings of the informal group of developing countries in GATT was held on 8 March 1967 under the chairmanship of H.E. Dr. José Antonio Encinas del Pando, Ambassador of Peru. The meeting was attended by the representatives of Algeria, Argentina, Brazil, Chile, Cuba, Dominican Republic, India, Indonesia, Israel, Jamaica, Korea, Nigeria, Pakistan, Peru, Spain, Trinidad and Tobago, Tunisia, Turkey, United Arab Republic, Uruguay and Yugoslavia.

2. The Chairman recalled the discussion which had taken place recently (6 March) between the Director-General and the representatives of developing countries participating in the Kennedy Round concerning the time-table for the last stretch of the negotiations. The Director-General had indicated that under the terms of the United States Trade Expansion Act of 1962, the instruments embodying the results of the negotiations would have to be completed for signature before 30 June 1967 and that in view of the time needed for the preparation, exchange and verification of the schedules of concessions and the drawing up of protocols, the substantive negotiations would have to be completed several weeks in advance. It had been suggested that the cut-off date for the substantive negotiations should be set for 30 April; that agreement on the contents of the final package should be reached by 8 April; and that the Trade Negotiations Committee should convene on 20 April, and possibly again towards the end of the month, to approve the final package. The Director-General had also expressed concern over the possibility of the interests of developing countries being left aside during this last stage of the negotiations and had urged that developing countries take immediate steps to ensure the fulfilment of the undertaking which the developed countries had given at the Punta del Este meeting. There had also been a suggestion that the meeting of 20 April should be held at ministerial level. The Chairman invited comments on these points and expressed the hope that a consensus would emerge among the developing countries for presentation at the Trade Negotiations Committee meeting on 9 March.

3. In discussing the time schedule some representatives expressed the view that since, in some sectors, offers from industrialized countries had been made available only recently there should be some flexibility in the dates set. Some delegates also enquired whether a high level meeting over the last ten days of April would be useful if the main decisions would already have been taken by 8 April.

4. Speaking at the request of the Chairman, the Deputy Director-General explained that the requirements of the United States legislation and the circumstances were such that 30 April was the latest date that could be chosen for the cut-off of substantive negotiations and that it would be impossible to engage in further negotiations after that date. The two-month period between then and the end of June was barely sufficient for the completion of the vast amount of technical and legal work, which included the drawing up in final form of the protocols and the checking for accuracy of the extensive lists of concessions. As regards the agreement to be reached by 8 April on the package deal, it should be kept in mind that negotiations had been taking place both bilaterally and multilaterally in several groups on a broad range of problems. The results of these activities had to be brought together and viewed as a coherent whole in order that the overall value of the concessions and agreements to any particular negotiating country could be assessed and this must be done at a sufficiently early date so that there would be time for the negotiation of adjustments and improvements, should these be found necessary, before the final cut-off date. For the developing countries an indication near this date of the likely shape of the concessions on offer would be helpful in enabling them to concentrate on areas where improvements could be sought.

5. As regards the proposal to hold a Trade Negotiations Committee meeting in April at ministerial level, the Deputy Director-General expressed the view that whilst a meeting at such a level would be unnecessary and unsuitable for the pursuit of the negotiations at the technical level, it would become highly desirable if, after the details were worked out, major issues remained and required settlement at the political level. It was premature to take a final decision at this stage; the developing countries might urge that it be agreed in principle that a ministerial meeting would be held towards the end of April, leaving the final decision for a future meeting of the Trade Negotiations Committee early in April.

6. With regard to tropical products, the Deputy Director-General recalled that the offers made by certain developed countries had been contingent upon "joint action" by other developed countries. Consequently informal meetings of developed countries had been held for the purpose of exploring the

possibilities of such joint action and of removing that condition and certain reservations. It had been recognized that over a wide field there were limitations arising from certain special relationships existing between some developed and some developing countries that could not be resolved without the co-operation and willingness of the interested developing countries. Within those limitations however, there were possibilities for different developed countries taking action in respect of specific products which could be usefully pursued.

7. As regards other conclusions reached at the Punta del Este meeting, the Deputy Director-General pointed out that the secretariat for its part had repeatedly drawn the attention of developed countries to the necessity of giving effect to them, in particular to the point relating to the immediate implementation of tariff concessions on products of interest to developing countries. In his view developing countries should continue to press these points at the Trade Negotiations Committee meeting on 9 March, as well as to pursue the matter in terms of specific products in their bilateral discussions with developed countries so that the commitments which developed countries had accepted under Part IV of the GATT were not overlooked in the final phase of the negotiations.

8. In reply to a question, the Deputy Director-General stated that it was envisaged that the Sub-Committee on the Participation of Developing Countries would be convened in the near future.

9. The Deputy Director-General also urged developing countries to explore the possibility of improving their own contributions and offers, consistently with their development, financial and trade needs.

10. In reply to questions concerning the negotiations among developing countries, the Deputy Director-General stated that it had been envisaged that these negotiations could result in an exchange of concessions which would be applied on a preferential basis between developing countries only. Whether the preferences agreed upon would be applied only to those developing countries which actually participated in the negotiations or to all developing countries in GATT, or indeed to all developing countries whether or not in GATT was a matter to be considered in the first instance by the negotiating contracting parties themselves. This was a question on which the CONTRACTING PARTIES had not as yet taken any position. There was no reason why this terminal date of 30 April should apply to negotiations between developing countries which could be embodied in appropriate instruments and added to the schedules after such action as may be called for on the part of the CONTRACTING PARTIES.

11. After an exchange of views the group agreed that the Chairman should be requested to make a general statement on behalf of the group at the Trade Negotiations Committee meeting on 9 March, in which the following points should be covered:

- (a) that in agreeing to the proposed time-table for the final phase of the trade negotiations aiming at terminating the substantive negotiations by 30 April, the developing countries consider that some flexibility should be allowed especially with regard to the date of 8 April in relation to those aspects of the negotiations that affect the interests of the developing countries;
- (b) that it was the general view of developing countries that a Trade Negotiations Committee meeting at ministerial level should be held in the latter part of April; they propose that this be agreed upon in principle, subject to a final decision by the Trade Negotiations Committee early in April;
- (c) that the developed countries should take fully into account and act upon the conclusions of Punta del Este in the finalization of their Kennedy Round offers, and in particular the point relating to the immediate implementation of concessions on products of export interest to developing countries without the phasing provided for in the general rules;
- (d) that the developing countries attached the greatest importance to the trade negotiations which should be brought to a successful conclusion for the benefit of all concerned; and
- (e) that the current negotiations among developing countries, not being an integral and inseparable part of the Kennedy Round, were not governed by the time-table proposed for the final phase of the Kennedy Round and would continue after 30 April 1967.

12. It was agreed that representatives of developing countries wishing to raise other specific points at the Trade Negotiations Committee would do so in the name of their own delegations. It was also agreed that between now and the end of April, the informal group should meet at frequent intervals to consider points of interest to developing countries in the negotiations.