FIFTEENTH MEETING OF THE CONSULTATIVE GROUP OF EIGHTEEN

1. The Consultative Group of Eighteen held its fifteenth meeting on 25 and 26 June 1981 in Geneva. The Chairman was Mr. Arthur Dunkel, Director-General of GATT.

2. The Group continued its discussion of the implications for the world trading system of the worldwide slow-down in economic activity and the trade tensions associated with it. It noted the continuing efforts of governments to resist protectionist pressures and to maintain liberal trade policies. Nevertheless some contracting parties had considered it necessary to introduce or intensify restrictive measures, and pressure for bilateral arrangements to regulate imports in specific sectors had grown. The Group noted that the trade and payments situation of many developing countries continued to give rise to concern and necessitated their fuller participation in world trade. In reviewing current and forthcoming negotiations in the GATT, the Group gave particular attention to the renegotiation of the Multifibre Arrangement.

3. The Group stressed the importance of a strong political commitment on the part of governments to the maintenance of liberal trade policies and the improvement of the multilateral trading system. They agreed that the conclusion of the Tokyo Round of multilateral trade negotiations had strengthened the framework for the conduct of international trade and that the highest priority should continue to be given to the effective and faithful implementation of the Tokyo Round agreements. The Group noted the continuing efforts to reach a satisfactory agreement on outstanding issues such as the use of safeguard measures. However, the Group also noted that trade relations are beset by a number of complex and potentially disruptive problems, reflecting growing protectionist pressures, and that there was a need for improved international co-operation to solve these problems. The Group agreed that it would be useful to consider at the
political level the overall condition of the trading system. There was broad agreement that to this end it would be appropriate for the GATT Contracting Parties to envisage convening a ministerial meeting during 1982. Adequate preparation for such a meeting would be essential, and for this purpose an analysis would need to be carried out of the issues confronting the trading system and of the trends and problems likely to emerge in the 1980s. The Consultative Group of Eighteen intends to pursue its discussion at its next meeting, with a view to facilitating the task of the Contracting Parties.

4. The Group also continued its exchange of views on trends in international trade in agricultural products, and reviewed progress in the implementation of the results of the Tokyo Round negotiations.

5. The next meeting of the Consultative Group of Eighteen will take place on 14-16 October 1981.