GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
L/2642
19 April 1966
Limited Distribution

GENERAL AGREEMENT ON TARIFFS AND TRADE

RELATIONS BETWEEN GATT AND UNCTAD

Statement by the Director-General at the Twenty-Third Session of the CONTRACTING PARTIES on 5 April 1966

I would like to consult with the CONTRACTING PARTIES on one aspect of the implementation of Chapter IV on Trade and Development which I think has some importance and where it would be helpful for me to have at least the approval of the CONTRACTING PARTIES for the lines of action which I propose to follow in the interval between now and the next session.

Contracting parties will no doubt recall that in Chapter IV the CONTRACTING PARTIES have pledged themselves to seek collaboration in matters of trade and development with the United Nations Conference on Trade and Development. Now the UNCTAD has, of course, been largely engaged hitherto in organizing its work and it would not, perhaps, have been appropriate for the CONTRACTING PARTIES to raise with them the question of arrangements for collaboration as provided for in Chapter IV. But I think now the situation is such that this would be both appropriate and desirable. It is inevitable that both the CONTRACTING PARTIES and the Board of UNCTAD should, in terms of their respective concerns and responsibilities, find themselves engaged in the establishment of work programmes in relation to the trade and development problems of the developing countries which in many instances tend to overlap. This in itself is not necessarily undesirable or to be avoided at all costs because the problems are complex and their solutions may often justify parallel study in more than one forum. There is, however, as I see it, an evident need to ensure that the examinations carried on in the GATT and the UNCTAD are on complementary lines and pursued with the objective of securing some co-ordinated result.

The Secretary-General of UNCTAD and myself have of course been aware of this problem and have discussed it from time to time in informal consultations. I have also had the opportunity of discussing this question more recently with Dr. Prebisch, as well as with the Chairman of the Board of UNCTAD, and with the Chairman of the CONTRACTING PARTIES. In the course of these conversations we have come to the conclusion that constructive co-operation between the CONTRACTING PARTIES and the UNCTAD Board in the study of problems in the field of trade and

./.
development might most satisfactorily be ensured through the setting up of a Programming Committee composed of senior officials with responsibilities for guiding the study and discussions of these matters in the two bodies. It would not at this point be appropriate to go into any detailed consideration of the composition of such a body, or of the terms of reference which might be given to it. What I had in mind, however, was that the function of such a committee would be to compare and examine the projects and proposals under consideration, or proposed for consideration, in the GATT and UNCTAD respectively, which relate to the trade problems of less-developed countries with a view to achieving a harmonious degree of constructive collaboration and to avoiding wasteful duplication. I emphasize the last point because some of the duplication does involve a very heavy strain on the resources especially of the less-developed countries and is therefore particularly wasteful from their point of view.

I would, therefore, like to have the authority of the CONTRACTING PARTIES acting pursuant to Chapter IV to pursue conversations with Dr. Prebisch and the Chairman of the Board of UNCTAD on the general lines of the proposition I have just outlined, naturally keeping the Chairman of the CONTRACTING PARTIES and the Chairman of the Trade and Development Committee fully advised as these things develop. If this approach were to be endorsed at this session by the CONTRACTING PARTIES I understand Dr. Prebisch would be prepared to put a similar proposal to the Board of UNCTAD.

In addition to this proposal for institutional co-operation we are of course continuing to try to bring about the maximum co-operation at the secretariat level, and I have discussed with Dr. Prebisch recently, on the same occasion to which I have just referred, a rather interesting and what I hope may be a fruitful approach, namely that in some areas which we might try to define together, the secretariats of the two bodies might undertake joint studies on matters of concern to both of us for presentation to one or the other, whether to GATT or to UNCTAD, as may be most appropriate in the light of their respective responsibilities and programmes. This we feel would bring to bear the expertise of both secretariats on problems of common concern and in so far as we were agreed on recommendations to governments, I would hope that the combined endorsement of Dr. Prebisch and myself would give them a certain right to careful consideration by governments and perhaps a little more than if they were recommendations presented by one of us alone.