ORGANIZATIONAL CHANGES IN THE SECRETARIAT

Statement by the Delegation of Chile on Behalf of the
Latin American and Caribbean Contracting Parties

The Latin American and Caribbean delegations to GATT have followed with the utmost interest and concern a number of administrative events and decisions within the GATT secretariat.

These events concern the process of appointment of the Deputy Director-General and the recent organizational changes announced by the Director-General.

With regard to the appointment of the Deputy Director-General, the Latin American and Caribbean delegations recall that, in accordance with the procedures for appointments of the Deputy Directors-General adopted by this Council on 15 April 1987, the latter "are to be appointed by the Director-General for renewable terms of three years. The Director-General is to announce at a meeting of the Council (as indeed happened) that he will hold consultations on the appointment or reappointment of a Director Deputy-General. Such consultations will start not less than three months before the expiration of the term of office of the Deputy Director-General. After the termination of the consultations, the Director-General will inform the Council of his decision concerning the appointment."

We consider that the consultations to which this Council decision refers have been limited and should be extended as much as possible so as to culminate in the appointment of a Deputy Director-General within a reasonable time. We therefore warmly welcome the statement by the Director-General that he will continue his consultations with a view to making that appointment. We await these consultations with interest in order to give our views on the possible names under consideration for this high post. We are sure that all members of the Council share our interest in these consultations.

With regard to the reorganization of the GATT secretariat announced by the Director-General, we consider that some of its aspects must logically be provisional, since the Deputy Director-General's post that remains in abeyance appears to be "hanging" without any kind of administrative responsibilities. On the other hand, these responsibilities have been assumed by one of the two Assistant Directors-General, posts which have been created in this reorganization. It would therefore seem that the organigram communicated to us bears no clear relationship with the Director-General's statement to the effect that he will continue his
consultations to appoint a Deputy Director-General. We hope that in due
course we will receive a clarification concerning the important
responsibilities that will be entrusted to the Deputy Director-General in
question.

Furthermore, we note with concern that in the reorganization reflected
in the organigram a Division which was specifically designated and
responsible for working on matters relating to development and trade has
disappeared, and has been replaced by another that is now entitled
"Session, Council Affairs and Subordinate Bodies". We would prefer to see
the old name reappear explicitly, as we do not wish there to be any doubt
whatsoever about the importance of development problems for GATT, and we
hope that the functions and responsibilities of that Division will be
restored. We are informed that the terms of reference of this Operational
Division indicate its relationship with the Committee on Trade and
Development.

We also note the appearance of a new Division on Technical Barriers to
Trade and Environment. This is a cause of some concern, since GATT's
sphere of competence as regards the environment is still being studied and
awaits a decision by this Council.

We wish to point out that the Latin American and Caribbean delegations
make this statement in a constructive spirit, expressing a legitimate
interest in matters of obvious importance for the CONTRACTING PARTIES, the
highest authorities of the GATT.

We have very much in mind that it was this Council, at its meeting on
2 December 1970, which approved the recommendation that the CONTRACTING
PARTIES approve the continued application to the GATT of the United Nations
Staff Rules and Regulations and the United Nations Financial Regulations
and Rules. In this respect, we recognize the Director-General's powers but
we should like to point out that in accordance with Regulation 2.1, "in
conformity with principles laid down by the General Assembly (in this case,
the CONTRACTING PARTIES), the Secretary-General (in this case the
Director-General) shall make appropriate provision for the classification
of posts and staff according to the nature of the duties and
responsibilities required". In our view, this implies that the CONTRACTING
PARTIES have general, albeit unspecified, responsibilities with regard to
these administrative matters, apart from their budgetary aspects.
Accordingly, in the face of such important and far-reaching administrative
decisions we consider that a broader process of consultation with the
contracting parties would have been desirable in order to ensure the
required transparency and general acceptance of the procedures.

The Latin American and Caribbean delegations respect and recognize the
powers of the administrative authorities of international organizations in
general, and specifically of GATT, but as contracting parties they expect
full recognition of the rights and powers they possess as Member States,
which are the basis of all international organizations and of their
funding.

We request that this statement appear in full in the record and be
circulated as an official GATT document.