TRADE NEGOTIATIONS COMMITTEE FURThERS PREPARATIONS FOR 1964 TRADE NEGOTIATIONS

The Trade Negotiations Committee met for the third time on 28-29 November 1963.

Established by the Ministers when they met at Geneva in May 1963, the Committee is composed of representatives of all the countries - developed and less-developed countries alike - which have indicated their intention to participate in the 1964 trade negotiations - the GATT Kennedy Round.

Under the procedures agreed by the Ministers, the Trade Negotiations Committee was set up (a) to elaborate a trade negotiating plan in the light of the principles agreed by the Ministers (press release GATT/794, pp. 12-13); (b) to supervise the conduct of the trade negotiations.

In elaborating the trade negotiating plan the Committee was required to deal with such issues as (a) the depth of the tariff reductions, and the rules for exception, (b) the criteria for determining significant disparities in tariff levels and the special rules applicable for tariff reductions in these cases, (c) the problem for countries with a very low average level of tariffs or with a special economic or trade structure such that equal linear tariff reductions may not provide an adequate balance of advantages; (d) the rules to govern, and the methods to be employed in, the creation of acceptable conditions of access to world markets for agricultural products in furtherance of a significant development and expansion of world trade in such products. Since cereals and meats are amongst the commodities for which general arrangements may be required, the Special Groups on Cereals and Meat were to convene at early dates to negotiate appropriate arrangements. For similar reasons a special group on dairy products was also to be established; (e) the rules to govern and the methods to be employed in the treatment of non-tariff barriers, including inter-alia discriminatory treatment applied to products of certain countries and the means of assuring that the value of tariff reductions will not be impaired or nullified by non-tariff barriers.

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Consideration was also to be given to the possible need to review the application of certain provisions of the General Agreement, in particular Articles XIX and XXVIII, or the procedures thereunder, with a view to maintaining, to the largest extent possible, trade liberalization and the stability of tariff concessions.

The Ministers had also envisaged that the Trade Negotiations Committee would appoint subsidiary bodies to assist it in its own work. Four such subsidiary bodies were set up on 27 June 1963 when the Committee first met: (1) the Sub-Committee on the Tariff Negotiating Plan; (2) the Committee on Agriculture; (3) the Sub-Committee on Non-Tariff Barriers and other Special Problems; and (4) the Sub-Committee on the Participation of Less-Developed Countries.

The Trade Negotiations Committee reviewed the progress so far achieved by these four subsidiary bodies and took action as follows. It recognized that, in general, a considerable amount of essential, preliminary work had been done.

1. Tariff Negotiating Plan. The Committee having considered the report submitted to it by the Sub-Committee on the Tariff Negotiating Plan, noted with satisfaction that progress had been made and that agreement had been reached in the Sub-Committee on a number of questions. However, the Committee noted that certain questions, in particular the question of tariff disparities, still remained unresolved. It therefore commended the Report of the Sub-Committee to the careful study of governments with the recommendation that, in the interval before the next meeting of the Sub-Committee, they should devote attention to ways and means of resolving this and any other outstanding problems. The Committee agreed that it would meet again at the beginning of February 1964 to receive a report which it instructed the Sub-Committee to prepare in the interim period, proposing solutions to these problems.

2. Agriculture. The Committee took note of the progress in their work made by the special groups which had been set up. In the case of the Group on Cereals a basis for future work and serious negotiation had been established. The work of the Group on Meat started later but is making good progress. As regards dairy products, the pilot group very recently established by the Committee on Agriculture had made a beginning with its work. All of these three groups will resume their work early in 1964.
The Committee noted that similar progress had not been made in the case of the important task entrusted to the Committee on Agriculture with respect to the other agricultural products. It urged that this situation be brought to the attention of governments with the recommendation that a determined effort be made so as to enable the work of the Committee to advance early in 1964. The Committee on Agriculture would be reconvened early in 1964 and would meet for a sufficient length of time to permit substantial progress to be made.

3. Non-Tariff Barriers. The Committee heard an account of the first meeting of the Sub-Committee on Non-Tariff Barriers and other Special Problems. It noted that a number of governments had already indicated the barriers on which they wished to negotiate, and agreed that governments should be invited to notify any other subjects on which they wished to negotiate and to submit further details of the problems involved before another meeting of the Committee in mid-January. The Sub-Committee will be meeting early in 1964 when it was hoped constructive progress on its work would be made.

4. Participation of the less-developed countries. The Committee heard an account of the first meeting of the Sub-Committee on the participation of the less-developed countries. The Committee reaffirmed the importance it attached to the problems of the less-developed countries and to their participation in the Kennedy round of trade negotiations. It noted the work so far done by the Sub-Committee and requested the Sub-Committee to push forward with the work.

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