

GENERAL AGREEMENT ON TARIFFS AND TRADE

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MINUTES OF THE MEETING OF THE INFORMAL GROUP OF DEVELOPING COUNTRIES HELD ON 2 MARCH 1972

Prepared by the Secretariat

1. A meeting of the Informal Group of Developing Countries in GATT was held on 2 March 1972 under the Chairmanship of Mr. Peter S. Lai, Permanent Representative of Malaysia. The meeting was attended by the representatives of Algeria, Argentina, Brazil, Ceylon, Chile, Ghana, Greece, India, Indonesia, Israel, Jamaica, Korea, Malaysia, Romania, Spain, Tunisia, Turkey, Uruguay, Yugoslavia and Zaire.
2. The purpose of the meeting was to exchange views on matters on the agenda of the Council for its meeting on 7 March (GATT/AIR/912).
3. At the outset, the Informal Group was informed that the delegation of Romania had expressed the wish to participate in its work. The Chairman welcomed the representatives of Romania to the meeting.

Declarations on international economic relations

4. The Chairman drew attention to the joint declarations by Japan and the United States and by the European Economic Community and the United States respectively, in which they had undertaken to initiate and actively support multilateral and comprehensive negotiations in the framework of GATT beginning in 1973 covering agricultural as well as industrial trade, with special attention to the problems of developing countries (L/3669 and L/3670). The Council meeting would provide an opportunity for an exchange of views on these declarations. It was however not in his opinion to be expected that all contracting parties at this stage would be in a position to commit themselves to participate in the proposed negotiations. The Chairman invited members to give their views on the attitude to be taken in respect of the Declarations at the Council meeting.
5. Several members made the point that the joint declarations had been made public only recently and were still being examined by governments. In the absence of instructions from headquarters they would not be in a position in the Council to endorse these declarations as this might imply a commitment on their part to enter into negotiations in 1973. Without having a clear understanding of the ground rules as well as modalities and techniques, including in particular the concept of reciprocity, it would in their view be inadvisable to take a formal stand at the forthcoming Council meeting.

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6. Most delegations stressed the need for an early discussion of the terms and conditions for the participation of developing countries, since this, in fact, already constituted a part of the negotiations. It was emphasized that any agreement on the part of developing countries to enter into negotiations in 1973 should make it clear that "overall reciprocity" as mentioned in the Declarations should be applicable only in negotiations between developed countries whereas the participation of developing countries in regard to this aspect should be governed by Article XXXVI:8 of Part IV of the General Agreement.

7. In summing up the discussion on this item, the Chairman observed that while there seemed to be no consensus to subscribe to a common declaration by the Council of the kind which had been informally discussed among some delegations, there was agreement that modalities and ground rules for the participation of developing countries in the negotiations should be known before developing countries could agree to participate.

European Communities - Accession of Denmark, Ireland, Norway and the United Kingdom

8. The Chairman stressed the importance of the establishment of machinery to examine the implications of the accession of the four countries to the European Economic Community. He expressed the hope that developing countries would support the establishment of a working party with the following terms of reference:

"To examine, in the light of the relevant provisions of the General Agreement on Tariffs and Trade, the provisions of the legal instruments establishing the modalities of accession to the European Communities by Denmark, Ireland, Norway and the United Kingdom and to **report** to the CONTRACTING PARTIES."

9. One member of the Group observed that the proposed working party should examine the implications of the enlargement of the European Economic Community on world trade rather than the "modalities" of accession of the four countries.

Group of Three

10. The Chairman recalled that the Chairman of the Group of Three, in his statement at the recent session of the Committee on Trade and Development, had pointed out that developing countries could make an important contribution to the work of the Group by drawing attention to any specific problems that they might have encountered in their trade relations with developed countries. He expressed the hope that developing countries having such problems would inform the Group, which was engaged in a further round of consultations with developed countries.