It is with mixed feelings that I address the Twelfth Plenary Session of the GATT to-day. On the one hand I should like to take this opportunity to endorse Ghana's pleasure on her accession to full membership of this Organization, as already expressed by the Official Head of our Delegation, and to thank all contracting parties for the spontaneous expressions of goodwill towards our country. May I also, Mr. Chairman, associate myself with the other contracting parties in congratulating you on your election to the chairmanship of the GATT, and in so doing to couple with you the outgoing Chairman, Sir Claude Corea, for his able performance of the past, and to wish him the best of success in his future undertakings.

But, on the other hand, our feelings of felicitation on this occasion are tempered, if not marred, by a matter of grave concern to Ghana and one which forms an important item on the agenda of this Session. I refer to the question of the European Common Market. Ghana appreciates very much, as do, I am sure, all other countries outside the Common Market, the need for such an association and the perfectly legitimate right of the countries concerned to form such an association for their economic and social, as well as cultural and political solidarity and well-being. On the one side Western Europe is flanked by the United States of America which, by dint of hard work, determination and unprecedented enterprise in all fields has welded together its many States into a formidable unit wielding a great force in the economic and political affairs of the world to-day. On the other side Western Europe finds the great land-mass of the Union of Soviet Socialist Republics, also having its formidable economic and political ties. Wedged in between these two conglomerations of world powers, it is only right that Western Europe should take the steps necessary to attain solidarity if she is to hold her own and protect her economic as well as political existence; and this can no doubt be achieved through a union or unions with countries of similar or common standards in the industrial, economic, cultural and political fields, as well as a common purpose of trade expansion. On these broad principles, therefore, the European Common Market idea has the blessing of Ghana.
Ghana's grave concern, however, arises from the proposed association of the Dependent Overseas Territories of the Six Messina Countries in the operation of the provisions of the European Common Market. We are concerned at the proposal to erect special tariff walls against agricultural and other raw products exported by non-contracting countries to the Six Messina Powers; but even more do we view with alarm the fact that cocoa, which is the main export of Ghana and the life-blood of her economic existence is to be subjected, under these circumstances, to a special discriminatory tax.

In 1956, Ghana's export of cocoa to the Messina Six amounted to 110,000 tons, valued at then current prices at £23 million. Of this total, 60,000 tons went to Federal Germany, and 37,000 tons to Holland. France and Italy took only about 5,000 tons each. It will be seen, therefore, that, when in full operation, the proposed discriminatory tax will result in the loss of revenue to Ghana of over £2.5 million a year at present prices for cocoa; at higher prices the loss may be much larger. Such losses the economy of our young country cannot afford to bear, particularly at the present time when so much of our development programme is either in its initial stages or still remains to be accomplished.

As regards the Dependent Overseas Territories of the Six, our fear is that, under the umbrella of a 9 per cent protection, production in French overseas territories will increase to a point where it will progressively displace cocoa from other sources in the markets of the Messina countries. Even if full displacement does not take place, our competitive position is bound to be damaged and 9 per cent of the value of sales in this market lost.

The view has been put forward that consumption of manufactured goods in the market of the Six, stimulated by the prosperity which the European Economic Community may be expected to bring about, will result in a marked increase in the demand for raw materials. We hope this may be true, but in the case of cocoa only Federal Germany at present imposes any duty. In the case of the Benelux countries an internal purchase tax of 5 per cent is imposed on cocoa, but in France and Italy there is no tax whatever. We should, therefore, expect that the incidence of an overall 9 per cent tax would certainly lead to a real increase in the price to the consumer of chocolate and cocoa products generally, which would tend to offset the chances of an increase in potential consumption.

We feel it incumbent also to correct a popular misconception that Ghana enjoys material benefits from Imperial Preference. In fact, there is no preference of any kind in Ghana and goods from Western Germany and Holland — and indeed from any source, enter on exactly the same terms as goods from the British Commonwealth countries. In the case of cocoa entering Great Britain from Ghana, the preferential element in the duty benefits Ghana by no more than 1 per cent.

At this point, I should like to emphasize that Ghana exercises no discrimination at all against imports of goods originating in and from the Messina Six and virtually all such goods are permitted into Ghana under Open General Licence. An increase in exports from these countries to Ghana is therefore possible at any time, the only limiting factors being the marketing
arrangements necessary and the competitiveness and popularity of the commodities concerned. It is also significant to note that two of the principal importers, wholesalers and retailers dealing in all kinds of goods in Ghana, are of French ownership - namely, the C.F.A.O. and the S.C.O.A. These companies have been established in Ghana for many years and their existence provides further proof of the liberal trade policy of our country. Close collaboration is also maintained on trade matters with the French Overseas territories bordering Ghana and facilities are given to help the traditional trade with these countries. This trade largely consists of the export from Ghana of textiles and Kola-nuts and of the import into Ghana of livestock. All classes of consumer goods imported into Ghana from overseas under Open General Licence are permitted to be re-exported to the French territories, which facility is of great advantage to these territories in that they are able to obtain merchandise which would not otherwise be available to them owing to their inland position and lack of port facilities.

For these reasons there was a rather bitter debate in the Ghana Parliament last May initiated by a Government supporter, in the course of which our Government was advised to impose restrictive tariffs on goods from the Messina countries as a reprisal for the action contemplated in the Rome Treaty. Our Government said that it preferred to negotiate, having in mind the expressions of goodwill made towards us by the Messina countries, among others, at our Independence Celebrations two months previously, and also having regard to the valuable reciprocal trade which is growing between the Messina Six and ourselves.

I would like to make a brief reference here to timber, a commodity which is gradually becoming one of the important items of export from Ghana to the Messina countries. As yet the tariffs of the Common Market for timber have not been fixed, but similar conditions are likely to apply as for cocoa. We hope to have the opportunity of pressing a case for special treatment in this sphere also when the position is clearer.

I have spoken so far about the fears of Ghana. I am sure that the British Dependent Overseas Territories and other countries outside the ambit of the European Common Market which grow cocoa and other agricultural crops common to those countries and ourselves, share these fears with us. Barely eight months ago, on the attainment of our independence, we were greatly cheered by the expressions of goodwill and encouraged by the promises of assistance which came to Ghana from all parts of the world. I am sure that all delegates here will agree with me that the wind will be taken out of our sails if, in the very beginning of our launching out into development plans on a large scale, our economy is called upon to bear such heavy losses. It will certainly not be a testimony, on the part of well-wishers, to the sincerity of all the expressions of goodwill showered on us last March.

I am sure that none of the countries proposing the Common Market intend that this action should cause harm and suffering to peoples in other parts of the world, particularly in West Africa, whose people have for many years looked to these European countries as friends and consumers of their raw products. In particular, Ghana's trade with countries like Germany and Holland dates back to
the early days of the last century, and in recent times has increased to very large proportions. We, in the continuance of the liberal policies we have pursued, would like to see these associations strengthened for the future. As I have already remarked, we do not quarrel with the right of European countries to form associations for their mutual benefit, but in doing so, for them to drag in and mutilate the well-being and economic progress of our country and other overseas territories in Africa, some of them still under foreign rule, will not only savour of selfishness, but can lead, I must say, to undesirable repercussions.

At this stage, therefore, I am constrained to do no more than appeal to the Messina countries to consider seriously, in our interests as well as theirs, the desirability of a complete waiving of the proposal to erect a discriminatory tariff against our exports, particularly of cocoa, to their countries. While this can do them no harm it would be a gesture that would impress the world, that the stronger and older nations are always ready to help the young and less-developed ones, if only they know how and when.

I need hardly add any more to this appeal. I hope that it has not fallen on deaf ears, and I also hope that Ghana will not be forced to take any action in self-protection because other nations have failed to live up to the ideals of GATT.