Committee III of the GATT programme for the expansion of international trade has concluded a meeting during which it examined plans for the reduction or removal of barriers which face the less-developed countries in expending their exports.

The work undertaken at this meeting stems from the Conclusions reached at the ministerial meeting in November 1961 and the special GATT Declaration on the trade of less-developed countries adopted in December 1961. Subsequently, the Contracting Parties instructed Committee III to undertake to translate the ministerial Conclusions and the Declaration into positive action. Accordingly, the Committee was convened to study plans for reducing or removing trade barriers facing less-developed countries in the fields of quantitative import restrictions, customs tariffs, revenue duties and internal taxes, and other non-tariff barriers.

Regarding quantitative import restrictions, the Committee noted that in a gratifying number of cases contracting parties were able to show that they had introduced liberalization measures since the ministerial meeting or had announced plans or programmes for the removal of remaining restrictions which affected the exports of less-developed countries. In cases where immediate liberalization of certain products was considered difficult the contracting parties concerned were able to announce a progressive widening of quotas or other measures to increase the access to their markets.

On the other hand, the Committee noted that, while these advances and indications for the future were encouraging, certain problems and hindrances still remained. Among the products examined by the Committee a number of them which are of great importance to less-developed countries still face import restrictions maintained by industrialized countries. During the meeting the industrialized countries reaffirmed their intention to demonstrate in practical terms their adherence to the Conclusions of the ministerial meeting.

In the field of customs tariffs the Committee was gratified to see that several countries had recently taken action to reduce tariffs on products of importance to the export trade of less-developed countries. The GATT is expected soon to start on the elaboration of a new general plan for the reduction of customs tariffs, and the Committee has in that connexion drawn attention to the problems which the less-developed countries face in participating effectively in any such new general plans. It was agreed that such a plan would need to take full account of the economic and other factors which limit the ability of less-developed countries to grant concessions. Less-developed countries represented
on the Committee expressed a deep interest in the evolution of such a general tariff reduction plan which would enable them to participate within the limits permitted by their economic strength and capabilities.

The Committee noted that the United Kingdom had recently taken action to eliminate the fiscal element in its customs tariff on coffee and cocoa and that in Italy legislation is going to be submitted to Parliament which would provide for the present Italian consumption tax on cocoa and cocoa products to be reduced by 50 per cent. Contracting parties were generally urged to consider the possibility of reducing any such taxes on products of less-developed countries, and to take steps to ensure that benefits deriving from such reductions are passed on to consumers and the exporting countries.

The Committee also took steps to collect information on the operation of State monopolies affecting the exports of less-developed countries.