PROGRAMME FOR THE EXPANSION
OF INTERNATIONAL TRADE

Statement by the Representative of Nigeria
on 16 November 1967

We would first of all wish to express our satisfaction that the Director-General decided to propose the inclusion of item 3 on the agenda of the CONTRACTING PARTIES and also to express our gratitude to him for the statement he made to introduce the item and to you, Mr. Chairman, for your opening remarks to this session of the CONTRACTING PARTIES.

We think that after twenty years of existence, it is proper and timely that a review should be made of the activities of the GATT over these two decades and that new initiatives and guidelines be given to the organization, at the highest level possible, for its future work in the coming decades.

The initial difficulty we had with the proposal was in connexion with the timing. We believed, and we still believe, that the most opportune moment for a ministerial meeting of the CONTRACTING PARTIES would have been after the second United Nations Conference on Trade and Development to be held in New Delhi early next year. We hold this view in the genuine conviction that, whatever conclusions are arrived at the New Delhi Conference, the GATT would have made a major rôle to play in the implementation of those conclusions.

We believe that the GATT has contributed a very great deal to the liberalization of world trade since the organization was founded twenty years ago. The most recent and perhaps the most ambitious endeavour of the GATT, in this respect, has been the Kennedy Round negotiations recently concluded. The traditional approach of Nigeria to any question is that of objective appraisal and criticisms where appropriate. It is this same attitude that we take in respect of the Kennedy Round.

We do not share the view that the Kennedy Round negotiations were a complete failure for the developing countries. On the other hand, we cannot join those who feel that the negotiations were satisfactorily concluded. We believe that there are areas where the negotiations could be seen to have been a tremendous success to those concerned but there are other areas where the major countries interested could not but be dissatisfied with the results.
We will refer first of all to the field of agriculture and go on to say that if there are still any doubting Thomases about the results of the Kennedy Round in this sector the lucid statement of the delegate of New Zealand will help to dispel their doubts. Nigeria does not, for the moment, have any direct or substantial interest in this sector, but we would lend our moral support to those countries who feel that more work should be done in this area. The Director-General himself has proposed that Committee II of the GATT be reactivated, we would support the proposal and would join in the work of the Committee particularly in view of its broadened terms of reference.

The Kennedy Round resulted in considerable lowering of tariffs on industrial products. It has been suggested that these reductions would yield very little benefit to the developing countries. We do not entirely share this view. We believe that in the long run low tariffs on any sector of trade would be of benefit to the international community including the developing countries. The problem here is the inability of the developing countries to take immediate advantage of the new opportunities offered in this field. In this respect, we would endorse the Director-General's suggestion that the International Trade Centre should make a detailed study of the opportunities offered to the developing countries and come out with recommendations as to how best these countries could take advantage of these new trade openings.

We would, at this juncture, wish to draw attention to tariff concessions which Nigeria obtained during the Kennedy Round negotiations. In the field of tropical products we must express our gratitude to all those countries, in particular, to the Nordic countries and Japan for the very valuable concessions which they granted on products of vital interest to Nigeria. We wish to place on record our appreciation to Japan for finding it possible, despite several difficulties, to eliminate the duty on groundnuts for oil extraction and for increasing substantially the global quota for groundnuts for oil extraction and for other uses.

We would of course not fail to put on record that, in particular, in the United Kingdom market, we suffered grave losses in our preferential advantages.

We have come to realize that in this sector tariff barriers do not constitute the major obstacle. What is essential, what is needed, what the international community must do, and do very quickly, is to see that commodity agreements are concluded on those primary tropical products that lend themselves to such agreements and other market organizational arrangements are put into operation on other commodities in this sector. We would refer to the experience of the Coffee Agreement and note that very little is now being talked about the so-called trade barriers in coffee. With the conclusion of the Coffee Agreement the price of coffee was stabilized and reasonable earnings have been assured for producers of coffee. The difficulties which that agreement is now experiencing do not arise from trade barriers but from the inequities which were apparent in the distribution of basic quotas among the producing countries and the inability of the Agreement to take a realistic decision on the question of selectivity.
We agree and support the suggestion that the Special Group on Trade on Tropical Products should be reactivated and we endorse the terms of reference which have been given to the Group. Nigeria, as usual, would participate constructively in the work of this Group with a view to finding acceptable and equitable solutions to the difficulties which still exist to the trade in tropical products.

One of the issues left outstanding from the negotiations is the question of advance implementation of the results of the negotiations. We agree that the results of the negotiations should be implemented without staging in favour of the developing countries but only in respect of certain products. We cannot agree, that the concessions on products on which certain developing countries enjoy preferential treatment should be implemented in advance. We would suggest that concessions in this area should be implemented according to the normal timetable in order to minimize the adverse effects on trade of these countries. Our stand on this question, is dictated, among other things, by the fact that the negotiations failed to deal with the question of compensation for loss of preferences.

We are convinced that the developing countries cannot for ever depend on help from the developed world. We believe that the developing countries must help themselves. We have made particular studies of the economies of countries such as New Zealand and Denmark, and we have identified certain difficulties which these countries are experiencing as a result of their dependence on limited export markets. We are all quite familiar, with the heat usually generated in far away New Zealand, an otherwise temperate region, over the question of enlarging regional groupings. If countries like New Zealand with its high standard of living can be worried about the dangers of dependence on a limited export market, then the developing countries must take steps not only to diversify their production but also their pattern of trade.

It is with this in view that we in Nigeria proceeded to negotiate an agreement with the member States of the European Economic Community. It is with this in view that we have championed the movement towards regional integration in Africa beginning with the West African Sub-region. The Articles of Association of the Economic Community of West Africa are before the CONTRACTING PARTIES. We believe that the GATT should continue to co-operate with both the UNCTAD and the Economic Commission for Africa in order to bring about the realization of the objectives of the countries that would be members of this Community.

We have also indicated that even though we believe that the expansion of trade among the developing countries can best be achieved through regional integration we are ready to discuss with our colleagues the possibility of bringing about an exchange of concessions among the developing countries as a whole. Whilst not committing ourselves to participate in the negotiations we are willing to discuss with the other developing countries the draft ground rules which the Director-General had proposed for these negotiations. We note with particular satisfaction that the UNCTAD Secretariat had signified its willingness to join the GATT in this important exercise.
We are particularly anxious that duplication and overlapping should be avoided in the work of various international organizations dealing with trade and development. We note the suggestion of the Director-General to broaden the scope of the consultations with the developing countries who suffered from persistent balance-of-payment difficulties. We would, however, caution that this should be done in such a way that we do not encroach on the sphere of activities of other organizations which are active in this field. In addition, we would suggest that studies be made of the actual causes of these difficulties, in particular the measures adopted by the developed countries which lead the developing countries into balance-of-payment difficulties. I think that some delegations in particular, the delegation of Chile, has also drawn attention to this aspect.

In the area of non-tariff barriers, Mr. Chairman, we would agree that an inventory be made of these barriers. We would however stress the need for governments to persuade their industries to co-operate in this regard. In this connexion, we note the statement of Dr. Imru the representative of the Secretary-General a few days ago when he declared that the UNCTAD Secretariat has also drawn up a list of these barriers. We hope that both the UNCTAD and the GATT secretariats would co-operate in this field.

Finally, we are reassured by the Director-General's declaration to the effect that the GATT would co-operate most actively with the UNCTAD in the preparation for the Second Conference. We would repeat that whatever the results of the Conference, the GATT would have a vital rôle to play in the implementation of these results.