The prospects at the opening of this Session seem to me to be quite different—though I do not wish to raise expectations of any dramatic and above all definitive results—from the really very sombre prospects obtaining last year. I believe, indeed, that I can, and should, invite you to take up your work in an atmosphere of mutual confidence and with the consciously tempered optimism that the present situation warrants.

I have this feeling because, during the twelve months which have elapsed since our last session, as everyone in this room is well aware, there have been several major developments in international trade and trade relations and in other fields as well, all of which have had considerable repercussions on our work and on the trade interests of our countries. Our twenty-eighth session will therefore provide us with a most timely opportunity of studying together these events and their possible effects on international trade, and of the determining, in the light of our discussions, what action the Contracting Parties should now take and what objectives they should set themselves for the immediate future.

First of all, I would recall that we are steadily moving toward new major multilateral trade negotiations. Early this year a number of contracting parties, in joint declarations, formally recognized the need for a comprehensive review of international economic relations and to that end undertook to initiate and actively support such negotiations in GATT beginning in 1973.

The very wide interest which this initiative has evoked is evidenced in the full support that it has obtained from all industrialized trading nations which, by associating themselves with it, have shown their readiness to participate in
the negotiations. In addition, the positive and very specific statements relating to these negotiations by many of the world's statesmen in recent months and weeks give added weight and significance to this undertaking. Furthermore—and this seems to me very important—the initiative was also received with particular attention by many representatives of developing contracting parties; while indicating that their Governments could not formally commit themselves at this stage to participating in the negotiations, they have expressed the hope that adequate conditions will be provided so as to enable their countries to take part with advantage.

The prospect of new multilateral trade negotiations has, quite understandably, also aroused considerable interest among developing countries non-contracting parties to the General Agreement and many other international bodies, in particular the UNCTAD. The discussions and resolutions of the Santiago Conference have abundantly confirmed this. I think that in all sincerity we should find this particularly gratifying.

Moreover, I should like to emphasize with satisfaction that as a result of steps taken to enable all developing countries non-contracting parties which have indicated their interest to participate in the preparatory work for the negotiations, several of these countries have already attended, and participated actively in, a number of recent committee meetings. It is therefore with particular pleasure that I welcome here today representatives of several countries which are not contracting parties; I sincerely hope that they will participate in our deliberations when we come to the question of the multilateral negotiations.

The occasion will be when we take up the item of our Agenda: "Review of International Economic Relations". I trust we can have a constructive and concrete discussion as to how we should consolidate and above all build further on the initiatives now under way.

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In this same order of problems there is, I think, a further fundamental point to be mentioned. As you will certainly remember, our last session took place around the time of a serious monetary crisis which did not leave any of our countries unaffected, whether developed or developing. Since then, our governments have gone a long way toward meeting the risk of monetary disorder and toward initiating work on the preparation of a new framework for co-operation in this field. At the meeting of the Board of Governors of the International Monetary Fund of some six weeks ago, important decisions were taken, new procedural arrangements made and constructive work immediately undertaken to deal with monetary reform and related issues. The Contracting Parties will no doubt wish to follow as closely as possible further developments in this field, because of the impact that monetary measures nearly always have on international trade. I am sure contracting parties will welcome the fact that Mr. Long, our Director-General, has been invited to participate in meetings of the Committee of Twenty which will be dealing with monetary reform.
At this juncture, moreover, I should like on behalf of you all to express to the Director-General, his close colleagues and all the staff of the GATT secretariat our great appreciation and gratitude for the work which they have carried out this year with so much attention, devotion and intelligence.

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In a third area, the situation is also much clearer than it was last year. At our last session, we were aware of the important negotiations that were being held between the EEC and several European countries, and expressed our interest in the conclusion of these negotiations. The negotiations have in the meantime been concluded; the terms of accession to the Rome Treaty by what turned out to be three countries, have been notified in accordance with the provisions of Article XXIV; the Council has made the necessary arrangements for examining the matter, and the preparatory work was immediately undertaken and has been under way for several months.

In addition, agreements have been concluded between the European Communities and six other European countries leading toward the formation of six individual free-trade areas; the necessary arrangements will be made for the examination of these agreements in the GATT in accordance with the provisions of the General Agreement.

The conclusion of these various agreements is part of one of the most important evolutions in trade relations in the post-war period. I have no doubt that many contracting parties will be referring to these developments and in particular to the action the Contracting Parties will take as a result in pursuance of the provisions of Article XXIV of the GATT.

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As regards the agenda itself, you will no doubt have noted that the provisional agenda contains a limited number of items. I will, in fact, shortly be proposing to you the addition of one further item but, apart from that item, I hope very much that the agenda will not be added to, because of the great importance of considering the essential issues thoroughly so as to make substantial progress.

In the first place, the Council will submit for your consideration its annual report on all its activities since our last session. The report clearly shows the Council's effectiveness in dealing with a great range of subjects which require consideration throughout the year, but it also demonstrates that the Council is able to take effective inter-sessional action on subjects of great and long-term importance too.

I think I speak for all of you in expressing to the Chairman of the Council, Mr. Archibald, Ambassador of Trinidad and Tobago, our great appreciation and sincere thanks for the masterly way in which he has carried out his important functions and responsibilities.
Naturally - and in saying this I am referring also to the concise nature of our provisional agenda which I mentioned earlier - when we come to discuss the report, any delegation which would deem it appropriate to do so will have the opportunity to request a specific discussion on any of the subjects dealt with but not included in the sessional agenda. I am confident that any recourse to this possibility will be limited to what is essential.

In the second place, the Chairman of the Committee on Trade in Industrial Products and the Chairman of the Agriculture Committee will, as is their responsibility, report on the work carried out by these two committees. To these eminent colleagues likewise I wish to express our appreciation for the remarkable and encouraging work they have done. The discussion will be of considerable importance for our future work. Indeed, in the course of this year these Committees have considered various techniques and modalities for the negotiations that we envisage, including the possible implications of the suggested techniques and modalities for developing countries. Several of these countries, including in particular non-contracting parties, have actively participated in the work of the Committees and contributed to their discussions.

The reports of the Committees contain details on the status of the work at present. The reports show also what has been achieved in elaborating solutions on an ad referendum basis with respect to certain non-tariff barriers. The Contracting Parties will now, I hope, wish to give directives to the two Committees as to how further progress should be made.

In the third place, the Chairman of the Committee on Trade and Development will present the report on the Committee's work since the last session. The report, of course, will deal with the Committee's various tasks pursuant to Part IV of the General Agreement, on trade and development. These tasks are all aimed at achieving solutions for the trade problems of developing countries and are of particular importance in the perspective of the forthcoming negotiations. It is to be hoped that out of our deliberations will come new directives to guide the Committee in its future work.

May I express to Ambassador Patel, as I have already to other colleagues who have held office as Chairman in the course of this year, our appreciation and high esteem.

Lastly, you will remember that at their last session the Contracting Parties decided that the Group of Three should be retained to ensure follow-up action on the recommendations in its first report. The Group has now submitted its second report. Having been myself very intimately associated with the preparation of this report, I sincerely hope that concrete action by governments will follow from the recommendations which the Group has put forward, and some of which could open up new prospects.
In concluding this part of my remarks, I should like to mention a most significant event since the last session of the Contracting Parties, namely the successful formal conclusion of the trade negotiations among the developing countries. I had the pleasure of attending, early this year, the ceremony when representatives of these countries signed the Protocol which formalized this happy achievement. In my view this was a significant and impressive moment for it was, in fact, a pioneer event - the first time that such negotiations had taken place on a world-wide basis.

Looking at our activities overall, a priority preoccupation of the developing countries relates to the techniques and modalities that will be applied to their participation in the forthcoming GATT multilateral negotiations.

In this connexion I think I can attach great significance to the fact that, in the statements of the principal trading nations in February of this year - to which I have already referred - and on numerous subsequent occasions, even very recently, the importance of the needs and economic interests of the developing countries has always been specifically stressed.

I have no doubt, therefore, that the Contracting Parties will wish to confirm that the secretariat should continue and intensify its assistance to any developing countries that might request it, so as to enable these countries better to identify and defend their interests. Similarly, the Contracting Parties will wish these specific interests of developing countries to be duly taken into consideration in the course of the negotiations, with a view to creating the conditions for increased and above all better balanced development of world trade. To this end, special attention should be given to defining rules and modalities enabling the developing countries to derive from these negotiations the advantages best suited to their development needs.

I shall not revert again to the fourth item on our agenda: "Review of International Economic Relations"; having regard to its scope and importance I have already referred to the item as a matter of priority. I should like, nevertheless, to reiterate my hope and expectation that we will have a most constructive discussion, measuring up to the very real opportunities for progress that the present situation of world trade relations now offers.

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The facts and circumstances I have just referred to, and the requirements arising from them, lead me to the following conclusions:

- Many of the conditions are met for making our work constructive in the coming days. In saying this, I have no intention of encouraging the Contracting Parties to set themselves objectives for the present session which are too extensive, premature and, consequently, unrealistic. No doubt we are at a turning point which is decisive for the future of world trade relations and consequently of world economic relations. We must, therefore, be prepared to
envision these relations, when the time comes, as a whole and in a longer-term perspective, knowing full well that the transformations that are now taking place in international trade will require adjustments to be made in relations between the trading nations. But precisely in order that the rational and constructive process which is now in train for the solution of the serious problems of the moment may develop smoothly, we must proceed gradually, without aiming too soon at objectives or rates of progress that would not be feasible in the short term, and above all without raising hopes that would not be consonant with reality;

- The main purpose of our session, after years of waiting and increasing concern, must be to stimulate the unfolding of this process, advance it to the farthest extent possible and leave open, or even open further, the way for subsequent initiatives. These would make it possible first to initiate the negotiations, then to pursue them to their ultimate conclusion with all the implications that this might carry in regard to the adjustments in world trading relations that I have just mentioned.

- To meet these requirements the Contracting Parties should therefore engage in their work in a calm and collected mood, no doubt, but also with the determination to further that work to the utmost and above all in a very concrete way. In so doing, they will no doubt wish to be guided by the principles of moderation and balance which alone can enable them successfully to face present realities with all the difficulties inherent in them, but also with all the potentialities that they offer.

I hope that you will be agreeable to this approach to our work and I count on your collaboration to ensure the success of the session. I should also like to invite your collaboration with a view to the orderly and reasonably expeditious conduct of our work. To that end, may I suggest that our discussions should be the occasion of concise statements that are focussed on solving the problems under discussion, rather than of lengthy dissertations on familiar generalities.

If the contracting parties are prepared to work in this spirit and in this manner, we shall find that at the end of our session there is among them a common will to work constructively and a climate of confidence which are the surest warrants for the success of their endeavours.

This success will be all the better assured if our organization can take due account of external factors through a process of continuing co-ordination - having regard, however, for everybody's specific field of responsibility - with the activities of other international economic organizations, in particular the International Monetary Fund and UNCTAD, provided that our organization, in the face of the very serious economic problems that beset modern international society, is able to evolve a philosophy and courses of action that are spontaneous and original.

I now declare the twenty-eighth session of the Contracting Parties officially open.

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