

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## MINUTES OF THE MEETING OF THE INFORMAL GROUP OF DEVELOPING COUNTRIES HELD ON 29 JANUARY 1971

Prepared by the Secretariat

1. A meeting of the Informal Group of Developing Countries in GATT was held on 29 January 1971 under the chairmanship of H.E. Mr. C.H. Archibald, Ambassador of Trinidad and Tobago. The meeting was attended by the representatives of Argentina, Brazil, Ceylon, Chile, Democratic Republic of the Congo, the People's Republic of the Congo, Colombia, Cuba, Ghana, Greece, India, Israel, Jamaica, Republic of Korea, Kuwait, Malaysia, Nigeria, Pakistan, Spain, Trinidad and Tobago, Turkey, the United Arab Republic, Uruguay and Yugoslavia.

### The twenty-seventh session of the CONTRACTING PARTIES

2. Mr. Besa (Chile) said that as Chairman of the CONTRACTING PARTIES he had discussed the holding of the next session with the Director-General. It did not appear that it would be possible to hold a formal session before the middle of November. On the other hand it was felt that an informal high-level meeting of the CONTRACTING PARTIES might usefully be convened in April to initiate a dialogue between contracting parties and to examine in an atmosphere of frankness and goodwill the specific difficulties facing the world trading community. Such a meeting would enable the participants to return to their capitals fully informed of what was happening and thus would place them in a better position to take the decisions which would be required at a formal session of the CONTRACTING PARTIES which could be held later in the year. Mr. Besa felt that this suggestion should be reflected upon and possibly discussed at the next meeting of the Council which would take place on 2 February.

3. Mr. M.G. Mathur, Assistant Director-General, conveyed the Director-General's regrets that owing to illness he was unable to attend the meeting of the Group as he had intended. Mr. Mathur said that the Director-General had felt for a long time that it would be useful to hold a formal session of the CONTRACTING PARTIES only when the various issues could be discussed in a way which would lead to concrete decisions. In arriving at this view the Director-General had taken into account the progress made in GATT's work programme and the situation confronting contracting parties generally. The Director-General had felt that an informal meeting, possibly in the month of April, could provide for a useful discussion of the work programme and the matters which might be taken up at the next formal session. Following consultations with delegations the Director-General had thought that the Council might wish to take a decision on this matter in the near future and it would be his intention to make a statement on the proposal to the Council on 2 February.

4. Some members expressed regret that it had been found necessary to postpone the regular session of the CONTRACTING PARTIES because of the current preoccupation of the developed countries with their trade problems. They felt that this was a bad precedent since these countries would tend to settle their problems among themselves and leave the international trading community faced with a fait accompli. In their view it would be much better practice for these countries to consult in advance and for governments to adapt themselves to the established calendar of meetings.

5. There was a general feeling among members of the Group that before a decision could be taken in their capitals it would be useful to have some indications of the kind of problems which could lend themselves to informal discussions of the kind suggested. Further, if the meeting was to be a relatively short one it would be helpful to know whether the views of representatives from developing countries would receive an adequate hearing. Some members also felt that it was essential that it be made clear what the level of representation would be. In their view the Director-General or the Chairman of the CONTRACTING PARTIES should address a personal letter to the appropriate authorities in their countries giving more details of the proposed meeting.

6. It was suggested that if the holding of the proposed meeting was agreed it would be useful for developing countries to prepare themselves thoroughly for such a meeting and to define their position clearly. A small working party could perhaps be set up to assist in such a task. Some members suggested that the question of the granting of legal cover by GATT, so that the generalized system of preferences could be implemented, could be taken up at that meeting. It would also be appropriate to draw attention to standstill commitments accepted by governments falling under Part IV as well as in other contexts, and to ensure that in any action developed countries might take as a result of current events the interests of developing countries would be fully safeguarded.

7. In reply to questions, Mr. Mathur explained that the general idea of the Director-General had been that the proposed informal meeting might examine how the work programme adopted in 1969 by the CONTRACTING PARTIES might be carried further and to discuss preparations for a formal meeting of the CONTRACTING PARTIES in November. It had been felt tentatively that a three-day meeting might be arranged in which the morning discussions could be devoted to plenary debate and the afternoons left open for smaller group discussions. As far as the level of representation was concerned it had been envisaged that contracting parties might be represented at the level of the senior official responsible for trade policy matters.

8. Summing up, the Chairman said that it appeared from the discussion that the Group would wish that the proposal for the holding of an informal session of the CONTRACTING PARTIES in April should be discussed at the meeting of the Council on 2 February. It was noted that a number of representatives were not in the position to support the holding of such a meeting until further details on the level of representation envisaged and on the issues which would be taken up were available.

The work of the Group of Three

9. Mr. Besa (Chile), replying to a question concerning the work of the Group of Three, recently established by the Committee on Trade and Development to examine and make proposals regarding the trade problems of developing countries, said that the Group had started work two days earlier and intended to formulate preliminary recommendations in time for the informal session of the CONTRACTING PARTIES which was being proposed. He felt that the Group could perform useful work in listing the issues which developing countries intended to raise at that session and that it could be used to prepare the position of developing countries as a whole. He added that the success of the Group would depend on the support it could obtain from all developing countries and that it would welcome information on specific problems of concern to them.

10. Some members of the Group pointed out that the setting up of the Group of Three should not mean that the various GATT bodies dealing with problems of interest to developing countries should defer carrying out their responsibilities.

11. Replying to a question regarding the method of work of the Group of Three, Ambassador Papić (Yugoslavia) said the approach of the Group would be to keep its activity and method of work flexible. The Group would not waste time in preparing new documentation, and would start consultations with developed and developing countries as quickly as possible. It would also consult with the Chairmen of relevant Committees and bodies in which the problem of developing countries had been discussed. During a first round of consultations the Group would use available documentation prepared in the various bodies of GATT where developing countries had expressed views or made proposals. The secretariat had promised to provide a summary of these views and proposals. The Group would commence its consultations with those issues that had been raised already by developing countries and would appreciate it if developing countries having additional problems would put them forward or elaborate those already mentioned in the relevant GATT documents.

12. Ambassador Papić emphasized that for the Group to progress with its work it was important that developing countries maintain close touch with it. He hoped that a first report could be prepared by the end of March. He stressed that the approach he had outlined assumed that the CONTRACTING PARTIES had agreed that priority attention would be given to trade problems of developing countries and that these would not have to await the solutions of problems of developed countries.

13. The Informal Group noted the views expressed and agreed on the need for delegations to assist the Group of Three in carrying out its task. It was also noted that the work of the Group would not in any way prejudice the taking of initiatives in any of the subsidiary bodies in GATT dealing with problems of interest to developing countries and that the programme of work already established for the sub-groups of the Committee on Trade and Development and for the Group on Tropical Products shall be carried out as agreed in the Committee on Trade and Development.