1. The Committee met from 25 March to 4 April 1963. It examined the progress made in pursuance of the Decision of 7 December 1961 on the implementation of the Conclusions of Ministers and drew up recommendations for consideration at the forthcoming ministerial meeting. These recommendations are based on the Committee's consideration of a programme of action sponsored by twenty-one GATT countries and discussion on the direction of the Committee's future work. The recommendations are set out in Part One of the present report. Part Two of the report sets out the findings of the Committee on progress made in the removal of trade barriers and contains a record of the discussions at the present meeting of the Committee relating to the programme of action, and of the discussions on other items on the Committee's agenda, aimed at exploring ways and means of expanding the export earnings of less-developed countries, as envisaged in its original programme of work.

**PART ONE**

**Submissions to Ministers**

2. Since the ministerial meeting of November 1961 Committee III, to which was assigned the task of implementing the agreed Conclusions of Ministers as they relate to the expansion of trade of less-developed countries, has met on five occasions. Each time the Committee was able to note some progress by contracting parties in the removal of trade barriers, particularly quantitative restrictions affecting exports of less-developed countries. While noting the progress made in the implementation of the Conclusions of Ministers, the Committee decided, when it drew up its report on the meeting in October 1962, that it would be failing in its Charter if it did not advise the CONTRACTING PARTIES of the gap still existing between intent and performance. Much remained to be done. The Committee noted that contracting parties had not found it possible to establish, as recommended by the CONTRACTING PARTIES, specific programmes of action and, where feasible, target terminal dates for the progressive reduction and elimination of barriers to exports of less-developed countries, such as were desired by the less-developed countries.

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1Argentina, Brazil, Burma, Cambodia, Ceylon, Chile, Cuba, Ghana, Haiti, India, Indonesia, Israel, Federation of Malaya, Federation of Nigeria, Pakistan, Peru, Tanganyika, Tunisia, United Arab Republic, Uruguay and Yugoslavia.
3. When the Committee convened during the twentieth session, it had before it the proposal for a programme of action which was sponsored by twenty-one GATT countries. The proposed programme of action addressed itself in seven specific points to the elimination or reduction of remaining tariff and non-tariff barriers and, in an eighth point, to other measures which contracting parties could take to facilitate the efforts of the less-developed countries to diversify their economies, strengthen their export capacity, and increase their earnings from overseas sales. The record of the discussions in November is contained in the last report of the Committee (I/1925). The CONTRACTING PARTIES, in adopting this report, recommended that the Council should give it urgent consideration when considering the agenda for the meeting of Ministers. At the present meeting of the Committee, the representatives of the industrialized countries, without being able in all cases to state the definite position of their governments, gave additional information on the position of their governments with regard to this proposed programme of action.

4. The Committee noted with satisfaction that there was a wide measure of agreement in the Committee on this programme of action as contributing to the implementation of the Ministerial Decision of November 1961. It was pointed out by the industrialized countries, however, that, where acceptance by the Committee is indicated, such acceptance would not prevent, in certain circumstances, limited exceptions from any of the programme points, either in terms of specific commodities or of action to be taken by certain target dates. The Committee noted the position of less-developed countries represented in the Committee that they felt unable at the present meeting to accept changes in their proposed action programme.

5. In drawing up the record of the views expressed on the individual points, representatives of industrialized countries had further in mind, that, as stated by the sponsoring countries, acceptance of the proposed programme of action would be without prejudice to the rights and obligations of contracting parties under the provisions of the General Agreement, under arrangements negotiated within the framework of GATT, or covered by international commodity agreements. It was further understood that, where action under the programme would affect the interests of third countries, as under preferential arrangements, action by countries granting such preferences would depend, inter alia, on the consent of the trade partners concerned. Finally, it was the understanding of the Committee that the programme of action related to the products covered by Lists I to III examined by the Committee and those examined by the Special Group on Tropical Products, with limited exceptions where, for the products concerned, action of the type envisaged under the different headings could not be expected to benefit the less-developed countries. The Committee agreed that the programme of action, if adopted, might subsequently be extended to an enlarged list of products to be agreed upon.

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1For a list of the products examined by Committee III see Annex II; except for bananas. Annex II also covers all of the items examined by the Special Group.
6. The Committee agreed that the points for action in the proposed programme, together with the record of the views expressed in the Committee, should be submitted to the Council for consideration in drawing up the agenda for the meeting of Ministers, to ensure the early adoption of measures which would permit rapid progress in the areas of most immediate concern to the less-developed countries. The proposed programme of action, together with the record of the views expressed on each point therein, is set out below.

A. Programme of Action

7. Standstill provision

Point (i) No new tariff or non-tariff barriers should be erected by industrialized countries against the export trade of any less-developed country in the products identified as of particular interest to the less-developed countries. In this connexion the less-developed countries would particularly mention barriers of a discriminatory nature.

Industrialized countries indicated that they would use their best endeavours to maintain the standstill in full, although situations might arise where there could be a compelling need for limited exceptions.

8. Elimination of quantitative restrictions

Point (ii) Quantitative restrictions on imports from less-developed countries which are inconsistent with the provisions of the GATT shall be eliminated within a period of one year. Where, on consultation between the industrialized and the less-developed countries concerned, it is established that there are special problems which prevent action being taken within this period, the restriction on such items will be progressively reduced and eliminated by 31 December 1965.

The industrialized countries confirmed that it was their intention to remove quantitative restrictions, maintained inconsistently with the GATT, as soon as possible. Most industrialized countries maintaining such restrictions agreed that they would achieve the target date of 31 December 1965.

9. Duty-free entry for tropical products

Point (iii) Duty-free entry into the industrialized countries shall be granted to tropical products by 31 December 1963.

The Committee noted that the Sub-Group of the Special Group on Trade in Tropical Products had examined this proposal in depth with regard to some products, and that the Special Group would meet later in April 1963 to prepare a submission to Ministers. It was therefore agreed that further action on the item would be taken in the light of any directives by Ministers.
10. **Elimination of tariffs on primary products**

Point (iv) Industrialized countries shall agree to the elimination of customs tariffs on the primary products important in the trade of less-developed countries.

Industrialized countries indicated that they could agree to work towards the elimination, or where this was not possible, at least toward the substantial reduction of tariffs on these products. While not ruling out earlier action, these countries indicated that they expected these products to be the subject of tariff reductions within the framework of the proposed tariff negotiations.

11. **Reduction and elimination of tariff barriers to exports of semi-processed and processed products from less-developed countries**

Point (v) Industrialized countries should also prepare urgently a schedule for the reduction and elimination of tariff barriers to exports of semi-processed and processed products from less-developed countries, providing for a reduction of at least 50 per cent of the present duties over the next three years.

The industrialized countries noted that this proposal was on the same lines as the working hypothesis of a 50 per cent linear tariff cut which had been adopted in the Working Party on Procedures for Tariff Reduction at its meeting from 18-29 March 1963. The industrialized countries indicated that, while not precluding action in advance of the tariff negotiations, they would be prepared to ensure, as far as possible, that products covered by the proposal would be included in their offer lists in the proposed tariff negotiations and not be excepted from such negotiations.

12. **Progressive reduction of internal fiscal charges and revenue duties**

Point (vi) Industrialized countries shall progressively reduce internal charges and revenue duties on products wholly or mainly produced in less-developed countries with a view to their elimination by 31 December 1965.

While most industrialized countries indicated that they would not have difficulty in accepting this proposal and urged appropriate joint action in this field, others indicated that acceptance of the proposal continued to give them major difficulty. In view of the lack of agreement in this question the Committee considers that Ministers should be asked to give this problem special consideration.
13. Reporting procedures

Point (vii) Industrialized countries maintaining the above-mentioned barriers shall report to the GATT secretariat in July of each year on the steps taken by them during the preceding year to implement these decisions and on the measures which they propose to take over the next twelve months to provide larger access for the products of less-developed countries.

The proposal was accepted.

14. Other action

Point (viii) In putting forward the seven specific proposals for action the countries sponsoring the action programme pointed out that the gap between the needs of the less-developed countries and their current earnings from exports was so large that even the adoption of the measures outlined above might not be adequate. The less-developed countries therefore urged:

that contracting parties should also give urgent consideration to the adoption of other appropriate measures which would facilitate the efforts of less-developed countries to diversify their economies, strengthen their export capacity, and increase their earnings from overseas sales.

In this connection it was also pointed out that the industrialized countries should, in framing their policies which affect the pattern of production take account of the need for providing larger outlets for the exports of the less-developed countries. Industrialized countries recognized that, in addition to action along the lines envisaged under points (i) to (vii) above, urgent consideration by the CONTRACTING PARTIES would have to be given to other measures aiming at improving the trading opportunities for less-developed countries if a sound and lasting solution to their trade and development problems was to be found. The fundamental need of the less-developed countries in the field of trade was to achieve an increase in their export earnings. Under present conditions whereby their export trade was heavily dependent on a limited number of primary products, efforts on the part of the less-developed countries to increase their earnings by a higher volume of exports were often frustrated by declining prices. Discussion in the GATT itself, for example the discussion on commodity problems during the twentieth session, and discussion in other international bodies had shown that unless effective joint action, for instance by way of commodity agreements, were taken, there appeared to be no basis for expecting any substantial favourable change in the level of export prices of primary products relative to prices of manufactured products. It was also accepted that in the longer term there was a vital need for the less-developed countries to diversify and broaden their economies in order to overcome their balance-of-payments problems and achieve higher living standards. The industrialized countries, the Committee agreed, should assist in this process by providing the greatest possible degree of access for processed and manufactured products from the less-developed countries. It was recognized that these were matters of justified concern to less-developed countries.
15. It has been noted that the benefit of tariff reductions on the present basis may not in many instances go to the less-developed countries. Certain suggestions designed to improve the conditions of access for the exports of less-developed countries have been placed before the Committee but have not yet been discussed in detail. Thus it was suggested that the Committee should consider:

1. The granting of preferences on selected products by industrialized countries to less-developed countries as a whole.

2. The granting of preferences on selected products by less-developed countries to all other less-developed countries.

B. Future Work of the Committee

16. It is the intention of the Committee to continue to give priority to the elimination of barriers to the trade of less-developed countries. The direction of the Committee's work, in this respect, will to a very large extent be guided by the proposed programme of action and the views set forth thereon in section IA of this report. In addition, it is the intention of the Committee to consider an enlargement of the list of products studied, in order to broaden the area of trade subject to this programme.

17. The Committee also intends to consider whether, in the light of suggestions put forward by the Executive Secretary (see COM.III/111), the Committee's objectives can be further facilitated by extending the existing work programme, in collaboration with other international agencies, particularly the IBRD and the OECD, through the adoption of concerted and systematic studies of trade and aid relationships in individual less-developed GATT countries, aimed at obtaining a clear analysis of export potential, market prospects, and any future action that may be required to overcome any difficulties that the studies reveal. Action of this kind would make it possible for the GATT to assist in bringing about closer collaboration in the trade and aid fields.

18. Under point (viii) of the proposals referred to in section A above, the Committee had before it certain suggestions which had been made relating to additional measures which might be studied, including measures in relation to improved conditions of access for the exports of less-developed countries and joint action aimed at improving the terms of trade of such countries.

19. The question has now been raised whether the authority of GATT in these fields might not be extended by the creation of a stronger institutional framework which would more adequately reflect the concerns and responsibilities of the CONTRACTING PARTIES in relation to the development of the trade of less-developed countries. Thus it has been pointed out that, while many of the activities of the CONTRACTING PARTIES have their roots in specific Articles of the General Agreement, certain important activities, which are likewise designed to further the objectives of the Agreement, as set out in Article I of the General Agreement, are based on more general provisions relating to
joint action. The question has been raised whether, in view of its significance and the emphasis the CONTRACTING PARTIES attach to furthering the development of trade of less-developed countries, the provisions of the Agreement might not now be expanded to make more specific provision for this important sector of the CONTRACTING PARTIES' work. Some members of the Committee felt that it was perhaps opportune for Ministers during their forthcoming meeting to deliberate and give guidance on this point.

20. In the light of the above considerations, the Committee agreed that it should proceed expeditiously with its current work programme, including consideration of an enlargement of the list of products studied by the Committee. The Committee has noted the statement of the Executive Secretary as reproduced in COM.III/111 and welcomes the co-operation offered by the IBRD and the OECD in respect of future activities of the Committee.

21. The Committee agreed that consideration should be given as soon as possible to the suggestions which have been made during the discussion of the Committee's future work and the implication of such suggestions.
PART TWO

A. Review of Progress

Quantitative restrictions

22. In accordance with agreed practice, the Committee reviewed progress made by contracting parties in the removal of quantitative restrictions in implementation of the Conclusions of Ministers. In carrying out this review, the Committee took account of a proposal made at the last meeting of the Committee that a procedure for confrontation and consultation with contracting parties maintaining such restrictions might usefully be initiated at the next meeting. The Committee noted that, in a follow-up of this proposal, the Executive Secretary had addressed a communication on this subject to all contracting parties enquiring as to the nature of any action taken by them to increase access to their markets and what further steps they contemplated taking in the immediate future, taking account of the target terminal dates contained in the proposed programme of action. The Committee felt that action should now be taken for the confrontation procedure to be extended to all GATT Member countries, particularly to all major industrialized countries.

23. The Committee noted that, in response to the communication by the Executive Secretary, written submissions had been received from twenty-eight GATT countries, including all of the major industrialized countries, (see COM.III/101 and Add.1 and also COM.III/109 and Corr.1).

24. Below is a summary of the progress in the elimination of quantitative restrictions notified by contracting parties and an outline of the situation as regards quantitative restrictions as it emerged from the documentation before the Committee and from the consultations the Committee had with twenty-five GATT countries. Notes on the consultations, setting out the responses of individual contracting parties, are contained in Annex I to this report.

25. The Committee noted with satisfaction that since its last meeting in November 1962, further progress in import liberalization on items included in Lists I to III had been reported by eleven contracting parties: Australia, Austria, Denmark, Finland, France, the Federal Republic of Germany, Greece, Israel, Japan, Turkey and South Africa. The following are among the items benefiting from these liberalization measures: certain oilseeds and vegetable oils, cocoa derivatives, canned fish, certain tobacco products, processed wood, copper and copper products, certain textile items, certain coir products, certain sports goods, bicycles, household sewing machines, electric motors and electric fans. In addition, an enlargement of quotas on items of interest to Committee III was notified by Austria, the Federal Republic of Germany, Italy and France.
26. Specific target dates for the removal of most remaining restrictions were
given by Austria, Denmark and the Federal Republic of Germany and, in respect
of one of the two categories of products still subject to effective restric­
tions, by the Federation of Rhodesia and Nyasaland.

27. Five contracting parties, Italy, the three Benelux countries and Norway
reported that at present only one of the products examined by the Committee
remained subject to import control. Australia and the Federation of Rhodesia
and Nyasaland indicated that not more than two of the items examined by the
Committee remained subject to restrictions. Argentina, Canada, Malaya, Nigeria,
Sweden and Switzerland confirmed that they applied no quantitative restrictions
to imports from less-developed countries on items examined by the Committee.
A similar indication was given by two State-trading countries, Czechoslovakia
and Poland, although some members of the Committee felt that State-trading
operations could have the same effect as quantitative restrictions.

28. The Committee welcomed the progress which had been made and the indications
given of plans for future import liberalization. Nevertheless, it could be
said that the progress achieved so far and the pace at which progress had been
made fell short of the expectations of less-developed countries. Also, it had
to be recognized that there continued to be a considerable number of hard-core
restrictions. The Committee urged governments to consider appropriate measures
for the removal of these restrictions and, at the same time, to consider an
acceleration in their present plans for import liberalization.

Customs tariffs

29. The Committee then turned to an examination of action on tariffs taken
since its last meeting on products of interest to the less-developed countries.
The representative of the EEC informed the Committee of reductions in the
Common External Tariff of the Community which were envisaged in the New
Convention of Association of the African States and Madagascar and the Community
on certain tropical products, pointing out that this Convention had at this
stage only been initialled. These prospective reductions would lower the duty
on unroasted decaffeinated coffee from 16 per cent to 9.6 per cent*, on raw
and roasted cocoa beans (whole or broken) from 9 per cent to 5.4 per cent*, on
tea, other than imported in immediate packings of a net capacity of 3 kg. or
less, from 18 per cent to 10.8 per cent*, fresh pineapple from 12 per cent to
9 per cent, cloves (whole fruit, cloves and stems, neither crushed nor ground),
from 20 per cent to 15 per cent, coconut (dehydrated pulp) from 5 per cent to
4 per cent, *pempel; (neither crushed nor ground) from 20 per cent to 17 per
cent, vanilla from 15 per cent to 11.5 per cent, and nutmeg, (neither crushed
nor ground), other than intended for the manufacture of essential oils or of
resinoids, from 20 to 15 per cent.

*This amounts to a 40 per cent reduction. Twenty-five per cent of this
would be a true reduction and 15 per cent a suspension of the duty.
30. The Committee recalled that in its report on its meeting in May 1962, it had formulated principles and considerations to be made available to the Working Party on Procedures for Tariff Reductions (L/1768, paragraphs 15 to 21), and examined the possibility of supplementing these in the light of events since that time. Less-developed countries represented on the Committee indicated that the submission of such principles and considerations to the Working Party should not prejudice the possibility of a direct approach to Ministers.

31. The Committee had before it a pilot study comparing the general incidence of import duties on the major manufactured exports of the developing countries with the incidence of duties on more sophisticated manufactured goods primarily traded between the industrialized countries (COM.III/100). It was recognized that the study was of a preliminary nature and the industrialized countries in particular considered that further and more extensive analysis was necessary before general conclusions could be drawn. However, in the opinion of the less-developed countries, the study tended to confirm their contention that, first, for a number of countries, the general average of the duties on items identified in the study as being of peculiar interest to the less-developed countries tended to be higher than that on items traded principally between industrialized countries and that, secondly, the less-developed countries had not benefited greatly from the last round of tariff negotiations. Less-developed countries represented on the Committee reiterated their conviction that in any tariff reductions plan benefits should be spread more equitably between contracting parties and suggested that, if a linear approach was to be adopted, the Working Party should endorse the principle that the main export products of the less-developed countries, including the semi-processed and manufactured goods identified by the Committee, should not be included in exception lists of participating countries. It was suggested that these countries should also endeavour to ensure that the maximum possible tariff reductions were made on these items, extending, wherever possible, beyond the percentage provided for in any general rule for linear reductions. If the items under examination in the Special Group on Trade in Tropical Products were to be dealt with only within the framework of the proposed negotiations, then these considerations would apply equally to them.

32. The Committee has referred in several of its previous reports to the existence of tariffs which differentiate disproportionately in favour of imports of raw materials as compared with duties on processed goods and has referred to this problem when drawing up principles and considerations to be made available to the Working Party on Procedures for Tariff Reductions. It was agreed that the attention of the Working Party should be drawn to a pilot study prepared by the secretariat on this subject (see COM.III/104).

33. There was widespread agreement that the procedures to be proposed by the Working Party on Tariff Reductions should provide a sound basis for the reduction not only of tariffs but also of non-tariff barriers to trade and should cover agricultural as well as industrial products.
Internal fiscal charges and revenue duties

34. The Committee noted that the question of the reduction or removal of fiscal charges and revenue duties identified by the Committee as barriers to exports of tropical beverages was under active consideration in another body of GATT. Disappointment was expressed, however, that no progress in the removal or reduction of high fiscal charges and revenue duties had been reported since the last meeting of the Committee.

State trading

35. Members of the Committee representing less-developed countries stated that they had found the replies received from governments on the supplementary questionnaire on State trading very useful and informative (see COM.III/87 and Addenda). However, it was felt that the points which had emerged on the possible trade diverting effects of the activities of the State-trading organizations could not fruitfully be pursued at the present stage.

36. In the discussion under this heading, the representative of Czechoslovakia explained that his country was continuing its efforts to make a purposeful contribution to the solution of the problems facing less-developed countries in expanding their export earnings. He stated that the Czechoslovak system of foreign trade was not restrictive as could be seen, for example, from the development of imports and consumption. Coffee consumption in 1962 had been 11 per cent higher than in 1961, while that of tea had increased by 10 per cent. Compared to pre-war years the consumption of tea had approximately doubled. This statement was welcomed by members of the Committee. Nevertheless, it was felt by some members of the Committee that scope for further action might exist.

B. Proposed Programme of Action - Record of Discussion

37. At its last meeting a proposal for a programme of action was placed before the Committee and was now sponsored by twenty-one GATT countries. The text of this programme is annexed to the report of the last meeting of the Committee (L/1925), which also contains a summary of the first discussion on this programme. In adopting this report, the CONTRACTING PARTIES recommended that the Council should give it particular attention when considering the agenda for the meeting of Ministers. At the present meeting of the Committee, the representatives of several industrialized countries were able to give additional information on the position of their governments with regard to the proposed programme of action.

38. Members of the Committee sponsoring the proposal emphasized the urgent need for action by industrialized countries along the lines laid down in their proposed action programme. It was clear from the discussion which took place in the Committee on the action programme that, while it was acknowledged that
the proposals were in line with the objectives of the Ministerial Declaration, and while prompt action was required to expand the export earnings of the less-developed countries, the wording of certain of the specific points for action did cause some difficulties, many but not all of which were of a legal nature, for the governments of major importing countries.

39. Representatives of several of the major importing countries said that, while it was not possible for their governments to take a final position on all the specific points raised in the proposal, they could accept many of the principles embodied in it on the understanding, given by its sponsors, at the last meeting of the Committee, that no new legal commitments beyond those contained in the General Agreement were entailed. It was the feeling of some delegations that the rights and obligations under arrangements which were negotiated within the framework of the GATT or in connexion with the drawing up of international commodity agreements, ought not to be affected by any undertakings which might be given in response to the action programme. There was also a general feeling that the proposals should be taken to refer to the product groups included in Lists I to III, which had already been studied in some detail by the Committee.

40. It was pointed out that, although the proposed programme of action did not make specific reference to State-trading organizations, the action asked for under each of the different headings should be undertaken to apply mutatis mutandis also to the operation of State-trading organizations and to policies followed by State-trading countries.

41. It was recognized that the Committee might wish to draw up a comprehensive list of products of interest to the less-developed countries and that the proposals now being considered by the Committee might be applied to this enlarged list. It was agreed, however, that this would only be feasible after additional items of interest to less-developed countries had been identified by the Committee. It was also the view of one delegation that the final position to be taken by his government on any proposed extension of the programme of action to additional products would depend to a very considerable extent on how far it proved possible for the major industrialized countries to take concerted action to improve the trading position and the trading prospects of the less-developed countries over the widest possible front.

(i) Standstill on new tariffs and non-tariff barriers

42. The first point of the programme of action proposes that no new tariff or non-tariff barriers should be erected by the industrialized countries against the export trade of any less-developed country on the products identified as of particular interest to the less-developed countries. Representatives of countries sponsoring the programme of action drew attention to the particular importance which they attached to obtaining a standstill on non-tariff barriers. Representatives of the major trading countries indicated that it was the present intention of their governments not to impose any new tariff or non-tariff barriers against the products studied by the Committee.
43. Attention was drawn to COM.III/99 which indicated the extent to which these commodities were already the subject of tariff bindings in a number of major industrial countries. Representatives of certain major trading countries pointed out that tariff bindings had been undertaken in the great majority of the Brussels Nomenclature headings listed in this document. It was the understanding of some delegations that, in so far as the standstill procedure referred to tariffs, it would simply entail an undertaking not to raise unbound rates. It was suggested, however, that the present renegotiation techniques might not meet the needs of the less-developed countries, which often accounted for a relatively small percentage of trade in any given product, and that they might be re-examined in the light of this situation.

44. In relation to the standstill procedure on internal charges and revenue duties, it was suggested that this should be interpreted in the light of point (vi) of the proposed programme of action, as referring to products wholly or mainly produced in less-developed countries and that tobacco would not fall in this category.

(ii) Elimination of quantitative restrictions

45. In discussing scope for action by contracting parties concerned under this point of the proposed action programme, members of the Committee sponsoring this programme referred to the indications for future action in this field given by a number of contracting parties during the meeting (see paragraph 26 above and Annex I). The Committee recognized that import liberalization of certain products within a period of one year might cause difficulties in certain instances. However, most industrialized countries maintaining quantitative restrictions indicated they had no insuperable problem to meet the time-table for final import liberalization proposed in the programme of action. Most members of the Committee agreed that action in this sector, along the lines suggested in the programme, appeared to be not only desirable but feasible.

46. The Committee agreed that, pending the elimination of quantitative restrictions on products examined by Committee III, particularly those maintained inconsistently with the GATT, the procedure for confrontation and consultation in the Committee should be continued at regular intervals.

47. A number of contracting parties particularly emphasized that quantitative restrictions should be taken to include restraints, quotas, and restrictions imposed for reasons of market disruption.

(iii) Duty-free entry for tropical products

48. The Committee noted that an examination of the problems involved in granting duty-free entry for tropical products had been carried out on some products by the Sub-Group of the Special Group on Trade in Tropical Products (document L/1984). Some countries, receiving preferences on these products, had indicated that they would not be unwilling to forego the preferences in order to achieve duty-free entry for those products in respect of which it appeared to them, from the conclusions in the report, that implementation of the proposal was possible.
(iv) Elimination of tariffs on primary products

49. Point four of the programme of action proposes that industrialized countries shall agree to the elimination of customs tariffs on the primary products important in the trade of less-developed countries. At the last meeting of the Committee representatives of industrialized countries had stated that they could subscribe, in principle, to the objective of working towards the elimination, or at least substantial reduction, of tariffs on these products.

50. It was recognized by representatives of certain industrial countries that the removal of tariffs on these goods would leave their industries free to obtain raw materials at the most competitive prices. The representative of the United Kingdom recalled that in some instances Commonwealth countries had contractual rights to preferences on the products in question and that the most-favoured-nation duty of the United Kingdom, which existed almost entirely for the benefit of suppliers in the Commonwealth, could not be removed unilaterally. Consultations with Commonwealth countries were being actively undertaken. Preferences were a feature of the tariffs of all three of the major trading units even though in the case of the United States the last preferential arrangement of any importance was currently being phased out. These preferences contributed to the economic development of a very large percentage of the less-developed countries of the world. Some members of the Committee pointed out that preferences were, by definition, discriminatory and, in fact, the above preferences discriminated against other less-developed countries. Other members of the Committee suggested that not all preferences necessarily discriminated against other less-developed countries. While the governments of some countries benefiting from preferential arrangements had yet to define their position on this matter, representatives of certain of these countries informed the Committee that their governments would be prepared to see their preferences disappear if free entry to the markets of the major importing countries were to be obtained.

51. Representatives of the industrialized countries indicated that, if this proposal were to be acted upon, it would be necessary to draw up a list of the products to which it referred and that a final view on the question would be difficult to arrive at before such a list were available. The representative of one of these countries indicated those of the products studied by the Committee which his government felt might be considered to fall under this heading. Where less-developed countries would not be the main beneficiaries of the removal of the duty on a primary product, it was to be supposed that the product would be excluded from the list.

(v) The reduction and elimination of tariff barriers to exports of semi-processed and processed products from less-developed countries

52. Point five of the programme of action proposes that duties on these items should be eliminated, and that the present duties should be reduced by at least 50 per cent over the next three years. At the last meeting of the Committee,
while it was recognized that legislative requirements might preclude the completion of reductions within the suggested time period in the case of one industrialized country, the adoption of a recommendation urging rapid and progressive action had been found to be acceptable.

53. It was recalled that the Working Party on Procedures for Tariff Reductions, to which this proposal had been referred, had taken a 50 per cent linear reduction, with an absolute minimum of exceptions, as a working hypothesis on which a new round of negotiations might be based. Representatives of the industrialized countries suggested that this proposal might best be dealt with in the context of the anticipated trade negotiations. Several of these countries indicated that, as far as possible, semi-processed and processed goods of interest to the less-developed countries would be included in their offers of a linear reduction. It was re-emphasized, having regard to their fiscal and development needs, that full reciprocity would not be requested from less-developed countries in these negotiations, and that the participation of these countries in the negotiations would be the best guarantee that widespread reductions on products of interest to them would be obtained. It was suggested by some members of the Committee that the ability of their countries to reduce such tariffs, and to assist less-developed countries, was related to the general improvement in world markets for their own processed and semi-processed products and manufactures.

54. It was also pointed out that, although certain semi-processed and processed products had been recognized as of export interest to the less-developed countries, these countries in many cases accounted for only a small percentage of exports from all GATT countries of these items. The operation of the most-favoured-nation clause might mean that industrialized countries would benefit much more than the less-developed countries from tariff reductions on these items.

(vi) Progressive reduction of internal charges and revenue duties

55. The sixth point in the programme of action proposes that industrialized countries should progressively reduce internal charges and revenue duties on products wholly or mainly produced in less-developed countries with a view to their elimination by 31 December 1963. In relation to this point in the programme of action, reference was made to the discussions in the Special Group on Trade in Tropical Products and in its Sub-Group. While most industrialized countries indicated that they would not have difficulty in accepting this proposal and urged appropriate joint action in this field, others indicated that acceptance of the proposal continued to give them major difficulty. In view of the lack of agreement on this question the Committee considered that Ministers should be asked to give special consideration to this problem.

(vii) Reporting procedures

56. The seventh point in the programme of action provides for an annual reporting procedure by contracting parties. At the last meeting of the Committee there had been wide agreement on the usefulness of such a procedure, and no further comment was made on this aspect of the proposals.
(viii) Diversification of the economies of the less-developed countries

57. Members of the Committee sponsoring the programme of action pointed out that, in addition to the specific proposals for the removal of barriers facing the exports of the less-developed countries, in paragraph 7 of the programme of action it was proposed that contracting parties should also give urgent consideration to the adoption of other appropriate measures which would facilitate the efforts of less-developed countries to diversify their economies, strengthen their export capacity and increase their earnings from foreign sales. In relation to this proposal, the Committee noted that these questions had been under examination in the Committee and that they would receive particular attention during the consideration of the direction of the Committee's future work. (See under C below.)

58. It was suggested that thought should be given to ways of ensuring that less-developed countries would obtain optimum benefits from tariff reductions. It had already been pointed out that most-favoured-nation reductions on products of interest to the less-developed countries, and particularly on new export products, might result in proportionately much greater gains for the highly industrialized countries than for less-developed countries. It was felt that the idea of preferential access for export items of these countries should be examined in the Committee. It was clear that, when it came to formulating precise proposals, many variations on this theme might emerge. It was suggested by the representative of the United Arab Republic that the less-developed countries might "conclude multilateral agreements between themselves, in which they can exchange privileges and preferential treatment in trade of semi-processed or manufactured goods originating from the developing countries, members of the GATT". It was also suggested that the less-developed countries might secure preferences on the markets of the industrialized countries, either for the full range of their export products or for the products of infant industries. It was apparent that possible schemes of these types might fall into two groups, those that envisaged the granting of preferences by industrialized countries to all less-developed countries, and others that envisaged the exchange of preferences between less-developed countries. The Committee agreed that these questions would need further discussion and consideration by the Council at its next meeting.

1. The full text of the proposed programme of action, originally distributed as COM.III/95, is appended to the Committee's last report L/1925.

2. For the full text of this statement see COM.III/113.
C. Future Work

Enlargement of scope of Committee's work

59. The Committee discussed the statement by the Executive Secretary on the direction in which its work might be developed. The full text of this statement has been circulated as COM.III/111. In it the Executive Secretary drew a distinction between what might be called the "conventional" and "non-conventional" aspects of the Committee's work, and suggested that Committee III might further develop the second of these by preparing, in co-operation with the International Bank and the OECD, basic papers, on all less-developed GATT countries, which would contain tentative import/export balance sheets and would indicate the export potential of the country and its likely demand for imports. On the basis of these papers it should be possible to identify the areas in which export potential could most usefully be developed. Such information would no doubt be valuable to the lending agencies. After the completion of this exercise it would be the role of GATT to use its authority to ensure conditions in the world market which would enable such export potential, when it is developed, to express itself in terms of exports and not be frustrated by import restrictions, high tariffs or other protective devices.

60. It was the feeling of the Committee that the "conventional" and "non-conventional" work being undertaken should be regarded as two facets of the same problem. It was agreed that in his statement the Executive Secretary had reflected a fairly widespread feeling that the Committee had made considerable progress in the identification of barriers to the exports of the less-developed countries. Delegations felt that positive action should now be taken to eliminate these barriers. The Committee agreed, in principle, that a complementary approach should be developed to the problem of expanding the export earnings of the less-developed countries along the lines proposed by the Executive Secretary, although it was pointed out that further considerations would be necessary before the precise contribution of the GATT could be defined. It was understood that this should not divert attention from the points already identified by the Committee and the need for action in the light of the proposals to be put before Ministers. It was precisely because effective action was anticipated that it was felt that attention should be given to the development of further concepts.

61. The Committee welcomed the possibility of co-operation with the International Bank for Reconstruction and Development and the Organisation for Economic Co-operation and Development and agreed that, when further consideration was given to the ideas put forward by the Executive Secretary, work done by other organizations, including the United Nations and its regional commissions, should be taken into account.

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1 See COM.III/110.

2 See COM.III/112.
62. It was felt that the preparation of the background documentation for the Special Group on Trade in Tropical Products had demonstrated the value of papers examining the position of individual less-developed countries and there was wide agreement on the usefulness of the country papers to which the Executive Secretary had referred in his statement. It was pointed out that, in the preparation of the papers, the secretariat would have to take into account all aspects of the economies of the countries concerned. However, it could be expected that for many less-developed countries considerable work would already have been done in analyzing potential export capability. It was suggested that studies might also be undertaken on the implication for the pattern of industrial production in the industrialized countries of the removal of barriers to the manufactured exports of the less-developed countries.

63. Attention had already been drawn at the current meeting of the Committee to the importance of fluctuations in commodity prices and to the possibility of joint action aimed at improving the terms of trade of the less-developed countries. The question of the possibility of creating new preferential arrangements, designed to enable the less-developed countries to enter import markets on terms of equality, had also been raised during the discussion of point (viii) of the proposed programme of action. It was noted that, when outlining their position on the programme of action, industrialized countries had stated that acceptance of any of the points contained in the programme would be without prejudice to rights and obligations under the General Agreement. It was suggested that the time might now be opportune for the establishment of a positive institutional framework which would more adequately reflect the concerns and responsibilities of the CONTRACTING PARTIES in relation to the development of the trade of less-developed countries. Reference was made in this connexion to the type of provisions contained in Chapter III of the Havana Charter. It was pointed out that, although the Committee's work was designed to further the stated objectives of the CONTRACTING PARTIES, the General Agreement contained no specific provisions covering this field of activity. It was, therefore, suggested that consideration should be given to an expansion of the provisions of the Agreement to make more specific provision for this important aspect of the CONTRACTING PARTIES' work. Such an initiative would extend the authority of the GATT and demonstrate its essential dynamism. Some members of the Committee were of the opinion that, as this was a point upon which Ministers could perhaps deliberate during their forthcoming meeting, the Council should deal with this matter at its next meeting.

Additional items to be considered by the Committee

64. In considering the enlargement of the scope of its work, the Committee was aware that the examination of trade barriers affecting items other than those included in Lists I to III could make an important contribution to the solution of the trade problems confronting the less-developed countries. The Committee had instructed the secretariat to prepare a draft list of products of importance to the export trade of less-developed countries. This list is contained in COM.III/105.
65. The Committee recognized the importance of expanding its work to cover additional items but was not in a position at the present time to enter into a substantive discussion on the individual commodities contained in COM.III/105. It was observed, however, that, in any extension of the list of items to be examined by the Committee, it would be necessary to establish priorities and that in its work the Committee should first consider those items which were currently exported in significant quantities by the less-developed countries, with lower priority attached to such items as were, at present, of only minor importance or of potential interest. Some representatives proposed that the items should be defined more closely, perhaps in relation to a specific nomenclature. Representatives of less-developed countries expressed the wish to have included in the list of items of interest to less-developed countries, bananas, tin ore, manioc and cinchona bark. It was also pointed out that, if studies of the type referred to in paragraph 59 were to be undertaken, these would reveal items of present or potential, export interest for the less-developed countries. The Committee noted the view, expressed by some representatives, that the adoption of new items for consideration by the Committee should not lead it to lose sight of the desirability of eliminating or reducing the barriers confronting the trade of those items already under consideration. It was also noted that certain items appearing on the list contained in COM.III/105 were covered by international commodity agreements.

Production and marketing techniques

66. At its last meeting the Committee had invited all contracting parties to submit papers on this subject (L/1925, paragraph 46). The United Kingdom had submitted for consideration by the Committee a paper covering Marketing Boards in its dependent territories (COM.III/102).

67. The Committee agreed to defer further consideration of this subject until its next meeting and reiterated the invitation to all contracting parties to submit papers on this subject.

'International Trade Information Centre'

68. At its last meeting, the Committee had agreed that the secretariat should prepare a note on the present availability of material on the topics suggested for inclusion in the publications of the proposed "Centre". The secretariat had accordingly drawn up a paper (COM.III/107) giving an illustrative list of sources of such material. The Committee had also instructed the secretariat to circulate a short questionnaire to selected contracting parties designed to obtain some idea of the potential demand for this type of information in their countries. The replies received from contracting parties to the questionnaire are summarized in COM.III/108.
69. At the suggestion of the representative of Brazil, the Committee agreed to defer further consideration of the Brazilian proposal for the establishment of such a Centre until additional replies to the questionnaire, particularly from less-developed countries, had been received. The Committee noted the statements of some representatives that the proposal might, in its present form, perhaps be too ambitious, particularly when viewed in the light of its financial implications. The Committee also decided to postpone consideration until its next meeting of:

(a) a note by the Netherlands delegation (COM.III/106) proposing, inter alia, further examination of the question as to what specific subjects, e.g. quantitative restrictions, might be especially suitable for periodic publication by GATT;

(b) a proposal by the representative of the Federal Republic of Germany that it might be appropriate for a documents centre to be established within the GATT to overcome the lack of co-ordination amongst national and international trade information services; and

(c) two suggestions by the representative of Sweden, (i) that it might be possible for the GATT to publish a register, to be brought up-to-date periodically, of all sources of trade information, national and international, and (ii) that the International Trade News Bulletin, which had not appeared since 1959, should be resuscitated.

70. Finally, the Committee agreed that it should, when it next discussed this matter, decide on the need for a special meeting of the Committee to which experts in the field of export promotion would be invited.
ANNEX I

Notes on the Consultations with Individual Contracting Parties
Regarding the Elimination of Quantitative Restrictions

1. In examining progress in the removal of quantitative restrictions and plans for future action in this field, the Committee heard statements from representatives of twenty-five countries. For the sake of brevity, only those statements are summarized below under the individual country headings which were either not fully covered by the submissions produced in COM.III/101 or which led to substantive discussion in the Committee. Discussion under this heading directly related to the various points of the proposed programme of action is summarized under the relevant headings of the report. For details of liberalization measures see also COM.III/101 and Add.1 and COM.III/109 and Corr.1.

Australia

2. In supplementing the statement contained in COM.III/101, the representative of Australia explained that the countries directly affected by the remaining restrictions on aluminium items were not less-developed countries. As regards the restrictions on certain types of timber, imposed under the provisions of Article XIX of the GATT, imports from non-industrial countries had been running at a higher level since the restrictions were introduced than in the immediately preceding period.

Austria

3. The representative of Austria informed the Committee that early in 1963 further tariff items and sub-items of interest to the Committee, as enumerated in COM.III/101, had been liberalized. Items which had benefited from import liberalization included animal and vegetable oils, processed wood items, certain coir products, sewing machines, certain electric motors, marine engines and certain cotton textiles. He confirmed that since 1 January 1963 global quotas for GATT countries were in existence for all items studied by the Committee still subject to restrictions.

1 Apart from the countries appearing under the individual country headings statements were heard from Argentina, Brazil, Ceylon, Finland, Ghana, Greece, India, Indonesia, Nigeria, Pakistan, the United States and Yugoslavia. Of these countries, Argentina and Nigeria informed the Committee that they applied no quantitative restrictions on imports from less-developed countries of items examined by the Committee.
4. As regards plans for future action in this field, it was envisaged that liberalization would continue and that import restrictions would be brought to an end on 31 December 1964, with the exception of hardship cases.

Denmark

5. The representative of Denmark informed the Committee that on 1 January 1963, remaining vegetable oils and animal and vegetable fats and oils, and certain sports requisites had been liberalized. Reconstituted wood, bicycles and moped engines were scheduled for import liberalization on 1 July 1963. The liberalization of three other commodities examined by Committee III, and not yet fully liberalized in Denmark, certain sacks and bags of cotton and jute and electric motors, was actively being considered. Once import liberalization for these items was achieved, only one product, coffee, would remain subject to import licensing. Licensing controls on that item were considered to have no limiting effect on imports and consumption in Denmark.

France

6. Referring to the system of administering import controls in France, the French representative stated that since the last major liberalization in the autumn of 1962, only a few additional items viz: cocoa derivatives, certain cotton items, certain coir manufactures and bicycles had been liberalized. Increased access had also been provided for certain cotton goods under the provisions of the Long-Term Arrangement on Cotton Textiles. The liberalization of a further large number of items was presently under consideration and it was hoped that further substantial progress in this direction would be made in the near future. With respect to a number of manufactured items still subject to import controls in France, the French representative pointed out that quotas for these items were usually not filled so that they did not seem to be a serious impediment to exports of less-developed countries. As regards cement, another item subject to licensing, he recalled that this commodity had been included in the third list of products examined by the Committee at the request of Tunisia, a country which benefited, in this case, from de jure import liberalization.

7. As regards restrictions on canned fish, the representative of France pointed out that crustaceans and molluscs, items which were of particular interest to a number of less-developed countries, had been liberalized.

8. Turning to jute products, the French representative explained that his Government was continuing its efforts to promote the modernization and rationalization of the jute industry. In the meantime, quotas were being enlarged from year to year and negotiations to that effect were currently in progress with Pakistan and India, the two countries principally interested in supplying this product. Similarly, quotas for coir carpets, an item where immediate import liberalization would cause considerable hardship to the industry, were being increased from year to year and it was hoped that significant progress in this sector would be possible within a reasonably short period of time.
9. As regards ferro-chrome and ferro-manganese, the Government was presently considering possibilities for enlarging the quota.

10. With reference to vegetable oils and coffee, the French representative referred to the discussions in the Sub-Group of the Special Group on Trade in Tropical Products (see L/1984). Restrictions on both these items were being maintained for the benefit of producers in the French franc area.

11. While welcoming the progress in import liberalization and relaxation which had been made by France, members of the Committee representing less-developed countries expressed disappointment at the large number of items still subject to restrictions and at the slow pace at which protected industries were being exposed to foreign competition. The enlargement of quotas for certain of the products concerned could be no substitute for trade liberalization. They urged the French authorities to reconsider their import control policy with a view to liberalizing imports at the earliest possible time.

Federal Republic of Germany

12. The representative of the Federal Republic of Germany informed the Committee that, with effect from 1 January 1965, four additional cotton textile items had been liberalized.

13. Liberalization dates for other restricted items had been fixed as follows: (i) neat leather, 1 June 1964; (ii) woven fabrics of jute and bags of jute for packaging, 1 July 1964; (iii) cotton gauze, woven fabrics of cotton for padding and non-industrial sewing machines, 1 January 1965. Quotas had been increased on 1 January 1963 by 30 per cent for neat leather and for the jute and cotton goods referred to above, and by 10 per cent for sewing machines. There remained only three categories of products, vegetable oils, certain cotton products and woven carpets of coconut fibres, for which no definite liberalization date had yet been fixed. As regards vegetable oils, which were subject to regulation under the German marketing laws, the global quotas which had been established had never been fully utilized. The cotton textile items were covered by the Long-Term Arrangement on Cotton Textiles. As regards the last item, woven carpets of coconut fibre, it had not so far been possible to fix a target terminal date because of the special difficulties facing this industry which employed a large proportion of disabled workers. The Government was continuing its efforts to adapt the industry to increasing import competition. The quota for this item had been increased during the last years. The size of the quota expressed as a proportion of domestic production of woven carpets of coconut fibres was now approximately 10 per cent.

14. Members of the Committee representing less-developed countries expressed disappointment over the envisaged delays in import liberalization and particularly that the Federal German Government had not yet found it possible to indicate a fixed date for the removal of remaining restrictions. They urged the Federal German authorities to explore all possibilities for accelerating import liberalization.
Israel

15. The representative of Israel informed the Committee that, of the products examined by Committee III, only the following items were neither fully liberalized nor on the automatic licensing list: leaf tobacco, cotton, cotton textiles, bicycles, canned fish and phosphates. Restrictions on these items were retained for balance-of-payments reasons. As regards phosphates, Israel was itself an efficient producer and exporter of this commodity so that the continued licensing control should not be regarded as restricting imports. The liberalization of bicycles was under active consideration and possibilities for the liberalization of the remaining items were under constant review.

Japan

16. The representative of Japan informed the Committee that his Government had recently disinvoked Article XII of GATT. Imports of the following items had been liberalized as of 1 April 1963: roasted coffee beans (in packages of a net weight of 400 grams or less), cottonseed oil (for the manufacture of mayonnaise), unwrought copper, copper waste and scrap, copper products and fresh bananas. In addition, the prior deposit requirement on cocoa and coffee had been reduced since the last meeting of the Committee from 35 per cent to 1 per cent, while the rate applied to the majority of imports had been reduced to 5 per cent.

17. Members of the Committee welcomed the import liberalization of the items listed above. They noted, however, that a significant number of items examined by Committee III continued to be subject to import restrictions. They urged the Japanese authorities to explore all possible ways to liberalize these items at the earliest possible date. Referring to the prior deposit requirement, one member of the Committee stated that such a requirement, even if the prior deposit rate was low, would have a limiting effect on imports. He expressed the hope that the prior deposit requirement would be eliminated.

Netherlands

18. The representative of the Netherlands explained that the import control measures on castor oil, the only product examined by Committee III still subject to import restrictions in the Benelux countries, were of an administrative nature and were maintained in view of the export controls in force in certain supplying countries. The control would be lifted as soon as adequate supplies were assured.

19. Members of the Committee representing countries supplying this product, urged the Benelux countries to eliminate this control measure and, if necessary, to explore other means available under the GATT for ensuring that adequate supplies of this commodity would be available.
New Zealand

20. The representative of New Zealand stated that the new licensing schedule for the year 1963/64 would become effective on 1 July 1963.

21. Quantitative restrictions were maintained on balance-of-payments grounds. While there had been some improvement in the prices of New Zealand's principal agricultural exports over the past year, he could not forecast when it would be possible to relax completely the present restrictions. The Government had however, made clear that its policy was to relax restrictions to the maximum extent justified by the balance-of-payments situation and prospects.

22. Within this policy special attention was being paid to the possibility of increasing as substantially as practicable access for the products of interest to the less-developed countries. While it had not been possible to increase the total provision for private imports, licensing treatment had been further liberalized for a number of the products examined by this Committee.

23. He explained that the following products now fell under the "A" category: raw coffee; tea; lead (unwrought); iron ore; copper (unrefined; master alloys; refined; unwrought); aluminium (unwrought); sewing machines and certain sporting goods. For these goods licences were issued at the beginning of the licensing year to the extent of 75 per cent of the value of licences granted to an importer in the previous year. Further licences were granted on application without limit in the light of actual sales performance or usage in manufacture.

24. In addition to these products for which licences were granted virtually automatically two items on the Committee's list - leaf tobacco and phosphates - were completely exempt from licensing.

25. Licensing treatment for other products of interest to the Committee varied from item to item and was based generally on imports during a past representative period. He assured the Committee that the New Zealand authorities, in considering the issue of licences, had very much in mind the need to increase the export opportunities of the less-developed countries, and that an improvement in New Zealand's balance-of-payments position would be reflected to the fullest extent possible in further liberalization of items with which Committee III was concerned.

Norway

26. The representative of Norway explained that licensing controls on coffee, the only item examined by Committee III still subject to restrictions in Norway, were being maintained for the purpose of facilitating the settlement of credit balances with Brazil.
Rhodesia and Nyasaland

27. Referring to the statement contained in COM.III/101, the representative of Rhodesia and Nyasaland emphasized that the controls on jute bags, one of the three items still subject to controls, were maintained in the interest of ensuring adequate supplies and orderly marketing. There was no domestic production of jute bags and the control was not a restriction in its real sense. He confirmed that the restrictions on certain cotton textiles, imposed under the provisions of Article XIX of GATT, were of a temporary nature. Their removal was envisaged not later than December 1964.

United Kingdom

28. Supplementing the submission of the United Kingdom, reproduced in COM.III/101 the representative of the United Kingdom pointed out that quantitative restrictions on imports of cotton yarn from Pakistan had been imposed for the following reason. When the Long-Term Cotton Textiles Arrangement was negotiated, the United Kingdom felt itself obliged to indicate non-acceptance of the growth formula. Signatories to the Cotton Textiles Arrangement in general assented to this reservation by the United Kingdom. The Government of Pakistan, however, felt that it could not accept this reservation. In consequence, the United Kingdom Government considered that it had no option but to impose quantitative restrictions on imports of cotton yarn from Pakistan.

29. The representative of Pakistan expressed the view that the imposition of quotas on cotton textile products was contrary to the letter and spirit of the General Agreement and also reserved the right of his Government at any time, if necessary, to question the legality of the United Kingdom's action and position within the Articles of both the General Agreement and the Long-Term Cotton Textiles Arrangement.
**ANNEX II**

**List of Products Examined by Committee III***

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<td>Coffee (raw or roasted)</td>
<td>Iron ore</td>
<td>Canned fish</td>
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<td>Tea</td>
<td>Bauxite alumina</td>
<td>Phosphates</td>
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<td>Cocoa (beans, butter and preparations)</td>
<td>unwrought aluminium</td>
<td>Cement</td>
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<td>Oilseeds and vegetable oils</td>
<td>wrought aluminium</td>
<td>Coir manufactures</td>
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<td>Tobacco (leaf and manufactured)</td>
<td>Leather</td>
<td>Ferro-chrome and ferro-manganese</td>
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<tr>
<td>Lead (ore and concentrate, unwrought, wrought)</td>
<td>Leather goods</td>
<td>Copper products</td>
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<tr>
<td>Copper (ore and concentrate, unwrought and matte, wrought)</td>
<td>Leather footwear</td>
<td>Steel furniture</td>
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<tr>
<td>Timber (in round, sawn in rough, processed)</td>
<td>Internal combustion engines (under 50 h.p.)</td>
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<td>Cotton</td>
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<td>Jute manufactures</td>
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*See also the footnote on page 2.*