At the request of the delegation of the Revolutionary Government of Cuba, the annexed communication is circulated to the contracting parties in connexion with item 3 of the agenda (United Kingdom Dollar Area Quotas) for the Meeting of the Council on 30 July 1973.

The request presented by the United States representative to the CONTRACTING PARTIES in connexion with the quotas applied by the United Kingdom on imports of certain products from the dollar area deserves detailed examination in the light of the provisions of the General Agreement designed to govern trade relations between developed and developing countries. The conclusions arrived at, and the subsequent action taken by the developed contracting parties concerned in consequence thereof will afford a new opportunity for determining whether to some extent the General Agreement, as at present conceived, offers even limited safeguards for the legitimate interests of the developing contracting parties.

Whereas this matter is said to have been raised from the formal point of view as constituting a contravention of Articles XI and XIII, so that any solution would have to be sought exclusively in respect of the aggregate advantages granted to each other by the United States and the United Kingdom within the framework of the General Agreement, the fact is that this is a blatant attempt on the part of the United States Government to obtain niggardly trade advantages at the expense of the legitimate interests of a number of small developing countries in the Caribbean area whose fragile economies are dependent on a few export products.

Although the Revolutionary Government of Cuba contends and reiterates on this occasion that economic relations between developed and developing countries should be based on the application of a broad system of tariff and non-tariff preferences of a non-discriminatory and non-reciprocal character for the benefit of developing countries, it also considers that in any action which the CONTRACTING PARTIES envisage which might adversely affect developing contracting parties, account should be taken of a detailed analysis of the concrete situation facing the developing contracting parties concerned, and full regard should be had for the objectives and undertakings set forth in Part IV of the General Agreement. Over the years, the CONTRACTING PARTIES have shown a remarkable degree of pragmatism vis-à-vis trade problems resulting from
the conflicting interests of the major industrialized centres, to a point where
the efficacy of the principal provisions of the General Agreement is increasingly
coming into question, because those provisions have frequently been violated by
the developed contracting parties.

In this field, as in everything pertaining to civilized co-existence between
nations, the Government of the requesting party offers a record which it is
difficult to equal.

This is not the appropriate occasion for giving the already well-known and
voluminous list of the infringements of the principles of the General Agreement
which the United States Government has committed; the measures adopted and the
way in which they have been implemented because of the continuing deterioration
of that country's international economic position are still fresh in people's
minds.

The case before us is no matter for surprise, having regard to the disdain
which the United States Government has always evidenced toward any measure —
whether generalized system of preferences, commodity agreements or any other
initiative in the field of commercial policy - that could offer some benefit to
the developing countries. So far as the Republic of Cuba is concerned, the
violation by the United States Government of the principles of the United Nations
Charter and of the General Agreement itself has passed all bounds by attempting to
strangle the economy of the Cuban people for the sole reason of having exercised
Cuba's national sovereignty and thrown off all the neo-colonial bonds to which it
was formerly subject.

The representatives of the Commonwealth countries in the Caribbean area have
clearly expounded the serious economic and social consequences that would result
from the total absence of special protective measures for some of their
traditional exports to the United Kingdom market, and the Revolutionary Government
of Cuba considers it right that measures of that kind should be maintained for
the products in question, in a manner consistent with the objectives and under-
takings set forth in Part IV of the General Agreement. Otherwise, some of the
most important export items of the countries concerned would encounter dangerous
competition from like products originating in the United States.

Furthermore, the United Kingdom representative has stated that the application
of special protective measures for the products considered is justified solely by
the particular situation of the Commonwealth countries in the Caribbean area. In
this connexion, and without attempting to pass judgment on the equivalence of the
reciprocal concessions applied by the United States and the United Kingdom in
their mutual trade, the Revolutionary Government of Cuba considers that it is only
through a legal technicality which conceals the true substance of the problem that
a developed contracting party can request compensatory concessions from another
contracting party on account of measures applied by the latter in favour of
developing countries.
Apart from the principle of solidarity underlying the international policy of the Revolutionary Government of Cuba in its relations with other developing countries, and its essential concern to support the legitimate interests of those countries when, as in this instance, an attempt is made to endanger them, the Cuban Government has also felt obliged to participate in the examination of the request put forward by the United States representative because of the fact that, as a result of an anachronism, the United Kingdom still classifies the Cuban Republic as being within the dollar area. Here, the anachronism lies in the fact that the United States Government, as part of the arsenal of unavailing measures designed to influence the will of the Cuban people in the exercise of its sovereignty, prohibits the use of the United States dollar in the international transactions of the Republic of Cuba.

Although the United Kingdom has shown some readiness to ease the restrictions of various kinds affecting its trade with the Cuban Republic, the fact is that the above-mentioned anachronism combines with a set of policies in various fields of the Cuban Republic's economic relations with developed market-economy contracting parties, and with the United Kingdom in particular, so as to create an extremely unfavourable situation for our country.

The nature of Cuba's trade with the contracting parties mentioned, and in particular with the West European countries, has been appreciably affected by the protectionism and support policies applied in respect of sugar, the difficulties of access to markets for nickel because of the pressures brought to bear and the action taken by the United States Government, together with the high duties and quantitative restrictions applied on tobacco and other export products of Cuba.

In the case of the enlarged European Economic Community, for example, the trade deficit accumulated over the period 1959 to 1971 exceeded 900 million pesos, and in respect of the United Kingdom alone the trade deficit exceeded 250 million pesos.

The Revolutionary Government of Cuba considers that, as a matter of elementary justice and apart from any other additional measures which might be agreed bilaterally with the United Kingdom, the Cuban Republic should cease being considered as a dollar-area country and should be granted the maximum degree of liberalization under the British foreign trade regulations, consistently with its status as a developing contracting party eligible to benefit from the undertakings set forth in Part IV of the General Agreement.

At the same time, the Government of the Cuban Republic wishes to draw the attention of the United Kingdom and the other member States of the European Economic Community to the interest which it attaches to favourable conditions of market access for rum, citrus fruit and Cuban manufactured tobacco in the countries concerned, and to the assurance that any modifications that may be made
in future in respect of the tariff and non-tariff barriers applied to those products, as a consequence of the enlargement of the aforementioned economic grouping, should not constitute an obstacle and should not give rise to new situations of discrimination that would hamper the normal development of the Cuban Republic's external trade.

The Revolutionary Government of Cuba, consistently with the spirit of solidarity evidenced in its support for the well-founded representations made by the Commonwealth countries in the Caribbean area, also wishes to state that it is fully disposed to enter into consultations with the representatives of those countries with a view to ensuring that the future development of their exports of the products concerned to the United Kingdom market can proceed in a manner consonant with the common interests of the developing countries.