GENERAL AGREEMENT ON
TARIFFS AND TRADE

Preferential Arrangements Among
Developing Countries
Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Draft Eighteenth Annual Report to the CONTRACTING PARTIES

1. The present eighteenth Annual Report of the countries participating in the Protocol Relating to Trade Negotiations Among Developing Countries is submitted in accordance with the 1979 Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries (the Enabling Clause). The Protocol is applied under the provisions of the Enabling Clause, and in particular under the terms of its paragraph 2(c).
I. COMMITTEE OF PARTICIPATING COUNTRIES

A. Entry into force and status of ratifications

2. To the time of presenting this Report, the Protocol Relating to Trade Negotiations Among Developing Countries, which entered into force on 11 February 1973, has been ratified by fifteen developing countries: Bangladesh, Brazil, Chile, Egypt, India, Israel, Mexico, Pakistan, Peru, Republic of Korea, Romania, Tunisia, Turkey, Uruguay and Yugoslavia. Paraguay has signed the Protocol ad referendum pending the completion of its domestic procedures and the Philippines has signed but not yet ratified the Protocol.

B. Implementation of the Protocol

3. Participating countries have fully observed the provisions of the Protocol. During the period under review, the articles of the Protocol relating to renegotiation, withdrawal or modification of concessions, emergency action on imports of particular products, temporary suspension of rights and obligations and the withholding or withdrawal of concessions were not utilized by any participating country. In connection with the Declaration annexed to the Protocol, membership both in the Protocol and in regional economic and trading arrangements among developing countries has not so far resulted in the notification of any problems for participating countries.

C. Activities of the Committee

4. The Committee of Participating Countries provided for in the Protocol was established for the purpose of giving effect to those provisions of the protocol involving joint action and generally with a view to facilitating the operation and furthering the objectives of the Protocol. During the period under review, the Committee has held sessions in May and October 1991 under the Chairmanship of Mr. J.P. Buda and Miss C. Figueroa (Uruguay).

5. In addition to concerning itself with day-to-day issues relating to the operation of the Protocol, the Committee has taken up questions with respect to the expansion of trade among developing countries. During the period the Committee considered a proposal for advanced implementation of Uruguay Round concessions among participating countries within the framework of the Protocol. It was generally felt that the implementation of this proposal would strengthen the Protocol and contribute positively to the expansion of trade among participating countries. However, the adoption of a definite position in respect of this proposal would have to wait progress in the Uruguay Round negotiations.

6. The Committee also considered two questions concerning the schedules of concessions under the Protocol, i.e. the revision of these schedules due to the adoption of the Harmonized System and the erosion of preferential
concessions under the Protocol due to the reduction of m.f.n. duties, which have been and will be made as a result of the multilateral trade negotiations or otherwise.

7. Pursuant to Annex A of the Protocol, two participating countries have updated information with respect to certification of origin.

II. STATISTICAL DATA

8. Available statistics indicate overall trade among participating countries in products contained in the schedules of concessions. Full details of reported trade in products subject to concessions are shown in addenda to this report.