STATEMENT BY THE CHAIRMAN OF THE POLISH DELEGATION ON THE OCCASION OF THE OPENING OF THE THIRD ANNUAL REVIEW - GENEVA, 8 JULY 1970

The relations between Poland and the Contracting Parties already have a long history and in the course of that period much useful experience has been gained on all sides.

Over the three years that Poland has been participating as a full Member in GATT and the Protocol for its accession has been in force, both Poland and the Contracting Parties have had the possibility of ascertaining how, in practice, the provisions of that Protocol operate.

Before going on to consider certain proposals in that field, I wish to emphasize the fact that Poland always attaches great importance to the normalization of its trade relations and that it seeks out all roads which may lead to that end.

We regard participation in GATT, which has great and undeniable advantages in the field of the liberalization and the expansion of world trade, as one of those roads.

Poland officially enjoys, with only one exception, the benefit of the most-favoured-nation clause with all the Member countries of GATT. Most of the countries do not make that clause dependent on any consideration whatsoever. There are however certain cases in which the principle of the most-favoured-nation clause is weakened by the application of restrictions and prohibitions concerning Polish goods. Those restrictions are inconsistent with Article XIII of the General Agreement to which Poland is a contracting party.

For its part, in acceding to GATT, Poland made certain specific undertakings.

For their part, the Member countries of GATT have undertaken to grant Poland the same treatment as that which is applied to the other Contracting Parties of the General Agreement and, in the course of the transitional period, in particular, not to increase the discriminatory element of the quantitative restrictions still maintained with regard to imports of Polish goods, but to relax them progressively and finally eliminate them.
Poland, as a Contracting Party to the General Agreement, is faced with the problem of obtaining - in its trade relations with the other Member-countries of GATT - the same treatment as that enjoyed by the other Contracting Parties to the Agreement. That problem is of primary importance to it and Poland is consequently aiming at that goal. That is why Poland is greatly concerned that the transitional period mentioned in paragraph 3 of the Protocol to Accession should come to an end within as short a period as possible.

The Contracting Parties gave expression of that idea by stipulating in paragraph 3 of the Protocol of Accession that the fixing of a final date for the termination of the transitional period should be considered at the third annual consultation.

Certain Contracting Parties even suggested that the date for the termination of the said transitional period should be fixed at a date very close to that of the third annual consultation.

We entirely support such suggestions; taking into account, however, particular interests of certain Contracting Parties, we might envisage 31 December 1974 as the very latest date for the termination of the transitional period.

For its part, Poland considers that the undertakings it assumed should undergo certain modifications in the light of the existing situation.

To be specific, it is a question here of Poland's undertaking to increase its imports from the Contracting Parties as a whole by at least 7 per cent annually.

The conditions governing Poland's accession to GATT allow of the modification of our undertaking through negotiations with Contracting Parties.

By adopting that provision, the Contracting Parties ensured that there was a factor which opened the way for Poland to the complete normalization of its position in GATT.

The experience which has now been gained, for example on the occasion of the annual reviews with Poland and the discussion of conditions for the accession of other countries to GATT, show that it would be useful if a more flexible formula of undertaking could be found which would be more in keeping with the spirit of the General Agreement.

At the moment we are not here presenting a definite proposal for a new formula for Poland's undertaking to the Contracting Parties of the General Agreement.

It is our intention that such a new formula should result from consultations with the Member countries of GATT.
In announcing now our intention to proceed with new negotiations on the subject of Poland's present undertaking, namely that of increasing by at least 7 per cent annually imports from the Member countries of GATT as a whole, we wish to give notice of it sufficiently early so as to give the Contracting Parties the possibility of examining the problem, defining their positions and preparing any suggestions they may wish to make with regard to new solutions.

We wish in particular to emphasize that in raising the question of new negotiations and in demonstrating the need to seek for a more flexible formula for our undertaking, we do not in any way intend to change our policy in respect of the Member countries of GATT.

We are interested in the further development of trade and the expansion of commerce, and in the ever greater participation of Poland in the advantages which result from the international division of labour.

Foreign trade is playing an increasing part in the economy of Poland. We stress that fact because we wish to emphasize once again that our desire concerning the fixing of the date for the termination of the transitional period and our wish to proceed with the renegotiation of our present undertaking derive from the fact that we are aiming at the complete normalization of our relations with GATT on the basis of the same principles as are applied in the case of other Contracting Parties to the General Agreement.

It is also understandable that Poland, being a Member of GATT, should wish to participate unrestrictedly in all GATT's work and in all its organs. In our opinion, such participation would give Poland and the other countries which are Members of GATT the possibility of finding in a pragmatic manner various sectorial solutions. We believe that our activity aiming at the complete normalization of relations between Poland and the Contracting Parties is in the interest of all the Member countries of GATT and fully in conformity with the spirit of the General Agreement.