We were reminded yesterday that this was the first occasion on which Ministers had met together to ensure the translation into effective action of the principles enshrined in the GATT. The proposals at present before Ministers in document MIN/2 envisage a firm programme of action designed to achieve these major objectives. It is for this purpose that my own delegation has taken an active part in the preparation of the proposals. Associated with us, as co-sponsors, is a wide range of countries from all parts of the world and at varying stages of economic development. None of them is industrialized, all of them have problems regarding the greater absorption of labour and the fuller utilization of resources.

Committee III has completed one phase of its work after an intensive study occupying the last three years. Over 85 per cent by value of the Federation's export earnings is derived from goods covered by the study. This is sufficient illustration of the comprehensive nature of the examination.

My first submission, therefore, is that this part of the exercise has been detailed enough, and broad enough, in its scope to throw up the obstacles hindering the expansion of our trade. In our view no further time need be devoted to an extension of the study of particular products.

The study has been useful in identifying the problems. It has not, of course, produced any solutions. Indeed, I must point out that during the three-year period we have seen the barriers raised against at least one of the commodities of vital importance to our economy.

It is encouraging to note that Contracting Parties have unanimously accepted the recommendations of Committee III and that the paper submitted by the United States confirms acceptance of the principles involved. The Federation expresses its support of the American proposals on a general basis, but would like to venture a criticism. The declaration does not, in itself, recommend any specific action. In particular it does not suggest the adoption of a timetable. Both these aspects are vital to the less-developed countries. We have obtained recognition by all contracting parties of the existence of the problem. We have, too, an affirmation of the urgent need to resolve it. Now we need action, and I therefore join in inviting Ministers to direct the Contracting Parties to commit themselves to a phased programme for the removal or reduction of these barriers.
Nigeria also participated in the work of the Committee and has, in turn, sponsored a further paper. This constitutes a parallel proposal, which is limited in its extent as it deals only with certain tropical products. These in the main are derived from the less-developed areas of the world. It should therefore be comparatively easy for the industrialized countries to allow these products free access to their markets. We support any action designed to improve the position of any of the less-developed countries. We cannot, however, emphasize too strongly that to tackle the problem piece-meal, whilst it may be a solution for certain areas, will not in any way solve the problems of the less-developed countries as a whole.

Tropical products as defined play an almost negligible part in our own export trade. The commodities which are of vital importance to us, and which encounter obstacles in the markets of the industrialized countries, are produced in very large quantities by some of these countries themselves. This is the core of our problem and unless it is recognised and faced up to the Federation will not benefit by any action which the Contracting Parties may take in this field.

In this context it is particularly gratifying to note the expression of United States' policy, which I would like to reiterate as being particularly germane to our own problem. "Contracting parties should reduce to a minimum restrictions inhibiting access to markets for the export products of the less-developed countries. The governments of the major industrialized areas, on whose markets the less-developed countries must necessarily largely depend, recognise a particular responsibility in this respect."

May I remind Ministers of the basic objectives of the General Agreement as originally enshrined in the Havana Charter. These are to raise standards of living, to ensure full employment and a large and steadily growing volume of real income and effective demand, to develop the full use of the resources of the world and to expand the production and exchange of goods.

This is the objective of us all, and it is more important than the machinery by which it is achieved. Let us be certain that the means we employ are flexible enough to ensure our success.

While a multilateral reduction of barriers to trade must remain the ultimate objective of Contracting Parties, the work of Committee III has fully substantiated the fact that the GATT machinery has failed to remove obstacles to the trade of less-developed countries to an extent sufficient to enable those countries to secure the economic advancement which must be a fundamental objective of their policies. In consequence, such countries must, from time to time, consider not only the value to them of their adherence to the GATT. They must also ask themselves whether the only real solution of their immediate problems lies in the establishment or maintenance of particularly close trading relations with individual highly developed countries. In this way obstacles to their trade, in particular markets at least, might be reduced or eliminated more effectively than has so far proved possible under the GATT.
The Havana Charter itself recognized in Article XV the value, in certain circumstances, of arrangements on these lines, provided their effect would be such as to materially enhance the exports and the level of economic advancement of a less-developed country, without injuring the export trade of others. Although arrangements of this kind may not accord strictly with the provisions of the GATT, the Federation suggests that those provisions must be applied with sufficient flexibility to ensure that its basic objectives, deriving from the Havana Charter, are attained in the shortest possible time.