PROPOSED CONCLUSIONS

1. The CONTRACTING PARTIES noted with considerable concern the general slowing down in the international trade in 1967 and the fact that this affected the exports of developing countries much more severely than those of industrial countries. The CONTRACTING PARTIES further noted that developing countries have failed to benefit from the improvement of trade in 1968. It was agreed that in the light of this situation, and in the light of the "Future Work Programme" adopted at the twenty-fourth session of the CONTRACTING PARTIES, there was need to take immediate action to solve the trade and development problems of the developing countries. It was further agreed that in doing so, having regard to Part IV of the General Agreement, the CONTRACTING PARTIES should accord highest priority to seeking solutions to specific problems of developing countries even while more general solutions are under consideration in regard to the questions involved. Developing countries should be consulted on all questions under consideration, at every stage of discussion in GATT. To this end necessary changes would have to be carried out in the existing methods of work.

PART I - EXPANSION OF TRADE (ITEM 3)

Committee on Trade and Development

2. It was agreed that the institutional rôle of the Committee on Trade and Development should be strengthened with a view to making it the focal point for review and action in respect of problems of developing countries. In order to effectively oversee the implementation of Part IV the Committee on Trade and Development should be in a position to continuously review the work in progress in other organs of GATT such as the Committees of Industrial and Agricultural Products in order to ensure that the problems of developing countries are given due priority in the work of these committees, and make suitable recommendations to this effect. Specifically it was agreed:

(a) that the Committees on Industrial and Agricultural Products periodically furnish reports of progress of work relating to specific products or sectors of trade interest to developing countries;

(b) that the Committee on Trade and Development should on an ad hoc basis and acting on specific proposals of governments establish appropriate machinery in order to examine and initiate action with a view to the
reduction and elimination of tariff, non-tariff and para-tariff barriers on products of particular interest to developing countries. To this end the Committee should:

(i) establish immediately machinery, preferably by a consultative group of interested contracting parties under the Chairmanship of the Director-General, in order to begin consultations on a programme for the elimination of tariff and non-tariff barriers on processed and semi-processed tropical products, so that the results could be implemented as soon as possible and not later than the twenty-sixth session of the CONTRACTING PARTIES;

(ii) begin examination of problems of other specific products like, vegetable oils and oilseeds, cotton, unmanufactured tobacco, fruit and vegetables;

(c) it was agreed that a special working party should be established to carry out a review of the implementation of Part IV and make recommendations.

Committee on Industrial Products

3. That the tariff studies on problems of (a) tariff differentials, (b) specific duties and (c) "peak" tariffs on products of export interest to developing countries be completed early in 1969.

4. That as soon as studies on specific products or sectors are ready, the Director-General of GATT should arrange consultations among interested contracting parties with a view to seeking appropriate solutions to problems of those specific products within the framework of GATT.

5. That the GATT secretariat should make available its expertise to developing countries for preparing notifications of non-tariff and para-tariff barriers to their trade in the markets of other contracting parties.

6. That non-tariff and para-tariff barriers affecting products of developing countries should be taken up for examination in order to arrive at a solution on a product-by-product basis, by convening working groups of interested contracting parties.

Committee on Agricultural Products

7. That the Committee should as rapidly as possible complete the identification of the problems affecting agricultural trade and production and undertake the task of seeking mutually acceptable solutions of these problems.

8. That the highest priority should be given to consideration and examination of problems affecting products of interest to developing countries; that in a case such as bovine meat on which substantial work has already been carried out in GATT, steps should be taken to arrange appropriate consultations among interested contracting parties.
Group on Tropical Products

9. That the Group should continue its task of exploring ways and means of resolving problems in the trade in tropical products on a commodity-by-commodity basis.

10. That in this task the GATT secretariat should establish co-ordination between GATT and other international organizations such as UNCTAD and FAO.

11. That priority should continue to be given to the question of removal of customs duties and internal taxes on tropical products.

Other action

12. That the developed contracting parties should make further efforts to explore, individually and jointly, extending the scope of coverage of products for immediate and advance implementation of Kennedy Round concessions in favour of developing countries.

13. That the CONTRACTING PARTIES reaffirm their readiness to grant the necessary legal coverage for the prompt implementation of the general scheme of preferences that is expected to be negotiated by the end of 1969 in UNCTAD.

14. That having regard to the possibility of concluding, during 1969, multilateral trade arrangements among developing countries, within the framework of the Trade Negotiations Committee of Developing Countries:

(a) the CONTRACTING PARTIES reaffirm their conviction that the establishment of preferences among developing countries, appropriately administered and subject to the necessary safeguards, can make an important contribution to the expansion of trade among these countries and to the attainment of the objectives of the General Agreement;

(b) the CONTRACTING PARTIES start elaborating international measures of support which could be taken within the framework of GATT, in order to ensure that the results of negotiations between developing countries bring benefits for the trade of these countries.

15. That the CONTRACTING PARTIES reaffirm their support to the export promotion programme of GATT through the International Trade Centre and urge developed countries to make available adequate resources to the Centre for full implementation of its programme of work.

PART II - IMPORT RESTRICTIONS APPLIED CONTRARY TO GATT AND NOT COVERED BY WAIVERS (ITEM 14)

Residual import restrictions

16. The substance of the New Zealand proposal received wide support, in principle, among developing countries.
17. Because of the inadequacy of time to consider the proposal in depth, it is highly desirable to establish a working party to deal with the proposals, taking into account the particular problems of the products and the countries involved, and to report to the Council.

18. In order to achieve the objective of early removal of residual restrictions on products of developing countries:

   (a) a concrete programme, including target dates for their elimination, should be established; and

   (b) while such restrictions continue to be maintained, these should be covered by appropriate waivers; the terms and conditions of such waivers should be framed with a view to facilitating the removal of these restrictions and not to perpetuate them.

19. The establishment of a programme for the elimination of the restrictions or the granting of waivers does not affect the right of developing contracting parties to invoke the provisions of Articles XXII, XXIII and XXXVII of the General Agreement.