STATEMENT MADE BY H.E. DR. E. TREU, AMBASSADOR,
PERMANENT REPRESENTATIVE TO THE INTERNATIONAL ORGANIZATIONS IN GENEVA
ON BEHALF OF H.E. DR. FRITZ BOCK, FEDERAL MINISTER
FOR TRADE AND RECONSTRUCTION, AUSTRIA
ON 17 MAY 1963

Item II. Arrangements for the Reduction or Elimination of Tariffs and Other Barriers to Trade, and Related Matters

Item III. Measures for Access to Markets for Agricultural and Other Primary Products

Austria is in favour of convening a new round of tariff negotiations and would also favour that a date for the opening of such round be envisaged by Ministers as soon as possible. It is well known that Austria is faced with important problems arising out of differential tariff treatment existing in Europe, and we feel that the new round would contribute to a mitigation of the effects connected with such differential treatment.

Apart from the particular situation in which Austria finds herself we are aware of the fact that a new round of tariff negotiations would exert beneficial effects on world trade as a whole. I had already indicated at our meeting in November 1961 that we were in favour of a substantial general and across-the-board tariff reduction and we therefore favour the proposal for a linear 50 percent tariff cut to be achieved within an appropriate period. We have understood
that this proposal is not yet generally accepted and that other proposals
tending to reduce existing tariff barriers aim at the reduction in the present
disparity of tariff levels along with the linear reduction of tariffs. I
should make it quite clear that a plan based on equal reductions of 50 per cent
and staged over say five years seems to us acceptable. We are prepared, however,
to take also into consideration the alternative plan which has been presented
during the last meeting of the Working Party, if this should prove necessary
and provided that vital economic aims can be pursued effectively under this
alternative.

What I feel is the absolute necessity to make this ministerial conference
a successful undertaking and we should do all we can in order not to disappoint
justified expectations which are prevailing in this respect. My delegation will
therefore be able to show a high degree of flexibility in order to achieve this
aim.

I should stress in this connexion that in our view there is a need for
obtaining early results. Therefore, we feel that the first stage of reduction
should bring about a substantial cut of existing tariff levels, in order to
stimulate world trade and to mitigate the consequences of differential treat­
ment I mentioned just before. We aim at this mitigating effect in spite of
our consciousness that it would by far not settle all the problems connected
with differential tariff treatment in Europe.

We are in favour of paying due regard to the position of countries with
special problems. May I mention in this connexion the permanent deficit of
Austria's trade balance which is of concern to my Government and which was
recognized within the Working Party to have an important incidence on the pro­
blem of reciprocity. We agree to the principle that exceptions should be limited
to a minimum; we feel, however, that there should be provision for having excep­
tions, in order to compensate for situations connected with special problems
existing for certain countries.

Agriculture should be included in the negotiations, bearing in mind, however,
the particular situation in which agriculture finds itself. We are in favour of
some special devices for the efficient and appropriate negotiating in this field,
in accordance with the proposals contained in paragraphs (a), (b) and (c) of
point (v) in our document.

As to the problem of the participation of less-developed countries Austria
recognizes that these countries are not at present in a position to grant sub­
stantial reductions of their tariffs. It seems to us, however, useful to provide
for a consultation procedure, possibly within the framework of the institutional
machinery the Contracting Parties would set up with a view to following more
closely the problems of economic development.

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