MAIN DEVELOPMENTS IN GATT, MARCH 1964-MARCH 1965

The purpose of this memorandum is to set out in simple and concise form the main developments in the GATT between the end of the twenty-first session of the Contracting Parties in March 1964 and the end of the twenty-second session in March 1965.

SOME FACTS AND FIGURES

Between March 1964 and March 1965:

Approximately 300 meetings of the various GATT committees, working parties, and groups were scheduled. Under the procedures of Articles XXVIII, 36 bilateral tariff negotiations were completed.

2,093 documents were issued in English, 1,324 in French, 638 bilingual and 98 in Spanish.

The GATT secretariat increased from 130 to 179 persons.

The GATT budget for 1965 is $1,748,250 compared with $1,320,000 for 1964.

20 March 1964  End of the twenty-first session. Much of the work of this session was concentrated upon the trade problems of the less-developed countries. In particular (i) it was agreed that a new Chapter on Trade and Development should be drafted for incorporation in the General Agreement (ii) the policy of undertaking studies of individual national development plans, as to their trade and aid aspects, was endorsed (iii) it was decided to establish a trade information and trade promotion advisory service for the benefit of the less-developed countries.

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Opening of the International Trade Centre and initiation of trade information and trade promotion advisory services.

Meeting of the Trade Negotiations Committee at Ministerial level. Basic guide lines were established for the conduct of the Kennedy Round of trade negotiations, concerning (a) tariffs-linear reduction of 50 per cent as a working hypothesis, with a bare minimum of exceptions, subject to confrontation and justification, (b) agricultural products, (c) non-tariff barriers, (d) participation of the less-developed countries.

United Kingdom import charges. GATT Council establishes a Working Party to hold consultations with the United Kingdom.

Kennedy Round: tabling of exceptions lists by countries participating on the basis of linear reduction of tariffs.

Opening of the Special Session of the Contracting Parties with the task of completing the new Chapter on Trade and Development.

Special Session. New Chapter on Trade and Development adopted and submitted to governments for approval.

United Kingdom import charges. Council adopts first report of Working Party on its consultation with the United Kingdom.

Kennedy Round: process of justification and confrontation of exceptions lists commences.

Special Session. The Contracting Parties take formal action to add a new Part IV, on Trade and Development, to the GATT. De facto implementation of the new Chapter agreed, pending entry into force de jure.

Committee on Trade and Development created to supervise the implementation of the provisions of the new Chapter.

Kennedy Round. Trade Negotiations Committee adopts procedures for the negotiations on agriculture (a) Negotiations on grains to be resumed in the Cereals Group on 17 May on the basis of specific proposals to be tabled before that date. (b) Proposals and offers regarding meat and dairy products to be tabled by 16 September. (c) Offers regarding other agricultural products to be tabled by 16 September.
10 March

Kennedy Round. Trade Negotiations Committee adopts plan for the participation of less-developed countries. Less-developed countries intending to participate to notify the Director-General by 15 April of their readiness to table on 1 August the offers they would make as a contribution to the objectives of the trade negotiations. The industrialized countries agree to an examination of their exceptions, in respect of items of interest to the less-developed countries.

Kennedy Round. Non-tariff barriers: participating governments have identified the barriers on which they wish to negotiate. Discussions have shown that some of the problems are best dealt with in bilateral discussions; these are proceeding.

Tropical products. The Tropical Products Group scheduled to meet shortly to work out procedures for the treatment of trade in these products in the trade negotiations.

Countries which are not participating on the linear cut basis. Arrangements made for the participation of countries with special economic or trade structure, for countries which are seeking accession to the GATT, and for other countries not falling into these categories.

25 March End of twenty-second session of the Contracting Parties which opened on 8 March.

ACTION TAKEN DURING THE SESSION

The Committee on Trade and Development established its work programme for the immediate future and gave specific tasks to subsidiary groups. (1) In connexion with the commitments in the new Part IV, the Committee established Reporting Procedures. (2) A Group of Experts will examine measures applied by industrialized countries for assisting adjustments in the structure of production and trade. (3) An Expert Group will examine secretariat studies of development plans of less-developed countries. (4) A Working Group will deal with specific international commodity problems. (5) A Working Group will examine the possible amendment of certain GATT Articles for the benefit of less-developed countries. (6) A Working Group will examine specific proposals for the extension of preferences by industrialized countries to less-developed countries. A second Group will examine the role of preferences between less-developed countries in promoting trade between them. (7) The Committee stressed the great value of the Trade Promotion and Trade Information Centre to the less-developed countries, and provided for its activities to be expanded, with increased emphasis on trade promotion activities. (8) A Working Group will be concerned with action to be taken to eliminate remaining import restrictions being maintained on the trade of less-developed countries.
The Groups mentioned above will meet in April, May and June in order to report to the Trade and Development Committee at the end of June.

The Contracting Parties adopted three reports by Committee II which had examined recent changes in the agricultural policies of the European Economic Community (dairy produce, beef, rice); United States (meat); United Kingdom (cereals, bacon).

Regional Groupings. Reports on recent developments were made by representatives of the European Economic Community, the European Free Trade Association, the Latin American Free Trade Area, the Central American Free Trade Area, the Equatorial Customs Union. Matters arising out of the EEC/Turkey association and the EEC association with African States will be examined in working parties. The Agreement establishing an Arab Common Market will also be examined in a Working Party.

United Kingdom import charges. The consultation with the United Kingdom was resumed in a Working Party. The Working Party indicated that the consultation will be continued shortly after the United Kingdom budget has been presented.

Agreement between the United States and Canada on automobiles and parts. A Working Party examined the Agreement which had been presented by the United States for an opinion and guidance. On the basis of the Working Party's report the Contracting Parties decided to await the submission by the United States of the draft legislation to be submitted to the United States Congress which could then be considered by the GATT Council.

Consultations on balance-of-payments restrictions were held, under GATT procedures, with eleven contracting parties.

The report on the second review of the Cotton Textile Arrangement, held in December 1964, was adopted and preparations were initiated for the third review, to be held late in 1965, which will be of major importance.

Training programme. Since the training programme was inaugurated in 1955 there have been nineteen courses in Geneva; to date, 146 officials from 54 different countries have attended. Since 1962 GATT has held jointly with the Economic Commission for Africa six courses in African capitals: to date, 104 participants from 24 countries have attended.

Mr. Wyndham White named Director-General. In view of the importance of GATT as an international organization the Contracting Parties decided to change the title of the head of the secretariat from Executive Secretary to Director-General. Mr. Wyndham White, who has been Executive Secretary since 1948, now becomes Director-General.

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