GATT ACTIVITIES IN 1975

The Multilateral Trade Negotiations

"GATT Activities in 1975", just published, gives a detailed account of developments in the multilateral trade negotiations - the "Tokyo Round" - in 1975, as well as comments on international trade relations in a difficult year in which trade experienced "its first significant setback since the General Agreement came into force in 1948."

GATT continues to provide the principal forum for multilateral negotiation and conciliation on trade matters. The report therefore describes many other activities of GATT in its various fields of competence: national measures taken by member countries, notably emergency action and temporary import restrictions necessitated by balance-of-payments difficulties; Anti-Dumping Code, regional and other special trading arrangements; dairy products arrangements. It includes as well an account of work in GATT aimed at enlarging the trade opportunities of developing countries.

In spite of a difficult economic situation, no sign of any general retreat into protectionism.

"In circumstances of industrial dislocation, unemployment and balance-of-payments deficit, pressures to restrict imports or subsidize exports are inevitably strong. It is very reassuring, therefore, that no major trading country made significant concessions to such pressures during the year." As the report points out "a rather larger number than usual of specific trade restrictions were brought before GATT for discussion, but there was no sign of any general retreat into protectionism."

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The report is available in English, French and Spanish editions and may be ordered from booksellers or directly from the GATT secretariat, Villa Le Bocage, Palais des Nations, 1211 Geneva 10. Price US$5 or Sw F 12.
"The fact that the foundations of present-day international co-operation in trade have held firm during the deepest economic recession experienced by the industrial countries in this generation is highly encouraging. It is encouraging, first of all, because it shows that international trade itself will not be allowed to collapse as it did under the earlier test of the Great Depression, and that it will therefore continue to make its important contribution to world economic growth. It is encouraging also for the debate now going forward about the future course of international economic relations. This debate is being pursued in many institutions and conferences, of which the most widely-noticed in 1975 was the seventh Special Session of the United Nations General Assembly. Hopes that the ideas agreed upon in such meetings can be put into practice must be strengthened by the knowledge that governments have continued, despite considerable pressures to act otherwise, to recognize and uphold their existing mutual responsibilities in the field of trade."

The multilateral trade negotiations enter their substantive phase

The Tokyo Round of multilateral trade negotiations, the most wide-ranging and ambitious ever undertaken, entered their substantive phase in 1975. Over 90 countries are now participating. As the report points out, "these countries together account for nine-tenths of world exports; they include all the industrialized market-economy countries, nearly 70 developing countries (of which more than 20 are not GATT members) and several Eastern European countries".

GATT Activities in 1975 gives a detailed account of the aims of the negotiations, which include both "tariff and non-tariff obstacles to trade in the whole range of industrial and agricultural products, including tropical products and raw materials, whether in primary form or at any stage of processing, and including in particular products and measures of importance to the trade of developing countries". It also recalls that the Tokyo Declaration "provides for the possibility of improvements in the framework and procedures of the General Agreement itself. While developed countries are expected to negotiate on a basis of reciprocity, i.e., to make trade concessions balancing those that they receive, they do not expect from developing countries contributions inconsistent with their individual financial, trade and development needs". It describes the problems facing each of the negotiating groups (tariffs, non-tariff measures, the sectoral approach to negotiations, safeguards, agriculture and tropical products), the way in which these problems are being approached, and the negotiating objectives for the coming months.

\[1\]The total number of participants is now 94 (Burundi should now be added to the list printed in the Annex to the report).
It was agreed to adopt the revised target date of 1977 for completion of the negotiations, and to this end to endeavour to reach a number of intermediate objectives, described in the report, by the end of 1976.

Development of international trade relations and the work of GATT

Apart from the multilateral trade negotiations which were the principal focus of GATT work in 1975, and will again be so in 1976, GATT continued to be active in many other areas. Two are given special attention in GATT Activities in 1975: (1) the Textiles Surveillance Body, main institutional innovation of the Multifibre Arrangement, which conciliates disputes between importing and exporting countries and was particularly active in 1975 and (2) the Consultative Group of 18, whose creation in July 1975 is seen as marking "an important step in the development of GATT's own institutions to meet changing needs".

The final chapter describes the specific activities of GATT directed to helping overcome the trade difficulties of developing countries, as well as the more important cases of consultation in response to specific trade problems, or arising from balance-of-payments reasons. These include import deposits arrangements, quotas and restrictions of various kinds as well as such questions as the difficulties experienced in the international trade in meat.

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