First of all, I must express my gratitude to the Contracting Parties and to the secretariat of GATT for the co-operation extended to my country during the process of accession to the General Agreement which is at present going forward in accordance with the relevant procedures. I hope that in the near future Spain will become a contracting party to the General Agreement and that its participation can become daily more effective in relation to the objectives which the Contracting Parties have developed since its creation in order to implement the provisions of Article I of the General Agreement.

Next I should like to state some general principles concerning Spain's position in regard to the coming tariff negotiations.

On account both of the somewhat antiquated structure of various sectors of its economy and of the present state of its industry and the level of national per capita income, Spain is a country going through a process of development which will still require a period of time that cannot be determined exactly, in order to achieve the standard of living at present existing in the Western countries considered as being developed.
My country considers with interest and sympathy the measures which may be taken by the Contracting Parties, in the context of the future GATT negotiations, in order to contribute towards the lowering of barriers which in the field of international trade hinder or hold up the economic advancement of the less-developed countries, and in a manner suited to its limited possibilities, it might be able to join in some of the measures designed to facilitate exports of the products of those countries so that the benefits derived from the expansion of such exports can enable them to speed up their economic development.

Spain recognizes the advantages which the linear method presents as compared with the old procedure of negotiations on a product-by-product basis and is also in agreement with the principal recommendations made by the Council to the Contracting Parties. Without doubt, the ideal would be to achieve substantial progress in the reduction of customs duties as between contracting parties; but in order to achieve this goal the process cannot be identical for all the countries which find themselves obliged, to a greater or lesser extent, to protect their expansion or development. This accounts for the differences in the level of customs duties of the various countries and it would hinder any rapid equalization of them. The possibilities of each country in this regard are different and in order to merge them into a procedure of a general nature, provision would have to be made for different margins of elasticity for each group of countries as regards time-limits and exceptions.

For the reasons indicated in the preceding paragraph, Spain cannot undertake to make tariff reductions on the same footing as the developed countries. My country's economic situation and its development plan oblige it to maintain sufficient customs protection to permit the maintenance and development of economic activities whose existence is warranted and the creation of others considered as fundamental or basic for the Spanish economy. In this regard it should be taken into account that if the developed countries reach agreement for speeding up the removal of tariff barriers, the advantages which might accrue to Spain from such reductions would be very limited as regards industrial products and in any event could not offset the difficulties which would arise for my country if for our part we had to make tariff reductions on these products on the same dates and to the same degree.

It is of great interest to Spain that the coming negotiations should relate not only to industrial articles but also to non-industrial products and in particular agricultural products, including typical Spanish export items, that is to say, Mediterranean products. Likewise, the negotiations should be extended to cover other restrictive trade measures which are of like or even of greater significance than purely tariff measures so far as trade in agricultural products is concerned. In addition, the more developed countries should not include among the exceptions to their tariff reductions or to the removal of other restrictive trade measures, products which are of considerable significance in Spain's export trade.
Taking into consideration, on the one hand, the benefits which Spain could obtain for its export products on the basis of the principles set forth above; and, on the other hand, the disadvantages which might result for Spain's economic development from the partial adoption of the reductions agreed to among themselves by the other contracting parties, it might be possible to determine to what extent we would be in a position to offer reductions and facilities which our economy might be able to bear in regard to products imported into Spain.

If one takes in conjunction all the measures previously referred to among those of a general nature to be considered at the forthcoming tariff conference, and those which can only be taken in full by the more developed countries, Spain will be prepared to co-operate in the forthcoming negotiations and wishes to take an active part in such committees and working parties as may be established to determine the rules and provisions which would govern the negotiations and examine the specific problems which each country or group of countries presents according to its economic situation.

II. MR. ULLASTRES SUPPLEMENTED THIS STATEMENT WITH THE FOLLOWING SPEECH MADE ON 17 MAY 1963

Spain's attitude towards the questions on the agenda of this Meeting of Ministers is set forth in the written statement which has been distributed to all those present and which I therefore do not think I need read out, especially as that would take up more of the already limited time we have in which to study the urgent problems before us.

Nevertheless, I can now supplement that statement, and confirm the goodwill it expresses, with a few facts and figures concerning the aid which Spain accords, as far as it can, to the export trade of less-developed countries and thereby to their general economic advancement.

Of the twenty-nine products included in the list examined by Committee III, imports of not less than twenty have been liberalized in Spain. Among these, customs duty on five is nil, and at any rate in recent years we have decided unilaterally to lower the duties on the following products: coffee (two reductions in two years, amounting to half the original duty), groundnuts, cottonseed and sunflower oil, blister and electrolytic copper, copper manufactures, cement, ferro-alloys and timber.

Apart from Committee III's list of products, Spain has recently liberated other articles of evident interest for the developing countries. These include dried leguminous vegetables, spices, crude petroleum, crude rubber (exempt from customs duty), wool, woollen yarn and textiles, and nearly all hard fibres and hard yarns (the duty on these and on meat has in fact been reduced unilaterally).
The result of this policy has been a tremendous rise in Spain's imports of all these products which are so important to the less-developed or developing countries.

By way of example I will merely cite the following figures:

<table>
<thead>
<tr>
<th>Products</th>
<th>1961 (tons)</th>
<th>1962 (tons)</th>
<th>Estimate for 1963 (tons)</th>
<th>Percentage increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coffee</td>
<td>15,000</td>
<td>22,000</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>Meat</td>
<td>4,000</td>
<td>42,000</td>
<td>80,000</td>
<td></td>
</tr>
<tr>
<td>Fish meal</td>
<td>13,000</td>
<td>38,000</td>
<td>60,000</td>
<td></td>
</tr>
<tr>
<td>Groundnuts and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>groundnut oil</td>
<td></td>
<td></td>
<td>50,000</td>
<td></td>
</tr>
</tbody>
</table>

I can briefly compare Spain's position to that of the twenty-three Members of GATT who may be regarded as less developed than my country (because they have a smaller per capita annual income) by saying that in 1961 the value of their exports to Spain was 89 per cent greater than that of Spain's exports to them. In 1962 this favourable percentage rose to 103 (that is, we import from them more than double what we export to them); and the statistical projection for 1963 already shows that the difference in their favour this year may be even greater. The growth of Spanish imports from those sources was 33 per cent between 1961 and 1962, and from all the signs it will be larger between 1962 and 1963.

These figures alone make two facts quite clear. The first is that the trade they represent forms a very large part of Spain's total trade with the whole world, and incidentally accounts for a substantial deficit in our trade balance, to the benefit particularly, as I have shown, of certain countries slightly less developed than ourselves. The second fact is that Spain adheres firmly to a liberal and non-discriminatory foreign-trade policy.

Spain's present per capita annual income (approximately $325) sets it among those countries which, in their progress towards economic maturity, still need the help which the already-industrialized countries are endeavouring to give them through GATT.

My country encounters tariff discrimination from two preferential groups in Europe (which they cover almost entirely), two more in Africa (associated respectively with the two European groups and covering, like them, the greater part of the continent), and two more again in America (Central and South). Moreover, the foreign-trade expansion essential for Spain's development is also hampered by non-tariff restrictions - quotas and the like - on many of its most important agricultural exports, an indispensable source of foreign exchange.
Anyone who considers all those factors will the better appreciate the efforts which, although we do not belong to GATT, we are making to fulfil its objects, and which we will continue to make if the present ballot should fortunately result in our accession.

My country is glad of the chance to prove, not by words or promises but by deeds, its desire to do everything it can, as all of us are doing, to fulfil the purposes of this meeting and bring speedy and substantial benefit to those peoples who, irrespective of their absolute level of development, are behind us on the road to prosperity (or "even further from the goal than we").

Nevertheless, Mr. Chairman and Ministers, you will easily see that our foreign trade situation, the statistics and strategy of which I have laid before you, is not precisely a comfortable one for the person officially responsible for my country's commercial policy and the maintenance of its balance of payments. I expect, too, that you will consider it reasonable and natural that my people, and particularly the Minister who has at present the honour to address you, should desire to participate with you in the work of GATT, and should intend to fulfil our commitments under it but at the same time to share in the rights, and benefit lawfully from the rules, which the Agreement has established for the good of all its Members, and especially of those who, like ourselves, are less-developed countries.

That is what we firmly hope will become fact, so that we may not have to confess that the faith we have reposed in our present policy, and to serve which the Agreement was established and exists, was wrong and unjustified because the most rightful aspirations of its Members have not been duly satisfied under it by a sufficient degree of fair play for all.