

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/W/32

20 February 1962

Limited Distribution

COUNCIL

22 February - 2 March 1962

COUNCIL AGENDA

Notes by the Secretariat on Agenda Items

The provisional agenda has been distributed in document C/19. To facilitate preparations by Council members for dealing with the various items on the agenda, the following annotations are provided:

1. ELECTION OF CHAIRMAN

The Council elects its own Chairman. At the last Council meeting, in September 1961, Mr. J. Lacarte of Uruguay was elected Chairman for the remainder of 1961.

2. ADOPTION OF AGENDA AND ORDER OF BUSINESS

The items listed in the provisional agenda include those suggested by the Executive Secretary in GATT/AIR/269 of 26 January and items subsequently proposed by contracting parties. The Executive Secretary will suggest an order of business at the first meeting of the Council.

3. PROGRAMME FOR EXPANSION OF TRADE

The Council will wish to review the action taken, and consideration of future action, to carry out the decisions of the CONTRACTING PARTIES on the implementation of the conclusions of the meeting of Ministers in November 1961 (L/1699).

(a) Customs tariffs

(i) Developments in Tariff Conference:

The Executive Secretary, in his capacity as Chairman of the Tariff Negotiations Committee, may wish to report to the Council on developments in the Tariff Conference since the nineteenth session.

(ii) Arrangements for Working Party on Tariff Reduction:

The CONTRACTING PARTIES at the nineteenth session scheduled a meeting of the Working Party on Tariff Reduction for 5-18 April. As stated in document L/1713, some delegations have suggested that a meeting in April would be premature and that it would be more profitable for the first meeting of the Working Party to be held in the first half of June.

(b) Trade in agricultural products

To give effect to the recommendations adopted at the meeting of Ministers, the CONTRACTING PARTIES adopted "procedures designed to establish the basis for the negotiation of practical measures for the creation of acceptable conditions of access to world markets for agricultural commodities" and decided that progress of this work should be supervised and co-ordinated through the Council. The Council is authorized to establish "such preparatory groups as may be necessary".

(i) Report by Group on Cereals:

A report will be made on the meeting of the Group on Cereals at present taking place.

(ii) Arrangements for future work on other commodities:

The Council was authorized at this meeting "to initiate discussion of the problems in other commodities with differing characteristics, for example, meat".

(c) Trade of less-developed countries

Committee III will meet on 19 February to arrange its future programme of work in implementing the conclusions of the ministerial meeting, taking into account any specific proposals presented by contracting parties. The Committee may be able to make a progress report before the close of the Council meeting.

4. BUTTER MARKETING PROBLEMS

At the nineteenth session, a Working Group was appointed to review "the actions and plans of countries principally concerned in applying measures designed to achieve the removal of the basic causes of butter marketing problems, particularly as such measures relate to internal policies affecting production, consumption, domestic prices and imports of butter". The Group met from 22 to 26 January and has submitted a report contained in document L/1720.

5. RESIDUAL IMPORT RESTRICTIONS

The Panel of Experts appointed at the nineteenth session, to examine the adequacy of the notifications of residual restrictions and to clarify any points arising from the notifications, met in January and has submitted an interim report in document L/1716.

The Panel is seeking supplementary information and clarifications from contracting parties and proposes to meet again early in May, so as to be in a position to submit a final report to the Council at the meeting commencing on 21 May. The Panel has suggested that the Council should stress the importance of contracting parties complying with the requests which the Panel has made for further information.

6. RELATIONS WITH POLAND

At its meeting in September 1961, the Council decided that the first annual review of the implementation of the provisions of the Declaration of 9 November 1959 (8S/12) should be conducted either by the Council or the CONTRACTING PARTIES some time in the first half of 1962 (C/M/8, page 22). The Council might make appropriate arrangements for the review. A note by the secretariat will be prepared to serve as a basis for discussion.

7. CENTRAL AMERICAN FREE TRADE AREA

The Working Party appointed by the Council in September 1961, to examine certain questions arising in connexion with the Central American Free Trade Area, recorded in its report (L/1639) that it had been informed by the representative of Nicaragua that his Government and those of Costa Rica and Panama had signed "a ten year agreement which by gradually reducing trade barriers between them constituted a first step towards the inclusion of Panama in the process of integration of Central America". The text of this Agreement has now been distributed in document L/1706 and should be examined in the light of the relevant provisions of the GATT.

The Government of Nicaragua has been asked whether arrangements can be made for a representative to attend the meeting of the Council to participate in the discussion of this matter and to furnish any additional information that may be required. If Nicaragua should not be represented, the Council might wish to consider what arrangements should be made to examine this matter.

8. RECOURSE TO ARTICLE XXIII BY URUGUAY

At the nineteenth session the CONTRACTING PARTIES delegated authority to the Council to act on their behalf, in accordance with paragraph 2 of Article XXIII, on any cases of nullification or impairment which Uruguay might refer to the Council (ref. SR. 19/11, page 185; L/1647; L/1662; L/1679, and L/1712).

9. UNITED STATES EQUALIZATION FEE ON IMPORTS OF COTTON TEXTILES

The inclusion of this item in the agenda has been requested by the Government of Japan. The item relates to the announcement (L/1655) by the Government of the United States that the Tariff Commission had been requested "to institute an investigation under Section 22 of the Agricultural Adjustment Act to determine whether a fee equal to the export subsidy rate on raw cotton is necessary to prevent imported cotton products from interfering with the Department of Agriculture's programmes for cotton and cotton products or from reducing substantially the amount of products processed in the United States from cotton or products thereof". (See also SR.19/9, page 144.)

10. SOUTH AFRICAN WAIVER FROM ARTICLE I

Under the Decision of 4 June 1960 (9S/51), relating to special treatment for imports into South Africa from the Federation of Rhodesia and Nyasaland, the South African Government is required to submit an annual report on action taken. The second annual report (L/1718) states that the waiver was not invoked in 1961.

11. CONSULAR FORMALITIES

At its meeting in September 1961, the Council instructed the Executive Secretary to convene a Panel of Experts to make "a survey of existing consular formalities and, in the light of the experience of those contracting parties which have already taken steps to abolish such formalities, to recommend ways and means of ensuring their simplification and elimination". The Executive Secretary will report to the Council on the arrangements made for establishing this Panel. A meeting of the Panel has been envisaged for 12 to 16 March.

12. BENELUX SCHEDULE (SURINAM)

This item has been included in the agenda at the request of the Kingdom of the Netherlands which requests authority under paragraph 4 of Article XXVIII to enter into renegotiations for the modification and withdrawal of concessions in Section E (Surinam) of Schedule II. Details have been distributed in document SECRET/150.

13. ADMINISTRATIVE AND FINANCIAL QUESTIONS

- (a) At the nineteenth session, the CONTRACTING PARTIES authorized the Council to examine the question of adjustment of the emoluments attached to the ungraded posts, i.e. the posts of Executive Secretary and Deputy Executive Secretary, following the adoption of new salary scales for the Professional and Director categories and in the light of the present responsibilities of the incumbents and action taken in other organizations belonging to the United Nations family. The CONTRACTING PARTIES authorized the Council to take a decision in this matter (SR.19/12, page 212).

- (b) The Executive Secretary will submit an information paper on the subject of the classification of Geneva for purposes of post adjustment referred to in paragraph 7 of document L/1644, dated 24 November 1961.

14. FURTHER WORK OF THE COUNCIL

The Executive Secretary will put forward suggestions for the items to be included in the agenda for the meeting of the Council to be held from 21-30 May. The Council might review these items with a view to making any necessary arrangements and undertaking preparatory work.

OTHER BUSINESS

- (i) The representative of Israel wishes to make a statement on the latest measures adopted by the Israeli Government relating to foreign trade policy. (Extracts from an announcement by the Israeli Minister of Finance on economic policy is being distributed in document L/1727.)
- (ii) At the nineteenth session provision was made for the Committee on Balance-of-Payments Restrictions to carry out a consultation in 1962 with the Government of Ceylon under Article XVIII:12(b). In this connexion attention has been drawn to the proviso to paragraph 12(b) of Article XVIII that "provided that no consultation under this sub-paragraph shall take place within two years after the conclusion of a consultation of a general nature under any other provision of this paragraph". Since Ceylon held a consultation under sub-paragraph 12(a) in 1961, it has proposed that its consultation under paragraph 12(b) of Article XVIII should be postponed until 1963.
- (iii) A statement has been received from the Government of Ghana regarding a recent intensification of import restrictions. Copies are being distributed.