Opening of the Kennedy Round

STATEMENT MADE BY H.E. MR. H.A.H.S. GRANT, AMBASSADOR OF GHANA
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On the occasion of the ceremonial opening of this round of tariff negotiations, I wish to join distinguished delegates in paying tribute to the memory of the late President Kennedy whose concept of expansion of trade through the reduction of tariffs has brought us here together for what we hope will be the greatest achievement of the GATT.

This occasion marks a crucial stage in the process within the GATT to build a superstructure on the foundations laid by successive GATT negotiating conferences ending with the Dillon Round of 1960-1961. The ensuing period has seen the growth of the interest of the less-developed countries in the work of GATT, particularly Committee III, leading to the formulation of the eight-point Programme of Action which was adopted by the Resolution of the Ministers in May 1963.

The Kennedy Round which we have just launched thus provides us with two opportunities - first the opportunity to take stock of the past especially the implementation of the Programme of Action. Secondly it provides us with the opportunity for a further leap forward in the reduction and elimination of the residual tariff and non-tariff barriers to world trade. We hope the Kennedy Round together with the similar work being done in the United Nations Conference on Trade and Development will create a good impact on trade relations throughout the world.
As you very well know, Sir, trade negotiation tends to be a long and arduous task in which success not only becomes elusive but also unspectacular. Among the achievements of the past we may mention the standstill arrangements. Without these arrangements trade especially for the less-developed countries would have run into chaos.

We are also happy to see that quantitative restrictions are also on the way out. On tropical products, the Nigerian proposal at the ministerial meeting of 1961 for duty-free entry into markets of developed countries has not been pursued with zeal with the result that success is severely limited to the two solitary items of tea and tropical timber. Nor do we have on record any concrete results on the following other items in the markets of developed countries:

(a) Elimination of tariffs on primary products;
(b) Reduction and elimination of tariff barriers to semi-processed and processed exports from developing countries;
(c) The progressive reduction of internal fiscal charges and revenue duties.

We hope these residual negotiating items will be taken up more intensively in the Kennedy Round.

Mr. Chairman, my delegation feels that the want of success in some of these negotiations has been due to the fact that the developed and industrialized countries have allowed themselves to be divided into two opposing groups with trade philosophies which run in parallel lines and consequently never meet anywhere. The one is based on "price mechanism" and the other on "freer access" as the proper means for the liberalization of trade especially in tropical and agricultural products. The less-developed countries have been inclined to take a third view that price and freer access are both of importance and one could not be adopted to the total exclusion of the other in any real effort to liberalize trade. The third view has been reinforced by an ex-cathedra ruling of the Executive Secretary to the effect that "prices in respect of tropical products could be dealt with by governments in the Trade Negotiations Committee as is being done in the case of other agricultural products". We had thought that this ruling would have the effect of reconciling the divergent views of the three groups. These problems are still with us. As we enter the threshold of the Kennedy Round my delegation would like to implore all parties concerned to make a real effort at the reconciliation and harmonization of views, to refrain from being too theoretical and ideological and to face the issues involved practically, squarely and dynamically. We shall thus be enabled to make an early and successful start of the Kennedy Round.
I am told, Sir, that the Dillon Round took two years to finish due to the adoption of the commodity-by-commodity procedure. We have now learnt our lessons well and I am sure the Kennedy Round will be able to beat that record. My delegation believes in the adopted principle of 50 per cent tariff cuts across the board with the barest minimum of exceptions and also in the case of tropical and agricultural products from less-developed countries, the possibility of deepening the cuts until zero tariff is reached. If we succeed in achieving this alone the expansion in world trade is bound to be significant. On the question of duty-free entry of tropical products into the markets of developed countries, my delegation hopes that the willingness to admit those products free of duty as expressed by developed countries in various forms would be consolidated in more concrete terms during the course of these rounds. We are also highly appreciative of the proposal of the developed countries not to expect reciprocity from less-developed countries. In recent weeks we have been dismayed to see the term non-reciprocity growing in elasticity. It is our hope that non-reciprocity will be given a crystal clear definition, possibly in figures, to indicate if indeed any proportion of reciprocity is now expected from less-developed countries. In doing so we hope the very weak bargaining power of developing countries will be taken into serious consideration.

Finally, Mr. Chairman, I would like to say a word of praise for the secretariat which has become a rich mine of information and experience, unexcelled in practical matters of trade. I would particularly mention Mr. Wyndham White, the Executive Secretary whose bull dog tenacity has been a sustaining force when disillusionment looms ahead. I wish the Kennedy Round the greatest success.