

GATT/AIR/1116

3 SEPTEMBER 1974

SUBJECT: REVIEW OF IMPLEMENTATION OF PART IV

IN ACCORDANCE WITH ITS TERMS OF REFERENCE ONE OF THE PRINCIPAL TASKS OF THE COMMITTEE ON TRADE AND DEVELOPMENT IS TO KEEP UNDER CONTINUOUS REVIEW THE IMPLEMENTATION OF PART IV OF THE GENERAL AGREEMENT AND TO CARRY OUT AT LEAST ONCE A YEAR A COMPREHENSIVE REVIEW OF ACTION TAKEN BY GOVERNMENTS IN THIS CONNEXION. TO FACILITATE THE WORK OF THE COMMITTEE AT ITS AUTUMN SESSION REGARDING THIS MATTER GOVERNMENTS ARE INVITED TO REPORT ON ANY DEVELOPMENTS ADDITIONAL TO THOSE INDICATED IN DOCUMENT COM.TD/W/210 AND IN THE NOTE ON PROCEEDINGS OF THE JULY 1974 MEETING OF THE COMMITTEE (COM.TD/95) RELEVANT TO THE IMPLEMENTATION OF PART IV. A COPY OF AN EARLIER SECRETARIAT NOTE INDICATING THE TYPE OF INFORMATION WHICH MIGHT USEFULLY BE INCORPORATED IN THE NOTIFICATIONS FOR THE REVIEW IS ANNEXED. IT WOULD BE APPRECIATED IF THE RELEVANT INFORMATION COULD BE FORWARDED TO THE SECRETARIAT NO LATER THAN 2 OCTOBER 1974.

O. LONG

COPIE :

ANNEXINFORMATION REQUIRED FOR THE REVIEW OF IMPLEMENTATION OF PART IVNOTE BY THE SECRETARIAT

1. ONE OF THE PRINCIPAL FUNCTIONS OF THE COMMITTEE ON TRADE AND DEVELOPMENT IS "TO KEEP UNDER CONTINUOUS REVIEW THE APPLICATION OF THE PROVISIONS OF PART IV OF THE GENERAL AGREEMENT" (BISD, THIRTEENTH SUPPLEMENT, PAGE 76). AT ITS SEVENTH SESSION, HELD IN JUNE 1966, THE COMMITTEE AGREED THAT:

"THE IMPLEMENTATION OF THE PROVISIONS OF PART IV SHOULD APPEAR AS AN ITEM ON THE AGENDA OF ALL MEETINGS OF THE COMMITTEE ON TRADE AND DEVELOPMENT TO PERMIT GOVERNMENTS TO TAKE NOTE OF ANY PROBLEMS AND DEVELOPMENTS OF AN URGENT CHARACTER", AND

"IN ORDER THAT REVIEWS OF THE IMPLEMENTATION OF PART IV ARE AS COMPLETE AND MEANINGFUL AS POSSIBLE THE COMMITTEE WILL UNDERTAKE, AT LEAST ONCE A YEAR, A FULL REVIEW ON THE BASIS OF AN EXHAUSTIVE REPORT PREPARED BY THE SECRETARIAT CONSOLIDATING THE NOTIFICATIONS SUBMITTED BY GOVERNMENTS" (COM.TD/24, PARAGRAPH 10).

2. THE SECRETARIAT REPORT AND NOTIFICATIONS REFERRED TO HERE HAVE BEEN INSTITUTED BY THE COMMITTEE IN THE CONTEXT OF THE REPORTING PROCEDURES ADOPTED IN 1965, WHICH PROVIDE THAT:

"CONTRACTING PARTIES ARE REQUESTED TO NOTIFY THE SECRETARIAT OF ANY ACTION TAKEN BY THEM IN PURSUANCE OF THE PROVISIONS OF PARAGRAPHS 1, 3(a), 3(b) AND 4 OF ARTICLE XXXVII."

"ON THE BASIS OF THE REPORTS SO RECEIVED, AND TAKING INTO ACCOUNT NOTABLE DEVELOPMENTS IN THE WORK OF OTHER BODIES OF THE CONTRACTING PARTIES AS WELL AS ANY OTHER RELEVANT INFORMATION AVAILABLE, THE SECRETARIAT SHOULD SUBMIT A PERIODICAL REPORT SUMMARIZING THE LATEST POSITION CONCERNING TARIFFS OR QUOTA RESTRICTIONS AFFECTING ITEMS OF INTEREST TO DEVELOPING COUNTRIES AS WELL AS ANY ACTION TAKEN IN PURSUANCE OF THE PROVISIONS OF ARTICLE XXXVII MENTIONED ABOVE" (BISD, THIRTEENTH SUPPLEMENT, PAGE 79).

3. THE "GUIDELINES" AGREED UPON BY THE COMMITTEE IN JUNE 1966 IN THIS CONNEXION STATE THAT:

"NOTIFICATIONS MADE BY GOVERNMENTS ... SHOULD BE AS EXHAUSTIVE AND AS COMPREHENSIVE AS POSSIBLE. THEY SHOULD RELATE BOTH TO MEASURES SPECIFICALLY MENTIONED IN PARAGRAPHS 1 AND 3, OR PARAGRAPH 4, AS THE CASE MAY BE, OF ARTICLE XXXVII, AND TO ALL STEPS AND MEASURES WHICH ARE OF INTEREST TO THE CONTRACTING PARTIES IN RELATION TO THE OBJECTIVES AND PROVISIONS OF PART IV ..." (COM.TD/24, PARAGRAPH 10).

4. IN DRAWING UP THEIR NOTIFICATIONS IN ACCORDANCE WITH THE REPORTING PROCEDURES GOVERNMENTS WILL NO DOUBT WISH TO KEEP THE ABOVE POINTS IN MIND. THE FOLLOWING IS A LIST OF SUBJECTS WHICH MIGHT APPROPRIATELY BE COVERED:

- (A) REDUCTION OR ELIMINATION OF CUSTOMS DUTIES ON PRODUCTS OF EXPORT INTEREST TO DEVELOPING COUNTRIES;
- (B) REDUCTION OR ELIMINATION OF FISCAL DUTIES OR INTERNAL CHARGES ON SUCH PRODUCTS;
- (C) REMOVAL OF IMPORT RESTRICTIONS APPLIED ON SUCH PRODUCTS; WHERE RESTRICTIONS ARE NOT REMOVED ANY CHANGES IN THEIR ADMINISTRATION, SUCH AS INCREASES IN GLOBAL QUOTAS, CHANGES IN QUOTAS APPLYING TO DIFFERENT SOURCES OF SUPPLY; ESTABLISHMENT OF TARGET DATES FOR LIBERALIZATION;
- (D) REDUCTION OR REMOVAL OF OTHER NON-TARIFF MEASURES OF INTEREST TO DEVELOPING COUNTRIES;
- (E) ANY INCREASES IN DUTIES, FISCAL CHARGES, QUANTITATIVE RESTRICTIONS, AND OTHER TRADE BARRIERS AFFECTING THE EXPORTS OF DEVELOPING COUNTRIES;
- (F) CHANGES IN "TRADE MARGINS" OF THE KIND REFERRED TO IN PARAGRAPH 3(a) OF ARTICLE XXXVII;
- (G) MEASURES FALLING WITHIN THE PROVISIONS OF PARAGRAPH 3(b) OF ARTICLE XXXVII, INCLUDING
 - (I) STEPS TO PROMOTE STRUCTURAL CHANGES;
 - (II) STEPS TO ENCOURAGE CONSUMPTION OF PARTICULAR PRODUCTS;
 - (III) STEPS TO INTRODUCE MEASURES OF TRADE PROMOTION.

5. IT MAY BE NOTED THAT UNDER THE "REPORTING PROCEDURES" NOTIFICATIONS ARE TO BE SUBMITTED NOT ONLY BY DEVELOPED CONTRACTING PARTIES BUT ALSO BY DEVELOPING COUNTRIES, IN REGARD TO ACTION RELEVANT TO THE PROVISIONS OF PARAGRAPH 4 OF ARTICLE XXXVII.