

GATT/AIR/532

14 DECEMBER 1965

SUBJECT: TRADE NEGOTIATIONS - SUB-COMMITTEE ON PARTICIPATION OF LESS-DEVELOPED COUNTRIES

THE NEXT MEETING OF THE SUB-COMMITTEE ON THE PARTICIPATION OF THE LESS-DEVELOPED COUNTRIES WILL TAKE PLACE ON THURSDAY 16 DECEMBER 1965 AT THE PALAIS DES NATIONS, AT 11.15 A.M., AND NOT AT 10.30 A.M. AS ANNOUNCED IN GATT/AIR/522.

THE AGENDA FOR THIS MEETING IS GIVEN BELOW WITH ANNOTATIONS BY THE SECRETARIAT:

1. A REVIEW OF THE SITUATION WITH REGARD TO THE TABLING OF STATEMENTS OF OFFERS BY LESS-DEVELOPED COUNTRIES

A DOCUMENT SUMMARIZING THE STATUS OF OFFERS IS BEING CIRCULATED.

2. A REVIEW OF BILATERAL NEGOTIATIONS BETWEEN DEVELOPED COUNTRIES AND LESS-DEVELOPED COUNTRIES PARTICIPATING IN THE NEGOTIATIONS

DURING THE MEETING HELD TO EXAMINE THE EXCEPTIONS LISTS OF DEVELOPED COUNTRIES IN JULY OF THIS YEAR IT WAS AGREED THAT THIS EXAMINATION HAD BROUGHT OUT MATTERS WHICH SHOULD BE PURSUED FURTHER IN BILATERAL TALKS BETWEEN DELEGATIONS. CERTAIN LINES OF ACTION HAD BEEN REVEALED WHICH COULD BE PURSUED WITH A VIEW TO LIMITING THE IMPACT OF THE EXCEPTIONS LISTS OF THE DEVELOPED COUNTRIES. IT HAD, FOR INSTANCE, BEEN SUGGESTED THAT, WHERE AN ITEM APPEARED ON AN EXCEPTIONS LIST BUT THE INTEREST OF LESS-DEVELOPED COUNTRIES WAS CONFINED TO A PART OF THAT ITEM, A SUB-POSITION SHOULD BE CREATED IN THE TARIFF FOR THIS PART OF THE ITEM AND THE LINEAR REDUCTION OFFERED IN THE DUTY. THE MEETING IN JULY HAD ALSO REVEALED THAT SOME UNCERTAINTIES EXISTED AS TO THE EXACT SCOPE AND NATURE OF EXCEPTIONS; IT WAS AGREED THAT THESE UNCERTAINTIES SHOULD BE CLARIFIED IN BILATERAL TALKS.

IN VIEW OF THE TIME PRESSURE UNDER WHICH THE NEGOTIATIONS ARE NOW OPERATING IT IS OF CONSIDERABLE IMPORTANCE THAT THE INITIAL ROUND OF BILATERAL TALKS REFERRED TO ABOVE SHOULD BE COMPLETED AS SOON AS POSSIBLE. CONSIDERATION SHOULD THEREFORE BE GIVEN TO THE ESTABLISHMENT OF A TARGET DATE FOR THE COMPLETION OF THIS FIRST ROUND.

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3. A REVIEW OF BILATERAL TALKS BETWEEN LESS-DEVELOPED PARTICIPANTS

THE SUB-COMMITTEE AGREED IN JUNE OF LAST YEAR THAT REQUESTS MIGHT BE EXCHANGED BETWEEN LESS-DEVELOPED PARTICIPANTS (TN.64/31, PARAGRAPH 8). FEW LESS-DEVELOPED COUNTRIES HAVE, IN FACT, MADE SUCH REQUESTS. IT IS ESSENTIAL THAT THESE SHOULD BE MADE AT AN EARLY DATE AND THAT THE FIRST ROUND OF BILATERAL TALKS ON THESE REQUESTS SHOULD BE COMPLETED IF THIS IMPORTANT ASPECT OF THE NEGOTIATIONS IS NOT TO BE LOST SIGHT OF.

4. A NUMBER OF IMPORTANT QUESTIONS WERE RAISED AT THE LAST MEETING OF THE SUB-COMMITTEE; SOME DELEGATIONS HAVE REQUESTED THAT THESE BE DISCUSSED AT THIS MEETING.

(c) THE POSSIBILITY OF MAKING TARIFF REDUCTIONS GREATER THAN THOSE PROVIDED FOR UNDER THE LINEAR RULE ON PRODUCTS OF EXPORT INTEREST TO LESS-DEVELOPED COUNTRIES

LESS-DEVELOPED COUNTRIES WERE INVITED IN JUNE LAST YEAR TO INDICATE THE PRODUCTS ON WHICH THEY WISHED TO SECURE TARIFF REDUCTIONS GREATER THAN THOSE PROVIDED FOR UNDER THE LINEAR RULE (TN.64/31, PARAGRAPH 4). SOME COUNTRIES HAVE DONE THIS BUT IT APPEARS THAT THE PROCESS HAS NOT BEEN COMPLETED. THIS QUESTION IS CLEARLY ONE ON WHICH SOME BILATERAL CONTACT BETWEEN DELEGATIONS WILL BE NECESSARY.

(b) THE POSSIBILITY OF IMPLEMENTING TARIFF REDUCTIONS ON PRODUCTS OF PARTICULAR EXPORT INTEREST TO LESS-DEVELOPED COUNTRIES WITHOUT THE PHASING PROVIDED FOR IN THE GENERAL RULE

THIS QUESTION, WHICH IS OF GREAT IMPORTANCE TO LESS-DEVELOPED COUNTRIES, IS OBVIOUSLY LINKED TO THE NEGOTIATIONS BETWEEN THESE COUNTRIES AND THE DEVELOPED COUNTRIES WHICH ARE LARGELY BILATERAL IN CHARACTER.

(c) THE POSSIBILITY OF FORMULATING SPECIFIC PROCEDURES FOR THE GRANTING OF COMPENSATION FOR THE LOSS OF PREFERENTIAL BENEFITS

THIS QUESTION HAS BEEN DISCUSSED ON PREVIOUS OCCASIONS IN THE SUB-COMMITTEE (IN JUNE 1964 - SEE TN.64/31, PARAGRAPHS 9 TO 11 - AND AT ITS LAST MEETING - SEE TN.64/71, PARAGRAPH 9). THE RULES OF PREVIOUS CONFERENCES ON NEGOTIATIONS RELATING TO PREFERENCES ARE SET OUT IN THE BASIC INSTRUMENTS (FOR THE RULES OF CONFERENCES UP TO THE GENEVA NEGOTIATIONS OF 1956 SEE E.G. BISD, VOL.I, PAGE 105. FOR THE RULES OF CONFERENCES SINCE THAT TIME, INCLUDING THE 1960-1961 NEGOTIATIONS, SEE BISD EIGHTH SUPPLEMENT, PAGE 118). IT IS RELEVANT IN THIS CONNEXION THAT DURING THE NINTH (REVIEW) SESSION IT WAS AGREED IN DISCUSSIONS ON ARTICLE XXVIII BIS IN WORKING PARTY II THAT NO RULES COULD BE DRAWN UP FOR THE MEASUREMENT OF CONCESSIONS AND THAT "GOVERNMENTS PARTICIPATING IN THE NEGOTIATIONS SHOULD RETAIN COMPLETE FREEDOM TO ADOPT ANY METHOD THEY MIGHT FEEL APPROPRIATE FOR ESTIMATING THE VALUE OF DUTY REDUCTIONS AND BINDINGS" (BISD THIRD SUPPLEMENT, PAGE 219).

E. WYNDHAM WHITE