

GENERAL AGREEMENT ON TARIFFS AND TRADE

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MINUTES OF THE MEETING OF THE INFORMAL GROUP OF DEVELOPING COUNTRIES HELD ON 26 JUNE 1972

Prepared by the Secretariat

1. A meeting of the Informal Group of Developing Countries in GATT was held on 26 June 1972 under the chairmanship of Mr. Peter S. Lai, Permanent Representative of Malaysia. The meeting was attended by the representatives of Argentina, Brazil, Chile, Colombia, Egypt, Greece, India, Indonesia, Israel, Jamaica, Korea, Malaysia, Nigeria, Pakistan, Romania, Senegal, Spain, Trinidad and Tobago, Tunisia, Turkey, Yugoslavia and Zaïre.
2. The Chairman drew attention to the agenda of the Council for its meeting on 27 June 1972 (GATT/AIR/932). Comments were made on some of the items.

India - regulatory duty

3. The representative of India said that the circumstances which had led his Government to introduce certain fiscal levies were set out in L/3711. The regulatory duty was applicable to most of the imports at a rate of 2.5 per cent ad valorem and was not expected to have a significant impact on the quantum or value of imports into his country. He expressed the hope that a waiver would be granted permitting the continued application of the regulatory duty for a further period of one year.

Trade in textiles

4. Some members observed that the terms of reference for the proposed working party on trade in textiles, as revised (C/W/202/Rev.1), did not fully take into account the particular problems of developing countries in this sector. Moreover, the second paragraph of the preamble should have formed an integral part of the terms of reference. Some other members were of the opinion that the suggested terms of reference, providing for nothing more than a study of elements influencing world trade, should not present any difficulty for developing countries. In the context of the next stage, i.e. in the search for solutions to problems of trade in this field, the developing countries would need to ensure that their interests were safeguarded.

Customs unions and free-trade areas

5. A member of the Group felt that it was important to reach an understanding on early examination by the CONTRACTING PARTIES of arrangements aiming at establishing customs unions or free-trade areas. Referring to the United States proposal for

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"a six-week rule", he said that consideration should be given to certain elements which warranted the application of any rule with a certain degree of flexibility. Delays arising out of administrative procedures in capitals and/or lack of expeditious means of communication were cited as examples, particularly in relation to the developing countries.

UNCTAD III resolutions

6. The Chairman informed the Group that it was the intention of the Chairman of the Council to draw attention at the next Council meeting to the resolutions adopted at UNCTAD III.

7. A representative recalled that the UNCTAD resolution on multilateral trade negotiations had specifically invited GATT to make adequate arrangements for the participation of all developing countries, to ensure their effective participation through every stage of the negotiations, to take action to enable UNCTAD to make full use of appropriate GATT documentation, and to make available relevant documentation concerning the negotiations to all participating developing countries. The heads of the two organizations were requested to co-ordinate their activities in assisting developing countries in their participation. A number of delegations expressed the view that although the GATT Council was not competent to pass judgment on resolutions adopted elsewhere it would have to consider them at some stage. It was, however, generally felt that it was too early for the Council at its forthcoming meeting to discuss the matter; if it was raised the Council might simply take note of the resolutions.

8. Speaking at the request of the Chairman and in response to questions raised, Mr. M.G. Mathur, Assistant Director-General, said that it was open to all developing countries whether or not Members of GATT to participate in the preparatory work connected with the negotiations. Non-GATT developing countries could address themselves to the Director General indicating their interest in the negotiations, whereupon the secretariat would assist them in their effective participation by providing documentation and technical help and arranging for their attendance at meetings of the relevant Committees. As regards co-operation between UNCTAD and GATT, there had been contacts between the heads of the two organizations.

9. The Chairman observed that there appeared to be agreement in the Group that the Council, while noting the UNCTAD resolutions and leaving further discussion for a later occasion, might suggest that the secretariat should inform non-GATT developing countries about the possibilities open to them to participate in the negotiations.

Next meeting of the Group

10. The Chairman proposed that the Group might usefully meet before the next session of the Committee on Trade and Development (17-18 July) to exchange views on matters to be taken up by that body.