CONSULTATION WITH POLAND

Note by the Chairman of the Working Party

Background Material Required for the Resumed Consultation with Poland

1. The Working Party agreed at its first meeting on 25 March 1968 that, in the case of this first consultation pursuant to paragraph 5 of the Protocol for Accession of Poland, certain paragraphs of the Protocol and certain elements in the Plan for the Annual Review contained in the Annex to the Protocol do not apply.1

2. It was agreed at the meeting of the Working Party on 25 March 1968 that the main subjects on which further information would be useful were the following:

I. Trade between Poland and contracting parties in a base period.

II. Trade between Poland and contracting parties in the first three months of 1968.

III. Action taken or envisaged by contracting parties in accordance with paragraph 3 of the Protocol of Accession.

IV. Polish import targets for 1968 and 1969.

V. Other information.

3. The Chairman informs the Working Party that the representative of Poland intends to raise in the Working Party the following matter: "the Polish concession is linked, as is made clear in the Report of the Working Party on the Accession of Poland, to the application of the provisions of the General Agreement by the contracting parties in their trade with Poland in the sense of a multilateralization. Account should therefore be taken of progress achieved in this field.

Paragraph 6 of the Protocol thus does not apply in this first consultation as there was no import commitment on the part of Poland covering the "preceding twelve-month period".
I. Trade between Poland and contracting parties in a base period

1. Poland is invited to provide a statistical resumé of its trade, indicating the data called for in Annex A of the Protocol of Accession. It should include breakdowns for both commodity-by-country and country-by-commodity, for at least the period 1965-67. The commodity breakdown should be equivalent to that used in Poland's Yearbook of Foreign Trade Statistics and should give full details for the categories of goods as referred to in paragraphs (i)(b) and (ii)(b) of Annex A. It would be appreciated if details could be given on Polish imports of the following products:

- Wheat
- Barley
- Hides and skins
- Citrus fruit
- Iron ore

2. Poland is invited to submit estimates of imports and exports under bilateral trade arrangements and, in particular, where import commitments by Poland have been entered into under these arrangements, their volume and amount by major categories.

II. Trade between Poland and contracting parties in the first three months of 1968

1. The specific requests relating to the breakdown of statistical data indicated in I:1 applies also to information to be submitted on trade in the first three months of 1968.

2. The invitation in I:2 to submit estimates of imports and exports under bilateral trade arrangements and on import commitments under such arrangements applies also to information to be submitted on trade in the first three months of 1968.

III. Action taken or envisaged by contracting parties in accordance with paragraph 3 of the Protocol of Accession

1. Members of the Working Party are invited to submit with regard to import restrictions all necessary information in order to enable the Working Party to carry out its tasks under the Plan for the Annual Review, including action taken under paragraph 3 of the Protocol to remove remaining quantitative restrictions on imports from Poland.

2. The Government of Poland would of course be free to notify any restrictions maintained by other contracting parties which it considers to be inconsistent with Article XIII.
3. Members of the Working Party are invited to notify any other measures restricting imports from Poland, such as limitations on convertibility of currency. It is also suggested that the Director-General should be asked to invite all contracting parties to notify such restrictions.

IV. Polish import targets for 1968 and 1969

1. Poland is invited to indicate the general targets in the foreign trade plan:
   (a) for the period 1967-1970
   (b) for 1968 and 1969

   with respect to Poland's imports from all sources, where possible giving a breakdown by major geographical areas and product categories.

2. How does Poland intend to fulfil its commitment to increase by 7 per cent the total value of its imports from contracting parties? Did the plan give a breakdown by major categories of Poland's intended imports from contracting parties?

3. As information can be supplied for major categories of commodities only, members of the Working Party are invited to communicate to the secretariat (in ample time to permit consultation with the Polish Government) a list of any products on which they would like specific information.

4. With respect to the growth of Poland's imports of various categories of products, Poland is invited to submit its plans for imports of consumer goods and how Poland ensures that such goods, which may be supplied by contracting parties, enjoy the same conditions of access to the Polish market as consumer goods from other sources.

5. Poland is invited to indicate what influence the PKO stores system has on imports (in these stores, consumer goods are sold against Western currencies). Are the goods offered in them sold in Poland only against Western currencies, or depending on the foreign origin of the goods can the purchase also be made in zlotys?

V. Other information

Poland is invited, in accordance with Annex A (iii) to the Protocol of Accession, to submit its balance of payments including a breakdown of trade and capital accounts. The Polish representative stated in the meeting of the Working Party on 25 March 1968 that in the view of his delegation this information is linked to the quantitative obligation foreseen in Annex B. It was agreed that paragraph 6 of the Protocol does not apply in this first consultation; however, the Polish delegation stated that it would submit during September data on the balance of payments of Poland.
This submission might be most useful if it included:

(a) Data for a series of years, not just a single year.

(b) Entries on a gross rather than a net basis – that is, entries for both receipts and payments, assets and liabilities, not just balances.

(c) A breakdown of all entries by major geographic area by type of transaction – that is, separate entries at least for "socialist" and "non-socialist" areas and, in both cases, hard currency transactions on clearing accounts. It would be desirable as well to have transactions with individual major trading partners shown separately.

(d) If there are differences between official trade statistics and the entries in the balance of payments under "merchandise" of "commodity" account, these differences should be explained.

(e) Exchange rates used for commercial and non-commercial transactions.

(f) A supplementary statement of Poland's position as debtor and creditor, short term, on clearing account and in hard currency, with schedules' payments on long-term obligations.

(g) As much detail as possible on invisibles, for example, separate entries for transportation, insurance, postal and communications' fees, tourism, remittances, licences and royalties, and interest.

(h) Full annotation on coverage and definitions, especially where they vary from those used by the International Monetary Fund.

Other members of the Working Party are invited to present information regarding their payments balances with Poland and the arrangements they have for settling trade accounts with Poland.