SUBJECT: GATT PROGRAMME, JULY-DECEMBER 1961

I WISH TO BRING TO YOUR ATTENTION THE MEETINGS ARRANGED BY THE CONTRACTING PARTIES AND THE IMPORTANT WORK PROGRAMME FOR THE REMAINDER OF 1961. THE PROGRAMME OF MEETINGS FOR JULY TO DECEMBER, AS DRAWN UP AT THE LAST SESSION IN MAY, HAS BEEN DISTRIBUTED IN DOCUMENT L/1492. THERE ARE CERTAIN MATTERS WHICH REQUIRE ACTION BY GOVERNMENTS IN PREPARATION FOR THESE MEETINGS AND THE FOLLOWING NOTES ARE INTENDED TO ASSIST YOUR REPRESENTATIVES IN MAKING THESE PREPARATIONS.

1. MEETING OF MINISTERS; NINETEENTH SESSION; COUNCIL

THE WORK OF THE CONTRACTING PARTIES UNDER THEIR PROGRAMME FOR THE EXPANSION OF INTERNATIONAL TRADE, WHICH WAS INAUGURATED AT A MEETING OF TRADE MINISTERS IN 1958, HAS NOW PROGRESSED TO THE POINT WHERE THE MAJOR PROBLEMS CAN BE IDENTIFIED FOR CONSIDERATION AT THE POLICY LEVEL AND WHERE GUIDANCE AND DIRECTIVES ARE REQUIRED FOR FURTHER WORK. ACCORDINGLY, THE CONTRACTING PARTIES HAVE DECIDED TO CONVENE A MEETING OF MINISTERS RESPONSIBLE FOR TRADE AND ECONOMIC AFFAIRS. THE MINISTERIAL MEETING WILL BE HELD FROM 27-30 NOVEMBER; THE NINETEENTH SESSION OF THE CONTRACTING PARTIES, WHICH IS TO BE HELD FROM 13 NOVEMBER TO 6 DECEMBER, WILL BE INTERRUPTED FOR THESE FOUR DAYS.

THE CONTRACTING PARTIES PROPOSE TO INVITE MINISTERS TO ADDRESS THEMSELVES TO THE MAIN PROBLEMS OF INTERNATIONAL TRADE WHICH HAVE BEEN IDENTIFIED BY THE CONTRACTING PARTIES IN THE COURSE OF THEIR WORK UNDER THE PROGRAMME FOR THE EXPANSION OF TRADE. THE DISCUSSIONS WILL THUS COVER TARIFF BARRIERS TO TRADE (INCLUDING A REVIEW OF THE RESULTS OF THE DILLON ROUND OF TARIFF NEGOTIATIONS AND THE CONSIDERATION OF POSSIBLE FUTURE ACTION IN THE TARIFF FIELD), TRADE IN AGRICULTURAL PRODUCTS AND OBSTACLES TO THE TRADE OF LESS-DEVELOPED COUNTRIES. IT IS UNDERSTOOD THAT THE GENERAL COMPASS OF THE ITEMS MENTIONED IS SUFFICIENTLY BROAD TO COVER QUESTIONS OF MARKET DISRUPTION AND THE IMPLICATIONS FOR INTERNATIONAL TRADE OF THE DEVELOPMENT OF REGIONALISM SHOULD MINISTERS WISH TO DISCUSS THESE MATTERS. IT IS ALSO UNDERSTOOD THAT THE PROPOSED AGENDA REMAINS SUFFICIENTLY FLEXIBLE SO AS NOT TO PRECLUDE THE DISCUSSION BY MINISTERS OF ANY MAJOR QUESTION OF GENERAL SIGNIFICANCE FOR INTERNATIONAL TRADE, WHICH MIGHT ARISE PRIOR TO THE MEETING.

FURTHER, IT IS THE VIEW OF THE CONTRACTING PARTIES THAT MINISTERS SHOULD ADDRESS THEMSELVES TO CLEARLY DEFINED ISSUES IN ORDER TO GIVE GUIDANCE AND DIRECTION TO THE CONTRACTING PARTIES, SO AS TO ENABLE THEM TO DEAL EFFECTIVELY WITH THE DIFFICULTIES IDENTIFIED IN THE DISCUSSIONS AND STUDIES CARRIED OUT UNDER THE PROGRAMME FOR EXPANSION OF TRADE. TO CONTRIBUTE TO THIS END, CONTRACTING PARTIES ARE INVITED
0 submit, by 1 September, suggestions as to specific points which might be considered by ministers, within the framework of the broad items mentioned above, together with proposals for action on the problems thus defined. These suggestions and proposals will be examined by the council at its meeting to be held from 25 September to 6 October together with the reports of the committees set up under the programme. The council will report to the contracting parties on specific points and proposals to be placed before ministers, in the form of a draft paper for ministerial consideration.

Advance agendas for the council and the nineteenth session of the contracting parties will be issued in July.

2. OTHER MEETINGS

Beginning on 5 July there will be a three-day meeting of the working party on the European Free Trade Association to examine the agreement of association between the member states and Finland.

The working party appointed at the eighteenth session (L/1482) to carry out the review of the application of Article XXXV vis-a-vis Japan will meet from 28 August to 6 September. The Secretariat has requested relevant information from the contracting parties concerned with a view to preparing a factual background document for use by the working party.

The budget working party will meet from 11 to 15 September to examine the Executive Secretary's proposals for the 1962 budget and to prepare recommendations for consideration by the council and, eventually, by the contracting parties at the nineteenth session.

Committee III, established under the programme for expansion of trade and concentrating on the problems confronting the export trade of less-developed countries, will meet from 11 to 22 September. The committee will prepare a general report for the ministerial meeting. Background material to assist the committee in the preparation of its report will be circulated in mid-July. At this meeting the committee will also undertake an examination of a third list of products as requested by a number of less-developed countries. To assist the committee in its examination, the Secretariat has prepared draft commodity schedules showing tariffs, quantitative restrictions, taxes and other measures confronting exports from less-developed countries. These schedules will be circulated shortly for comment and approval by governments.

Committee II, established under the same programme and concentrating on agricultural protectionism, included in its last report (L/1461) the general conclusions which it has drawn from the individual country consultations on agricultural policies and from the studies conducted over the past two years. This report will be examined by the council in September in connexion with preparations for the meeting of ministers. At its next meeting, scheduled for
9 to 13 October, the committee will conduct consultations on agricultural policies with Argentina, Chile, Nigeria, Peru, Portugal and Spain. The committee will also examine a proposal by New Zealand regarding the future work of the committee which is pending from the committee’s last meeting.

The Committee on Balance-of-Payments Restrictions will meet from 30 October to 10 November to carry out consultations under Article XII:4(b) or XVIII:12(b) with Austria, Burma, Denmark, Finland, Israel, Japan, New Zealand and Norway. “Basic documents” for use in the consultations will be sent to contracting parties in September.

3. Acceptance of Protocols, etc.

Finally, attention is drawn once more to the fact that many protocols and other instruments drawn up by the contracting parties have not yet been accepted by all the contracting parties. A list of these, with the names of the governments which have still not accepted them, has been distributed in document L/1506. It would be appreciated if governments would seek the authority to take the necessary action, so that there will be uniform application of the General Agreement and so that those protocols which require unanimity may enter into force.

In this connexion, I would draw attention particularly to the amendment protocols drawn up at the Ninth Session, which have not yet been accepted by three contracting parties, and also to the declaration giving effect to the provisions of paragraph 4 of Article XVI which requires the acceptance of eight more contracting parties, named in the declaration, before the prohibition on export subsidies on manufactured products can be made effective.

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