1956 TARIFF CONFERENCE

Tariff Negotiations Committee

PROCEEDINGS OF MEETINGS HELD, IN EXECUTIVE SESSION,
at the Palais des Nations, Geneva, on 6 and 7 March 1956

Subjects discussed: 1. Review of consolidated offers lists
                    2. Statement of the representative of UNESCO

1. Review of Consolidated Offers Lists

   The Tariff Negotiations Committee examined in executive session the report presented by the Tariff Negotiations Working Party on its review of the consolidated offers lists (MT/48/56). After a discussion of the facts in the Working Party's report the Committee agreed upon the conclusions and recommendations appearing hereunder. Two delegations asked that their views concerning certain of these recommendations be recorded.

   A point was raised by the representative of Cuba on the recommendation that governments attempt to improve their offers in sectors in which no offers or meagre offers had been made, for example the agricultural sector. The Cuban representative proposed an amendment to the text to make clear that this recommendation was particularly applicable to countries whose economies were not based on agriculture. The amendment was not, however, pressed by the Cuban representative on the understanding that this interpretation would be borne in mind by participants in the course of bilateral negotiations.

   The representative of the United Kingdom thought that the recommendation to supplement initial offers with additional or improved offers, if not read in the context of the various factors which combine to limit the scope of the negotiations, might give the impression that the Committee were recommending efforts to widen their scope beyond the limit that could realistically be expected. As regards the reference to agriculture, he had on previous occasions explained the various reasons why his Government did not consider it possible to make significant offers in the agricultural and horticultural sectors.

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1The final text of this document will be distributed in the next few days.

MT/47/56
He felt it would be misleading if, by his support of this recommendation, he led other countries to believe that his Government might be able to modify this general position. This might not necessarily be the position of all countries to which this recommendation might be addressed, though he thought that at least one other country which was both an importer and an exporter of agricultural products was in the same position.

With respect to the sentence in the second recommendation regarding negotiations by groups of countries for reductions of rates of particular interest to one another, he recalled that the United Kingdom had repeatedly stressed the difficulty of their negotiating by groups of countries. These difficulties arose from the hard facts of their trading pattern. In making their offers the United Kingdom had done what, within the limitations set by these hard facts, they had been able to do to meet the requests addressed to them by all the various countries with which they were negotiating. This had been, and remained, their aim, but the recommendation to which he was referring could not alter the facts of this situation.

Conclusions

The Committee, having regard to the desire of all participating countries that the negotiations make the maximum contribution towards the attainment of the objectives of the conference, considered the extent to which this result could be foreseen on the basis of the initial offers and the initial review conducted by the Working Party. On this basis and without taking into consideration any improvements in offers that may have taken place during the bilateral negotiations it seemed doubtful at the present time, for various reasons including those given in paragraphs 8 and 12 of the Report of the Tariff Negotiations Working Party, that the negotiations would make more than a limited contribution to the principal objective of the conference, that is the general reduction of tariff barriers. Moreover, it was difficult at the present stage to assess whether all countries were paying sufficient attention to the principle that the binding of low duties or duty-free treatment should be considered equivalent in value to the reduction of high duties. The Committee took note of the absence in general of offers on agricultural products as compared with other sectors.

The Committee noted that the absence of broad participation by France in the negotiations was having a limiting effect on the scope of the negotiations. They took cognizance of the reasons for this abstention which had been presented by the representative for France at the opening meeting of the Conference and subsequently referred to in connexion with the review. But they felt that the problem was of sufficient importance for them to call attention to recommendations that have previously been made concerning European co-operation in the GATT negotiations and decided to reaffirm the appeals previously made by contracting parties to the Government of France and urged that Government to reconsider its decision and to make every effort to increase its participation in the negotiations.
In an effort to bring about a maximum improvement in progress toward the objectives of the conference, therefore, the Committee decided to address the following recommendations to governments, and to stress the necessity for acting without delay in view of the time schedule for the conclusion of the Conference.

(i) Participating governments should promptly examine their offers lists in an effort to supplement them with additional or improved offers including firm offers on items previously reserved for future discussion with a view to achieving a balance of concessions at the highest possible level. In this connexion particular attention should be paid to sectors of trade where no offers or meagre offers had initially been made, for example in the agricultural sector.

(ii) An effort should be made without further delay by all participants to take full advantage of multilateral negotiations for the purpose of enlarging the scope of the negotiations. For example, cases in which the trade in an item is divided among several exporting countries should provide an opportunity for fruitful multilateral discussions. Although responsibility for promoting such multilateral negotiations should rest with both the importing and the exporting countries, the Committee suggests that the initiative be taken in the first instance by exporting countries. This should not, however, preclude importing countries from initiating such negotiations, and if neither of these approaches proves fruitful such possibilities should be brought to the attention of the Committee. Moreover, groups of countries with particularly close trading relationships in particular commodities should use the opportunity presented by this Conference to negotiate among themselves for the reduction of rates of particular interest to each other. Participating countries should also be on the alert for any other opportunities to expand the scope of the negotiations through multilateral discussions.

2. Statement of the Representative of UNESCO (TN.56/9)¹

In addition to their consideration of the review of offers lists and the report of the Tariff Negotiations Working Party, the Committee heard a statement on a different subject by the representative of the United Nations Educational, Scientific and Cultural Organization. That representative supplemented the communication that had been received from the Director-General of UNESCO, distributed to the contracting parties in document TN.56/3. He particularly called attention to the terms of the UNESCO Agreement on the Importation of Educational, Scientific and Cultural Materials to which a number of participating contracting parties have subscribed and urged participants to eliminate or reduce barriers to the free flow in international trade of materials covered by that agreement. The Committee wishes to call the attention of all participating contracting parties to this statement (TN.56/9).¹

¹This document will be distributed as soon as possible.
3. **Security Classification of Documents dealing with the Review of Consolidated Offers Lists**

The Committee decided that the report of the Tariff Negotiations Working Party, as well as the present proceedings of the Tariff Negotiations Committee, should be distributed to delegations members of the Tariff Negotiations Committee as SECRET documents.