GENERAL AGREEMENT ON TARIFFS AND TRADE

Meeting of Ministers

STATEMENT MADE BY THE HONOURABLE M.S. MUSTAPHA, C.B.E.,
MINISTER OF TRADE AND INDUSTRY, SIERRA LEONE
ON 17 MAY 1963

Item 1: Measures for the Expansion of Trade of Developing Countries as a Means of Furthering their Economic Development

We are particularly concerned with measures for the expansion of trade of developing countries as we, together with other countries, are also keen in furthering the rapid economic development of our country. Expansion of international trade is therefore of immediate importance to us. If such expansion was accompanied by improvement in the terms of trade it would go a great way towards removing the difficulties which primary producing countries experience.

As previous speakers have pointed out however, it would appear as if the application of the General Agreement on Tariffs and Trade was not in the best interest of the less-developed countries of the world. The United States of America have recognized the needs of the developing countries, in launching the Kennedy Round. Sierra Leone supports the United States proposals for a linear tariff cut of 50 per cent spread over five years, but with the minimum of exceptions, and if possible, no exceptions at all. We are also glad that other developed countries including the United Kingdom would give unconditional support to the removal of tariff barriers.
However, there are dangers in a piecemeal approach, and bold action is now needed. The Sierra Leone Government is most emphatic that it would be most inappropriate for the less-developed countries to give reciprocity in the Kennedy Round. Their tariffs, unlike the developed countries, are needed to assist economic development. The more these countries are able to expand their exports, the less aid they would need.

We welcome both the Nigerian proposal and the action programme which calls for the removal of barriers to trade in tropical products. The less-developed countries are able to do little more than play a secondary rôle in regard to world economic development and trend. The pace of such development is dictated by the industrial countries. A world economic recession would be a disaster for everyone, and more especially for us, since we are less able to insulate our economies from downward trends in world trade than the industrial countries. This is due to the peculiar circumstances of our economies, since fluctuations in the prices of primary products are more marked than they are in the prices of industrial goods, and manufacturers are in a better position to adjust their production to market requirements than agriculturalists. Moreover, the balance-of-payments and reserves positions of the less-developed countries make them less able to withstand the effect of the terms of trade moving against them.

Against this background the less-developed countries hope that the industrial countries would be able to help us to overcome the problem created by the uncertainties of international trade. International stabilization arrangements are becoming essential. The Sierra Leone Government therefore hopes that positive steps would be taken at this meeting to endorse this principle.

Finally, the Sierra Leone Government would support point (VII) reporting procedures, that industrialized countries maintaining certain barriers shall report to the GATT secretariat in July of each year on the steps taken by them during the preceding year to implement these decisions and on the measures which they propose to take over the next twelve months to provide larger access for the products of less-developed countries.

This proposal, if accepted, would bring GATT in line with other United Nations bodies.

I would, in conclusion like therefore to appeal to the developed countries to give this proposal their full support.