TRADE NEGOTIATIONS AMONG DEVELOPING COUNTRIES

With a view to facilitating informal discussion and consultation, there is attached hereto a first draft of a proposed Decision by the CONTRACTING PARTIES to cover arrangements negotiated by contracting parties participating in the Trade Negotiations Among Developing Countries.
The CONTRACTING PARTIES to the General Agreement on Tariffs and Trade,

RECOGNIZING that individual and joint action is essential to further the development of the economies of developing countries and to bring about a rapid advance in the standards of living in these countries;

NOTING that the CONTRACTING PARTIES may enable developing contracting parties to use special measures to promote their trade and development;

CONSIDERING that trade negotiations among developing countries have as their objective expanding access on more favourable terms for developing countries in one another's markets through the reduction or elimination of tariff and non-tariff barriers that affect existing trade flows or inhibit the development of new trading possibilities;

RECALLING that, at the twenty-third session, the CONTRACTING PARTIES recognized that the establishment of preferences among developing countries, appropriately administered and subject to the necessary safeguards, could make an important contribution to the expansion of trade among developing countries and to the attainment of the objectives of the General Agreement;

NOTING that the countries which have participated in these negotiations have drawn up the "Protocol relating to Trade Negotiations among Developing Countries" (hereinafter referred to as the Protocol) with rules to govern the arrangements as well as a first list of concessions, and that these countries intend to keep under review the possibility of promoting negotiations for additions or enlargements to the schedules of concessions;

NOTING FURTHER that while concessions exchanged in the Negotiations will apply among parties to the arrangements set out in the Protocol, the countries participating in these negotiations have undertaken to facilitate the accession of all developing countries on terms consistent with the latters' individual development, financial and trade needs; and

RECOGNIZING that these arrangements should not impede the reduction of tariffs on a most-favoured-nation basis;
DECIDE:

(a) that without prejudice to any other Article of the General Agreement and subject to the provisions of paragraphs b - e of this Decision, the provisions of paragraph 1 of Article I of the General Agreement shall be waived to the extent necessary to permit each developing contracting party participating in the arrangements set out in the Protocol (hereinafter referred to as a participating contracting party) to accord to other developing countries preferential treatment as provided in the Protocol with respect to products originating in these countries, without being required to extend the same treatment to like goods when imported from other contracting parties;

(b) that any participating contracting party wishing, pursuant to the arrangements set out in the Protocol, to introduce or modify any preferential concessions shall so notify the CONTRACTING PARTIES and shall furnish them with all useful information relating to the actions taken;

(c) that each participating contracting party shall afford adequate opportunity for consultations at the request of any other contracting party which considers that any benefit accruing to it under the General Agreement may be or is being impaired unduly as a result of the arrangements set out in the Protocol;

(d) that any contracting party which considers that the arrangements under the Protocol are being applied inconsistently with this Decision or that any benefit accruing to it under the General Agreement may be or is being impaired unduly as a result of the arrangements and that consultations have proved unsatisfactory, may bring the matter before the CONTRACTING PARTIES, which will examine it promptly and will formulate any recommendations that they judge appropriate; and
(e) that the CONTRACTING PARTIES will review annually the operation of this Decision in light of the aforementioned objectives and considerations, and will before the end of the tenth year undertake a major review of its operation with a view to deciding whether this Decision should be continued, modified or terminated; and that in connexion with such annual reviews and major review, the participating contracting parties shall make available to the CONTRACTING PARTIES relevant information regarding actions taken under this Decision.