The CONTRACTING PARTIES agree to undertake the following co-ordinated programme of work under the three main headings of the Programme for Expansion of International Trade. They authorize the Council to supervise all aspects of the Programme and to establish appropriate machinery, as necessary, for the conduct of the work outlined below.

A. Industrial Products

1. Tariffs

Proposal by European Economic Community

An objective analysis will be made of the tariff situation which will emerge when all Kennedy Round concessions have been fully implemented. The secretariat will prepare documentation, in consultation with contracting parties as appropriate, to serve as a basis for this analysis. The Council will be kept informed from time to time of progress made in the preparation of this documentation and will make appropriate procedural arrangements.

Alternative texts

(a) An objective analysis will be made of the tariff situation which will emerge when all Kennedy Round concessions have been fully implemented with a view to considering what further progress in trade liberalization may be possible. This analysis will examine, inter alia, high tariffs on products of particular interest to developing countries; the escalation of tariff rates with the degree of processing, the effective rates of protection which this grants to domestic processors, and in particular, the effects of this on exports of developing countries; the possibility of consolidating zero duties and eliminating low duties and the possibility of eliminating duties on industrial raw materials. The secretariat will prepare documentation, in consultation with contracting parties as appropriate to serve as a basis for this analysis.
(b) Alternative 1 The feasibility of studying the possibility of achieving further substantial liberalization of trade in certain sectors should be examined and proposals submitted in this regard to the CONTRACTING PARTIES at their twenty-fifth session.

Alternative 2 The CONTRACTING PARTIES decide to ascertain the opportunities for, and problems involved in achieving further substantial liberalization of trade in certain sectors. The work should be initiated on the basis of secretariat studies to be communicated to the Council which would take appropriate action which could include the establishment of pilot working parties.

2. Non-Tariff Barriers

An inventory of non-tariff and para-tariff barriers affecting international trade will be drawn up.

Contracting parties should, accordingly, notify the secretariat by 30 April 1968 of the non-tariff barriers, both governmental and non-governmental, which they wish to be included in the inventory. The secretariat will consolidate the notifications received and transmit these to the Council by 30 May 1968.

The Council is instructed to issue directives concerning the form and nature of the submissions and to establish appropriate machinery to deal with matters connected with the inventory.

B. Agriculture

In continuation of the Programme of Expansion of International Trade in agricultural products the CONTRACTING PARTIES agree to establish an Agricultural Committee with the following terms of reference:

to examine the problems in the agricultural sector, covering all agricultural products important in international trade,

Alternative A

with a view to seeking mutually acceptable solutions for these problems
Alternative B

This examination should pave the way for the subsequent search for positive solutions which could be mutually accepted by all contracting parties concerned.

This examination shall bear on all relevant elements of agricultural trade and production policies; all contracting parties which have a significant influence on the situation of the markets of the products concerned shall participate in this examination.

The Committee shall meet early in 1968 to decide on the programme for the implementation of its terms of reference.

However, in view of certain imminent problems which, although within the framework of the long-term work of the Committee, require immediate attention, the Agricultural Committee will meet at an early date specifically to establish:

Alternative 1

A sub-group on dairy products and such other sub-groups as may be required to deal with other products which may be notified in the meantime.

Alternative 2

Sub-groups to deal with the problems in the sectors of dairy products, beef and veal, other meats, fruit and vegetables.