Working Party on Relations with Poland


1. The Working Party was appointed at the fourteenth session, its composition and terms of reference are set out in document W.14/19. Meetings of the Working Party were held during the week beginning 31 August 1959.

2. In accordance with its terms of reference the Working Party consulted with representatives of the Government of Poland. It also took account of information supplied earlier by Poland (MGT/81/58/Add.1 and 2) in reply to questions submitted to it on behalf of contracting parties (MGT/81/53). Certain additional questions asked orally by the members of the Working Party, together with the replies given by the representative of the Government of Poland, are contained in the annex to this report.

3. The Working Party's deliberations took place against the background of the discussion at the fourteenth session, when there was general support for a closer association between Poland and the CONTRACTING PARTIES, members of the Working Party reiterated their government's desire for this closer association. A draft decision and a draft declaration, aimed at achieving a closer relationship and an expansion of trade between Poland and the CONTRACTING PARTIES were drawn up by the Working Party for submission to governments and for their further consideration at the fifteenth session, these drafts are attached and should be considered an integral part of this report.

Spec(59)144
5. In an earlier draft of paragraph 1 of Part A of the declaration appeared the words "the objectives set out in paragraph 2 of the Preamble to the General Agreement". The Working Party decided to delete the specific reference to paragraph 2. This was done after the Executive Secretary had expressed the view that reference to paragraph 2 was likely to lead to ambiguity and was in any case unnecessary. The last paragraph of the Preamble referred to ways of contributing to the objectives, it did not refer to the objectives as such.

6. In reply to a question concerning negotiations on global quotas with Poland, the representative of the Government of Poland referred to the possibility of Poland carrying out these negotiations at the 1960 Tariff Conference and asked what procedures were likely to be followed if such negotiations were, in fact, to take place. After discussion, the Working Party expressed the view that this was a matter which would fall more appropriately within the purview of Committee I on Expansion of Trade.
ANNEX

Questions put forward orally by Members of the Working Party and Answered by the Representative of Poland

Question 1

Reference the answers given regarding the proposed global import quotas at the bottom of page 5 of document MGT/81/58/Add.1: Does the position as described in these answers remain the same?

Answer

Poland's position concerning the question of global quotas remains the same as stated in the document referred to.

Question 2

Document MGT/81/58/Add.2 contains laws, regulations, orders etc. relating to foreign trade. Would Poland be prepared to accept a commitment to publish promptly all such laws, regulations, orders etc. in the future, together with statistics of foreign trade. Such a commitment would be similar to the one accepted by contracting parties under Article X:1 of the General Agreement.

Answer

Poland is prepared to accept a commitment to publish laws and regulations relating to foreign trade as well as statistical data to the extent provided for in the provisions of the General Agreement.

Question 3

Reference page 8 of document MGT/81/58/Add.1: What are the chances of the customs tariff becoming operative in say 1961?

Answer

The elaboration of a customs tariff in Poland is closely related to the reform of the internal price structure, preparation of which is under way. Presumably such a tariff might be prepared by 1961. It is not, however, possible to make any formal commitment in this respect.
Question 4

Would global quotas be opened to all contracting parties to the General Agreement or only to signatories of the Declaration?

Answer

The Polish Government, in its reply to the question put to it by contracting parties concerning global quotas (MGT/81/58/Add.1) was assuming that Poland's accession to the GATT would be accepted by all contracting parties and that the global quotas in question would be opened to all contracting parties; such an arrangement would be consistent with the principle of equitable balance of rights and obligations on which Poland's co-operation with the CONTRACTING PARTIES is to be based. If, however, the situation proved to be different, it would appear that the global quotas would only benefit signatories to the Declaration.

Question 5

(a) Do "global quotas" envisage the elimination of bilateral quota arrangements with contracting parties? If this is so, has Poland taken into account currency problems?

Answer

Poland does not consider bilateralism as a basis of its foreign trade. Bilateralism is an outcome of Poland's relations with many countries. In some instances it is Poland's partners more than Poland who insist on bilateral arrangements. The introduction of global quotas would not automatically lead to the abolition of bilateral quota arrangements. Both Poland's balance-of-payments difficulties and its lack of convertible currency would seem to render such bilateral arrangements, temporarily at least, unavoidable. However, if these bilateral arrangements were to remain even after the introduction of global quotas, Poland would most certainly be guided by monetary and not by commercial considerations. Poland would willingly move towards multilateralism as opposed to bilateralism. This, however, would depend to a great extent upon Poland's partners.

(b) Would there be global quotas covering all commodities imported from GATT countries? If not, how would Poland fix quotas for commodities not covered by global quotas?
This would appear to be subject to negotiations aiming at achieving a balance of mutual concessions. As to the question of prices in Poland, reference should be made to the answer to question 3 above. In effecting this reform, many factors connected with foreign trade are being taken into account including the considerations raised in the question.

Question 6

Reference page 11 of document MT/81/58/Add.1: Does the principle referred to therein i.e. "to have dutiable values of Polish products determined by reference to prices of like or directly competitive products being imported from other countries" continue to be acceptable to Poland?

Answer

Poland's position concerning the principle of comparing the export prices of Polish goods with the export prices of competitive products imported from other countries remains the same as stated in the document referred to.