The following statement was issued on 30 October 1957, at the conclusion of the Ministerial Meetings which were held during the Twelfth Session of the Contracting Parties to the General Agreement on Tariffs and Trade:

"The Ministers attending the Twelfth Session of the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade, have discussed a number of the major questions of international trade. They noted with satisfaction the high levels of international trade which have been developed in the past few years, and agreed that co-operation through the GATT had made an important contribution to this satisfactory situation. They took note also of the fact that the foreign trade of the less developed countries had expanded less rapidly than that of the industrialized countries. They considered that this phenomenon was not unexpected in view of the extensive development programmes which are being followed in the under-developed countries, but they considered that the CONTRACTING PARTIES should continue to give careful attention to this problem with a view to contributing, so far as possible, to a satisfactory development of the foreign trade of these countries which was recognized to be essential for the effective execution of plans for economic development.

The attention of the CONTRACTING PARTIES was drawn to the recent decline in the prices for some primary products, and it was emphasized that the tendency for prices of primary products to be subjected to violent short-term fluctuations presented serious problems to primary producers and affected their ability to contribute to the expansion of international trade. The CONTRACTING PARTIES were agreed that they should continue the study of the special problems connected with the trade in primary products which was initiated at the Eleventh Session.

Various Trade Ministers also raised the question of the widespread use of protective devices in international trade in agricultural products. It was recognized that this protectionism reflects special problems of a political, social and economic character, and that there might be value in a thorough and objective examination of the
trends and consequences of widespread agricultural protectionism. It was agreed that these matters should be further considered by the CONTRACTING PARTIES during the present Session.

"During the Ministerial meetings which have taken place, contracting parties to the General Agreement on Tariffs and Trade, including the Six Governments which have signed the Rome Treaty for the establishment of a European Economic Community, have given preliminary consideration to the relationship of the Treaty of Rome to the General Agreement on Tariffs and Trade. The General Agreement recognizes the desirability of increasing freedom of trade by the adoption of agreements for closer integration between the economies of the countries parties to such agreements without raising barriers to trade with other contracting parties.

"During the preliminary consideration it was recognized that the creation of the European Economic Community would give rise to new and important relationships and problems in the economic and trade field. In order to further the common objective for the strengthening of trade relations between the European Economic Community and the parties to the General Agreement the CONTRACTING PARTIES have confirmed the desirability of establishing effective and continuing co-operation between the CONTRACTING PARTIES and the Community.

"The statements made during the Ministerial meetings have shown the importance which all contracting parties attach to the successful operation of the European Economic Community in harmony with the objectives of the General Agreement on Tariffs and Trade.

"A number of representatives of contracting parties expressed concern over the relationship between certain provisions of the Rome Treaty and the General Agreement on Tariffs and Trade and over trade and economic problems which might arise as the European Economic Community was established. The representatives of the Six signatories of the Rome Treaty were of the opinion that these apprehensions were unfounded. It was agreed that these matters would require further detailed consideration.

"It has accordingly been decided at the Ministerial meeting to create a Committee to examine the relevant provisions of the Rome Treaty and the General Agreement on Tariffs and Trade and to consider the most effective methods of implementing the inter-related obligations which governments have assumed in the two instruments."
"The Committee will consist of representatives of all the contracting parties.

"The terms of reference of the Committee are as follows:

A. To examine, in the light of the provisions of the General Agreement on Tariffs and Trade, the relevant provisions of the Treaty of Rome and the problems likely to arise in their practical application. Such examination would include, *inter alia*, the arrangements provided for in the Treaty with respect to tariffs, the use of quantitative restrictions, trade in agricultural products and the association of overseas countries and territories with the European Common Market.

B. To recommend, in the light of the conclusions which result from the examination provided for above, such action as may be appropriate and desirable, including a determination of the means for establishing effective and continuing co-operation between the CONTRACTING PARTIES and the European Economic Community.

C. To report to the CONTRACTING PARTIES, and make such recommendations as may be appropriate with respect to the continuation of the work of the Committee.

The Interim Committee for the European Common Market and Euratom will be associated in the work of the Committee."