It is with great interest that my Government has followed the efforts and studies of GATT for a new general action towards the reduction of customs tariffs. It was also prepared to join in a new general approach of this kind. It thanks the Contracting Parties and the secretariat of the GATT for their initiative and their efforts to create the procedural and organizational bases of the Conference.

The authority for tariff reductions granted to the Government of the United States has induced us, after the stage of studies and plans, to set to work. I believe that we all are indebted to the United States of America for this.

Since the tariff negotiations of Torquay the Government of the Federal Republic has not increased its customs duties. On the contrary, it has both autonomously and by way of several bilateral negotiations with different countries reduced a large number of its duties and, in this way, continued to lower considerably the level of its customs tariff. Almost 2,000 rates of duties have been reduced. The Federal Republic effected that reduction of its duties while in the same period it extended the liberalization of its imports from the OEEC area to more than 90 per cent and the liberalization of imports from the dollar area to about 65 per cent. It has applied such a commercial policy though during the last years imports from the territories of all the contracting parties have continually risen and increased very considerably in respect of some particular commodities.

In this connection I should like to remark that, during this tariff conference, a further reduction of duties which we already reduced during the negotiations held in the year 1955 with several contracting parties participating also in this Conference, will hardly be possible.
It seems to me to be necessary to take into account the present general situation. We live in an epoch of far-reaching evolutions and technical progress as regards the methods of production and the productivity of the industries of many countries. At the same time a progressive industrialization is going on in the whole world. Besides there exist many differences as to the conditions of the individual countries in the social field as well as in that of financial policy. It is clear that all these factors continually create new forces and new forms of competition on all markets of the world. The incidence of tariffs and individual duties on imports is affected by them and, therefore, subject to strong fluctuations.

For these reasons we are of the opinion that the question whether a duty is prohibitive or whether it merely constitutes a justified protection of national production, can only be decided in each individual case.

I should like to point out that we shall enter into these negotiations entirely open-minded and with the best will. We shall endeavour to meet the interests and wishes of all the contracting parties participating in the negotiations, as far as we can.

The large number of customs duties negotiated so far at Geneva, Annecy and Torquay is undoubtedly an important success and a grand achievement of the Contracting Parties towards encouraging and stabilizing trade. The tariff arrangements which already exist are the common fortune of the large family of the contracting parties to the General Agreement. It has been possible to maintain and consolidate this fortune during the last years. If we succeed in continuing to increase this fortune, we shall have achieved a valuable performance, as good trustees of the interests of the contracting parties to the General Agreement. We shall have made a further positive contribution towards enlarging the volume of trade of the Contracting Parties and towards supplying their populations with cheaper goods.

I am convinced that the wide range of the interests of all the contracting parties in this common objective permits us to commence our task with hope and with confidence.