

GATT/AIR/803

3 JUNE 1970

SUBJECT: REVIEW OF IMPLEMENTATION OF PART IV

.... AT THE RESUMED SIXTEENTH SESSION OF THE COMMITTEE ON TRADE AND DEVELOPMENT ON 26 MAY 1970 IT WAS AGREED THAT THE COMMITTEE WOULD CARRY OUT THE ANNUAL REVIEW OF ACTION TAKEN BY GOVERNMENTS TO IMPLEMENT THE PROVISIONS OF PART IV AT THE AUTUMN SESSION OF THE COMMITTEE. GOVERNMENTS ARE ACCORDINGLY INVITED TO REPORT ON ANY DEVELOPMENTS OR INFORMATION RELEVANT TO THE IMPLEMENTATION OF PART IV IN ACCORDANCE WITH THE ATTACHED SECRETARIAT ~~NOTE~~ WHICH INDICATES THE TYPE OF INFORMATION THAT MIGHT APPROPRIATELY BE INCLUDED IN NOTIFICATIONS FOR THE REVIEW. IT WAS ALSO AGREED THAT GOVERNMENTS SHOULD BE INVITED TO SUPPLY THIS INFORMATION BY 30 SEPTEMBER 1970 AND IT WOULD BE APPRECIATED IF IT COULD BE FORWARDED TO THE SECRETARIAT BY THAT DATE.

O. LONG

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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 XXXVI;
- (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 FOR THE PROVISIONS OF PARAGRAPH 4 OF ARTICLE XXXVII.

ANNEX

INFORMATION REQUIRED FOR THE REVIEW OF IMPLEMENTATION OF PART IV

NOTE 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).