The following notes on the matters involved and the action to be taken on the items listed in the provisional agenda for the twenty-third session (L/2558) are provided for the information of the contracting parties.

1. ADOPTION OF AGENDA

The provisional agenda will be submitted for adoption. Proposals for the order of business will be put forward.

2. TRADE OF LESS-DEVELOPED COUNTRIES

The Committee on Trade and Development will meet prior to the session to review the implementation of Part IV and to receive reports from its various subgroups and expert groups. The Committee will report on its work to the CONTRACTING PARTIES.

3. FELLOWSHIP PROGRAMME AND TECHNICAL ASSISTANCE

The Director-General will distribute a report on the commercial policy training programme for officials from developing countries and on the joint ECA/GATT training programme for African officials and on other technical assistance activities in the past year.

4. TRADE NEGOTIATIONS (KENNEDY ROUND)

The Chairman of the Trade Negotiations Committee will report to the CONTRACTING PARTIES on the negotiations.

5. BALANCE-OF-PAYMENTS IMPORT RESTRICTIONS

The reports by the Committee on Balance-of-Payments Import Restrictions on consultations carried out in 1965 were submitted to the Council which agreed to recommend their adoption by the CONTRACTING PARTIES:
6. IMPORT RESTRICTIONS APPLIED CONTRARY TO GATT AND NOT COVERED BY WAIVERS

Procedures for dealing with import restrictions which contracting parties apply contrary to the provisions of the GATT and without having obtained the authorization of the CONTRACTING PARTIES were adopted at the seventeenth session (L/2519). The secretariat will provide information on the restrictions concerned.

The Committee on Trade and Development has decided to examine those restrictions which are of special interest to less-developed countries with a view to calling the attention of the CONTRACTING PARTIES to the continuing existence of this problem.

In the light of the information available the CONTRACTING PARTIES should consider what action should be taken to deal with this matter.

7. TRADE IN COTTON TEXTILES

As required by Article 8(c) of the Long-Term Arrangement Regarding International Trade in Cotton Textiles, the Cotton Textiles Committee carried out, in December 1965, the major review of the Arrangement in the light of its operation in the preceding years. The Committee will meet again in March. The Committee's report will be available for consideration at the session.

8. THE IMPACT OF COMMODITY PROBLEMS UPON INTERNATIONAL TRADE

Under the Resolution adopted on 17 November 1956 (53/26 and 73/42) the CONTRACTING PARTIES at their annual sessions have reviewed the trends and developments in international commodity trade. At the last session the Committee on Trade and Development was requested to carry out this review in relation to those commodity problems which affect the trade of less-developed countries and in a plenary meeting the CONTRACTING PARTIES discussed problems in commodity trade which were of particular interest to other contracting parties.

The Resolution provides that the Annual Review should be conducted on the basis of a report by the Chairman of ICCICA in his capacity as nominee of the CONTRACTING PARTIES and on the basis of other relevant documents. ICCICA held its last meeting in December 1964 and is to be replaced by the Advisory Committee to the Trade and Development Board of UNCTAD and to its Committee on Commodities. Therefore on this occasion there will be no report from the Chairman of ICCICA. Relevant background documents include:

- Commodity Survey, 1964 (United Nations) - TD/B/C.1/3 and Add.1
- Report of the Committee on Commodities to the first session of the Trade and Development Board (UNCTAD) - TD/B/21
- Commodity Review, 1965 (FAO) - CCP.65/6
- International Trade, 1964 - GATT/1965-3
The Committee on Trade and Development has established a working group on international commodity problems which met in November 1965. A note on the discussions has been distributed in COM.TD/C/2.

9. DISPOSAL OF COMMODITY SURPLUSES

Experience under the Resolution of 4 March 1955 (3S/50-51) on the disposal of surpluses and the liquidation of strategic stocks has been reviewed at recent sessions of the CONTRACTING PARTIES. A request that contracting parties should again submit reports of any disposal or liquidation arrangements in which they may have engaged during the past year has been issued in document L/2533 and the statements received will be distributed. The Director-General will also distribute a report on action in this field by other intergovernmental agencies (L/2561).

10. CUSTOMS UNIONS AND FREE-TRADE AREAS

Reports by Working Parties

(a) Association between the European Economic Community and associated African and Malagasy States and the association of overseas territories (L/2441)

(b) Arab Common Market (L/2518)

(c) New Zealand/Australia Free-Trade Area

The Working Party will meet on 21-24 March.

(d) United Kingdom/Ireland Free-Trade Area

A date for the Working Party to meet has not yet been fixed.

Information to be furnished by member States

(e) European Economic Community - Rome Treaty and agreements of association with Greece and Turkey

(f) European Free-Trade Area - Stockholm Convention and the association agreement with Finland

(g) Latin American Free Trade Area

(h) Central American Common Market

(i) Central African Economic and Customs Union
11. UNITED KINGDOM/TURKEY - CONSULTATION UNDER ARTICLE XXII:2

The Working Party which was appointed at the last session to carry out a consultation on the application by Turkey of Article XXIV:5(a) and Article XXIV:6 in implementing its agreement of association with the European Economic Community has submitted its report in document L/2465.

12. ARTICLE XVIII - Annual review under paragraph 6

Paragraph 6 of Article XVIII requires the CONTRACTING PARTIES to review annually the measures applied under Sections C and D of the Article. The annual reviews at recent sessions were carried out in plenary meetings.

A background document on the measures applied by Ceylon under Section C is being prepared. No measures are at present being applied under Section D.

13. CONSULAR FORMALITIES

At the twentieth session the CONTRACTING PARTIES adopted the report and approved the recommendations of a panel of experts (L/59) which had been appointed to survey the consular formalities still maintained by contracting parties and to recommend ways and means of ensuring their simplification and their elimination in accordance with the recommendations adopted by the CONTRACTING PARTIES in 1952 and 1957 (L/25 and L/25). Contracting parties still regularly requiring consular formalities have been invited to submit reports on their reasons for maintaining these requirements and on their future policy.

14. ACCESSION OF YUGOSLAVIA

The Working Party has submitted its report (L/2562) to which are annexed draft texts of a decision and protocol relating to Yugoslavia's accession. The Working Party recommends that the CONTRACTING PARTIES approve these texts (see paragraph 21 of the report).

15. PROVISIONAL ACCESSION OF SWITZERLAND

Under paragraph 1(b) of the Declaration of 22 November 1958 (L/19), the Government of Switzerland is required to furnish an annual report on the measures maintained consistently with the reservations set out in that paragraph. If so requested by the CONTRACTING PARTIES, the Government of Switzerland will consult with them regarding these measures.

16. RELATIONS WITH POLAND

The Working Party established by the Council will meet on 9 March to carry out the fourth annual review, envisaged in the Declaration of 9 November 1959 (L/12) on relations between contracting parties and Poland. A report will be submitted to the CONTRACTING PARTIES.
17. APPLICATION OF ARTICLE XXXV TO JAPAN

This item has been included in the agenda at the request of the Government of Japan.

18. UNITED KINGDOM TEMPORARY IMPORT CHARGES

The Working Party appointed by the Council to consult with the Government of the United Kingdom, in connexion with the 15 per cent charge on imports imposed in October 1964, held a third meeting in June. Its report has been distributed in document L/2446. A secretariat note on the discussions at a fourth meeting held in October has been distributed in document L/2540. The consultation is to be resumed.

19. AUSTRALIAN REQUEST FOR WAIVER TO GRANT TARIFF PREFERENCES TO LESS-DEVELOPED COUNTRIES

The report of the Working Party has been distributed in document L/2527. The Council, at its meeting on 24 January, decided to postpone substantive discussion of the report and, in the meantime, bilateral discussions on certain points in the text of the draft waiver would continue. It was agreed that when the Council meets again in March "the Australian representative would have the opportunity of indicating the reactions of his Government to the suggestions contained in the report or made in the course of the bilateral discussions and the representatives of other contracting parties would be able to give their views on these suggestions. The Council would, after these discussions, remit the matter to the CONTRACTING PARTIES."

20. REVIEW OF WAIVERS

(a) Luxemburg agricultural import restrictions

The waiver granted to Luxemburg in 1955 was reviewed in 1960 and it was agreed that there should be a further review in 1965. A report by the Government of Luxemburg has been distributed in L/2479. When the matter was considered by the Council (C/M/32) it was agreed that the review should be carried out by a working party during the session.

(b) Italian special customs treatment for imports of Somalian products

At its meeting in December the Council agreed (C/M/32) to recommend the extension of the existing waiver until the end of the twenty-third session by which time the Government of Italy would have submitted its annual report on the development of trade with Somalia and would have decided whether to request a further extension of the waiver. The Decision extending the waiver until the end of the twenty-third session has been adopted, and the report submitted by the Government of Italy, with a request for a further extension of the waiver subject to certain amendments, has been issued in document L/2537.
21. REPORTS UNDER WAIVERS

(a) Australia/Papua, New Guinea (28/18)
(b) Ceylon Duty Increases (25/21)
(c) Italy/Libya (13/24) - L/2508
(d) United Kingdom/Article I (28/20)
(e) United Kingdom/Overseas Territories (38/21)
(f) United States Import Restrictions (38/32)

The report of the Government of Italy under sub-item (c) has been distributed in L/2508. The report from the Government of Libya under the same waiver and reports by the governments concerned under the other sub-items have not yet been received.

22. NEWLY-INDEPENDENT STATES

The Recommendation of 18 November 1960, providing for the reciprocal de facto application of the GATT vis-à-vis territories which have acquired full autonomy in the conduct of their external commercial relations, is at present applicable to Algeria, Congo (Leopoldville), Mali, Singapore and Zambia. The status of these territories should be reviewed and to this end a note by the Director-General will be distributed.

23. STATUS OF PROTOCOLS

A statement on the Protocols and other instruments which have not yet entered into force will be distributed. A number of Protocols, some of them dating from 1955, have not entered into force because they have not been accepted by one of the contracting parties. The most important of these is the Protocol Amending Part I and Articles XXIX and XXX. The status of these Protocols should be reviewed; some of them are open for acceptance only until the end of the twenty-third session.

The Protocol Introducing Part IV on Trade and Development has also not yet entered into force. The extension of the time-limit for acceptance of this Protocol until the twenty-fourth session, as recommended by the Council, has been adopted.

24. FINANCIAL AND ADMINISTRATIVE QUESTIONS

The Director-General will distribute a report on the final 1965 budget position for noting by the CONTRACTING PARTIES.

25. DERESTRICTION OF DOCUMENTS

A proposal that a wider range of documents should be derestricted is being distributed in document L/2564.
26. ELECTION OF OFFICERS

At the twenty-second session the Chairman and three Vice-Chairmen of the CONTRACTING PARTIES, the Chairman of the Council and the Chairman of the Committee on Trade and Development were elected for one year. The election of officers for the ensuing year will be considered in the first instance at a meeting of heads of delegations early in the session.