

GATT/AIR/219

SUBJECT: GATT PROGRAMME 1961

9 FEBRUARY 1961

I WISH TO BRING TO YOUR ATTENTION THE MEETINGS ARRANGED BY THE CONTRACTING PARTIES AND THE WORK PROGRAMME FOR 1961. THERE ARE CERTAIN MATTERS WHICH REQUIRE ACTION BY GOVERNMENTS IN PREPARATION FOR THESE MEETINGS AND IT IS HOPED THAT THE FOLLOWING NOTES WILL ASSIST YOUR REPRESENTATIVES IN MAKING THESE PREPARATIONS. AT MANY SESSIONS AND COMMITTEE MEETINGS IN THE PAST, A GOOD DEAL OF TIME HAS BEEN LOST IN THE FIRST DAYS OWING TO THE FACT THAT DELEGATIONS WERE NOT FULLY PREPARED TO UNDERTAKE THE WORK BEFORE THEM. IT IS HOPED THAT THESE COSTLY DELAYS CAN BE AVOIDED IN THE FUTURE.

1. SESSIONS OF THE CONTRACTING PARTIES

TWO SESSIONS WILL BE HELD IN GENEVA IN 1961. THE EIGHTEENTH SESSION WILL BEGIN ON 1 MAY AND AN ADVANCE AGENDA HAS BEEN ISSUED IN DOCUMENT L/1413. CONTRACTING PARTIES WISHING TO PROPOSE ADDITIONAL ITEMS FOR THE AGENDA SHOULD SUBMIT THEIR PROPOSALS AND SUPPORTING DOCUMENTS BY 20 MARCH. THE NINETEENTH SESSION WILL BEGIN ON 30 OCTOBER.

2. THE COUNCIL

THE COUNCIL WILL MEET FROM 22 FEBRUARY TO 3 MARCH. THE AGENDA PROPOSED FOR THIS MEETING HAS BEEN DISTRIBUTED IN DOCUMENT C/5.

THE COUNCIL WILL MEET ALSO FROM 25 SEPTEMBER TO 3 OCTOBER AND WILL BE CONVENED AT OTHER TIMES AS REQUIRED.

3. PROGRAMME FOR EXPANSION OF TRADE

(a) COMMITTEE II

THE COMMITTEE HAS CARRIED OUT CONSULTATIONS ON NATIONAL AGRICULTURAL POLICIES WITH MOST CONTRACTING PARTIES AND HAS STARTED AN ANALYSIS, ON A GLOBAL BASIS, OF THE EFFECTS OF INDIVIDUAL AGRICULTURAL POLICIES AND SYSTEMS ON INTERNATIONAL TRADE IN EACH OF THE GROUPS OF COMMODITIES EXAMINED DURING THE COUNTRY CONSULTATIONS. THE COMMITTEE WILL MEET FROM 6 TO 17 MARCH TO CONSIDER A THIRD REPORT TO THE CONTRACTING PARTIES.

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A DRAFT REPORT, WHICH TAKES ACCOUNT OF COMMENTS AND SUGGESTIONS BY GOVERNMENTS ON AN EARLIER DRAFT, WILL BE CIRCULATED SHORTLY TO SERVE AS A FIRST BASIS OF DISCUSSION BY THE COMMITTEE. THE COMMITTEE WILL ALSO DISCUSS ITS FUTURE PROGRAMME OF WORK.

(b) COMMITTEE III

THE COMMITTEE WILL MEET FROM 21 TO 29 MARCH AND PROVISION HAS BEEN MADE FOR A FURTHER MEETING OF TWO WEEKS LATER IN THE YEAR. THE PROGRAMME OF THE COMMITTEE IS SET OUT IN DOCUMENT COM.III/38. THIS INCLUDES, AMONG OTHER THINGS, A FURTHER REVIEW OF THE PROGRESS MADE BY CONTRACTING PARTIES IN ELIMINATING OBSTACLES CONFRONTING THE EXPORTS OF LESS DEVELOPED COUNTRIES, AND A PRELIMINARY DISCUSSION OF THE QUESTION OF CHANNELLING OF THE EXPANSION OF EXISTING INDUSTRIES OR ESTABLISHMENT OF NEW INDUSTRIES IN THESE COUNTRIES. THE COMMITTEE WILL DISCUSS ITS FUTURE WORK PROGRAMME.

4. SUBSIDIES

THE CONTRACTING PARTIES AT THEIR LAST SESSION TOOK AN IMPORTANT STEP TOWARDS BRINGING INTO EFFECT THE PROHIBITION ON EXPORT SUBSIDIES ON MANUFACTURED PRODUCTS ENVISAGED IN PARAGRAPH 4 OF ARTICLE XVI. A DECLARATION WAS OPENED FOR SIGNATURE BY GOVERNMENTS PREPARED TO ACCEPT A BAN ON DIRECT OR INDIRECT SUBSIDIES WHICH RESULT IN THE SALE OF ANY PRODUCT OTHER THAN A PRIMARY PRODUCT FOR EXPORT AT A PRICE LOWER THAN THE COMPARABLE PRICE CHARGED FOR THE LIKE PRODUCT TO BUYERS IN THE DOMESTIC MARKET. THIS DECLARATION WILL ENTER INTO FORCE WHEN IT HAS BEEN ACCEPTED BY FOURTEEN SPECIFIED CONTRACTING PARTIES IN EUROPE AND NORTH AMERICA. FOR CONTRACTING PARTIES WHICH ARE UNABLE, AT THIS TIME, TO ACCEPT THE BAN, ANOTHER DECLARATION WAS DRAWN UP WHEREBY SIGNATORIES WILL AGREE NOT TO EXTEND THE SCOPE OF ANY SUCH SUBSIDIZATION. IT IS CLEARLY DESIRABLE THAT THESE DECLARATIONS SHOULD ENTER INTO FORCE WITH THE LEAST POSSIBLE DELAY.

PURSUANT TO PARAGRAPH 1 OF ARTICLE XVI, CONTRACTING PARTIES ARE REQUIRED TO NOTIFY SUBSIDIES HAVING THE EFFECT OF INCREASING EXPORTS OR REDUCING IMPORTS. THE FORM OF NOTIFICATION HAS BEEN SPECIFIED IN ANNEX B TO DOCUMENT L/1160. NOTIFICATIONS RECEIVED DURING THE PAST YEAR WILL BE REVIEWED BY THE PANEL OF EXPERTS ON SUBSIDIES WHEN IT MEETS FROM 13-17 FEBRUARY. THIS PANEL IS PREPARING FOR THE REVIEW OF THE OPERATION OF THE PROVISIONS OF ARTICLE XVI WHICH IS TO BE UNDERTAKEN BY THE CONTRACTING PARTIES PURSUANT TO PARAGRAPH 5 OF THE ARTICLE. IT IS EXPECTED THAT THE PANEL WILL MEET AGAIN IN APRIL AND WILL SUBMIT A REPORT FOR CONSIDERATION BY THE CONTRACTING PARTIES AT THE EIGHTEENTH SESSION IN MAY.

5. BALANCE-OF-PAYMENTS IMPORT RESTRICTIONS

THE COMMITTEE ON BALANCE-OF-PAYMENTS RESTRICTIONS WILL MEET TWICE DURING 1961, IN EACH CASE DURING THE FORTNIGHT WHICH PRECEDES THE SESSION OF THE CONTRACTING PARTIES, I.E. FROM 17 TO 28 APRIL AND FROM 16 TO 28 OCTOBER. THE PROGRAMME OF THE COMMITTEE IS SET OUT IN DOCUMENTS L/1376/REV.1 AND L/1393. CONTRACTING PARTIES WITH WHICH CONSULTATIONS ARE TO BE HELD HAVE BEEN REQUESTED TO SUPPLY INFORMATION FOR THE PREPARATION OF DOCUMENTS TO SERVE AS A BASIS FOR DISCUSSION.

AT THE SEVENTEENTH SESSION THE CONTRACTING PARTIES APPROVED PROCEDURES FOR DEALING WITH NEW IMPORT RESTRICTIONS APPLIED FOR BALANCE-OF-PAYMENTS REASONS AND FOR DEALING WITH RESIDUAL RESTRICTIONS; THESE PROCEDURES ARE SET OUT IN DOCUMENT L/1394. THE ATTENTION OF CONTRACTING PARTIES IS DRAWN PARTICULARLY TO PARAGRAPHS 1 AND 2 OF THAT DOCUMENT (CONSULTATIONS CONCERNING NEW RESTRICTIONS OR ANY SUBSTANTIAL INTENSIFICATION OF RESTRICTIONS AND THE NOTIFICATION OF DETAILS TO THE EXECUTIVE SECRETARY) AND PARAGRAPH 7 (THE COMMUNICATION OF LISTS OF IMPORT RESTRICTIONS APPLIED CONTRARY TO THE PROVISIONS OF GATT AND WITHOUT SPECIAL AUTHORIZATION).

6. MARKET DISRUPTION

HAVING STUDIED THE SPECIAL PROBLEM OF SO-CALLED "MARKET DISRUPTION" AT THEIR TWO SESSIONS IN 1960, THE CONTRACTING PARTIES ESTABLISHED A PERMANENT COMMITTEE TO FACILITATE CONSULTATION BETWEEN CONTRACTING PARTIES CONCERNED WITH REGARD TO MARKET SITUATIONS SUCH AS THOSE DESCRIBED IN THE REPORT (L/1374) BY THE WORKING PARTY AT THE SEVENTEENTH SESSION. NO ARRANGEMENTS HAVE SO FAR BEEN MADE FOR THE COMMITTEE TO MEET, BUT THIS DOES NOT PRECLUDE THE APPLICATION OF THE CONSULTATION PROCEDURES AT THE REQUEST OF ANY CONTRACTING PARTY OR PARTIES.

THE CONTRACTING PARTIES HAVE ALSO MADE ARRANGEMENTS FOR A LONG-TERM STUDY ON MARKET DISRUPTION TO BE CARRIED OUT JOINTLY BY THE INTERNATIONAL LABOUR OFFICE AND GATT SECRETARIATS. IN THIS CONNEXION, A QUESTIONNAIRE WAS ISSUED IN DOCUMENT SPEC(60)403 AND CONTRACTING PARTIES WERE REQUESTED TO SUBMIT THEIR ANSWERS BY 31 MARCH. A SEPARATE QUESTIONNAIRE HAS BEEN SENT TO MINISTERS OF LABOUR BY THE ILO. IT WOULD BE HELPFUL IF PROMPT AND COMPLETE REPLIES TO THESE QUESTIONNAIRES COULD BE FURNISHED WITHIN THE DELAY INDICATED.

7. ACCEPTANCE OF PROTOCOLS

FINALLY, ATTENTION IS DRAWN TO THE FACT THAT MANY PROTOCOLS AND INSTRUMENTS DRAWN UP BY THE CONTRACTING PARTIES HAVE NOT BEEN ACCEPTED BY ALL THE CONTRACTING PARTIES. A LIST OF THESE, WITH THE NAMES OF THE GOVERNMENTS WHICH HAVE NOT YET ACCEPTED THEM HAS BEEN DISTRIBUTED IN DOCUMENT L/1418 AND IT WOULD BE APPRECIATED IF GOVERNMENTS WOULD SEEK AUTHORITY TO TAKE THE NECESSARY ACTION SO THAT THERE WILL BE UNIFORM APPLICATION OF THE AGREEMENT AND SO THAT THOSE PROTOCOLS WHICH REQUIRE UNANIMITY MAY ENTER INTO FORCE WITHOUT FURTHER DELAY.

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