MINISTERIAL INVOLVEMENT IN THE GATT

Note by the Secretariat

1. At its meeting of 7 April 1987, the Negotiating Group requested the secretariat to prepare a background note on the history of the involvement of Ministers in the work of the GATT. The present note, written in response to that request, is in two parts: the first describes all the meetings which have taken place in GATT at ministerial level, indicating the major issues considered and the results of the meetings; the second recalls the points made in recent discussions of the desirability of closer or more regular involvement of Ministers in GATT's work.

I. Ministerial Meetings in the GATT

2. There have been ten meetings in GATT at ministerial level, the first in 1957 and the last in 1986. They are listed in Annex A, which also indicates the status of each meeting, its location, its chairman, and the main issues dealt with. It will be seen that all but three of these meetings were held as part of, or in connection with, Sessions of the CONTRACTING PARTIES.

3. There was thus no Ministerial Meeting in the first ten years of GATT's existence. In April 1956 the Executive Secretary, in a letter to the contracting parties, suggested that as a regular procedure the first few days of the annual Sessions should be devoted to an exchange of views at ministerial level. It was agreed to arrange for such a meeting at the Twelfth Session, in 1957, and the same procedure was followed in 1958, 1959 and 1961. After that point the organization of Ministerial Meetings in connection with regular Sessions of the CONTRACTING PARTIES became an exceptional occurrence. This no doubt resulted, at least in part, from the diminution of the importance of the annual Session as a decision-making forum, following the creation of the GATT Council. There has been discussion at various times of the advantages of Ministerial Meetings of the CONTRACTING PARTIES, as opposed to ad hoc Meetings. It should be noted, however, that even when Ministerial Meetings have been held as part of, or in connection with, Sessions of the CONTRACTING PARTIES, there has always been a special Ministerial Agenda: Ministers have not been called upon to take part in the routine business of the Session even if in a number of cases the Ministerial Agenda has included the most important points from the regular agenda.
Twelfth Session, October 1957

4. During the Twelfth Session, which lasted from 17 October to 30 November 1957, a Ministerial Meeting took place from 26-30 October. The meeting marked the tenth anniversary of the signature of the Final Act of Geneva. Perhaps more significantly, it marked a recognition that the impetus towards trade liberalization had slowed down and that the activities of GATT needed to be revitalized. Apart from prospects for further progress in trade expansion, the Ministers considered the main items on the Twelfth Session agenda, including the implications of the formation of the European Common Market and trends in commodity trade. It was agreed to establish a committee to examine the Treaty of Rome pursuant to Article XXIV:7. Other subjects discussed included the desire of a number of contracting parties for early establishment of the Organization for Trade Co-operation, protectionism in agricultural trade and the expansion of the trade of developing countries. The discussion of the last two subjects, in particular, was relevant to the Twelfth Session's creation of the panel of experts which in the course of 1958 produced the report "Trends in International Trade" (the Haberler Report).

Thirteenth Session, October 1958

5. The Thirteenth Session lasted from 16 October to 22 November 1958 and Ministers attended during the first three days. The essential purpose of the Ministerial Meeting was to consider trends in international trade and possible future activities directed towards the further expansion of trade. The Haberler Report provided the background documentation for the discussion of the major problems it dealt with, i.e. trade in agricultural products, commodity problems and special problems affecting the trade of less-developed countries.

6. The three major issues emerging from the ministerial discussion were a proposal for a fresh round of negotiations to reduce tariffs, the problems arising from the widespread use of protective measures in national agricultural policies, and obstacles to the expansion of the exports of developing countries. The CONTRACTING PARTIES subsequently agreed to initiate a coordinated Programme of Action on these three topics and established three Committees to lay down directives for the implementation of the programme.

Fifteenth Session, October 1959

7. It was agreed at the Fourteenth Session, in May 1959, to convene a meeting of Ministers at the Fifteenth Session, in Tokyo. This meeting took place on 27-29 October. The main issues discussed were trends in international trade in the light of the restoration of convertibility of currencies, the implementation of the programme for trade expansion and the implications of regional economic integration (in the light of the creation of the EEC and the proposals for the European Free Trade Association and for economic integration in Latin America). A ministerial communiqué stressed
the need to press on with programme of trade expansion, notably by means of
the Tariff Negotiations planned for 1960-61 (the XXIV:6 negotiations
following the establishment of the EEC, supplemented by the Dillon Round)
and to "pursue energetically" the problems of agricultural protectionism and
of finding practical means to help less-developed countries increase their
export earnings. (The Fourteenth Session had already agreed to convene a
Tariff Conference in September 1960; the Fifteenth Session agreed to
establish a Trade Negotiations Committee, and the negotiations began on
1 September 1960).

Nineteenth Session, November 1961

8. This meeting took place on 27-30 November 1961, the main items on the
agenda being the reduction of tariff barriers, trade in agricultural
products and obstacles to trade of less-developed countries.

9. The conclusions of the Ministerial Meeting, which appear in
BISD 10S/25, contained policy directives on the three subjects mentioned
above. The Ministers also proposed a Declaration on the promotion of the
trade of less-developed countries. The CONTRACTING PARTIES decided to
implement the ministerial conclusions and adopted the Declaration.

10. In addition to these main subjects the question of the application of
Article XXXV to Japan was raised by a number of Ministers.

Ministerial Meeting, 16-21 May 1963

11. This was the first ad hoc meeting convened for a specific purpose - in
this case the launching of the Kennedy Round of trade negotiations.
The Ministerial Meeting was held in Geneva on 16-21 May 1963. It adopted a
resolution which became the basis for the Kennedy Round, establishing the
principles to govern the Round and setting up a Trade Negotiations Committee
to carry it out. It also adopted conclusions on Measures for the Expansion
of Trade of Developing Countries as a Means of Furthering their Economic
Development, plus a number of general and product-specific conclusions on
tropical products. An Action Committee was created to help implement a
programme of action which had been submitted by a group of less-developed
countries and to initiate and coordinate further measures to help strengthen
developing economies. The text of the conclusions and resolutions adopted
appears in BISD 12S/36.

Meeting of Trade Negotiations Committee at Ministerial Level, 4-6 May 1964

12. This meeting was convened to mark the formal opening of the Kennedy
Round. The text of the resolution adopted on 6 May 1964, which set
guidelines and directives for the pursuit of the negotiations, is contained
in BISD 13S/109. It covers tariffs (establishing the 50 per cent linear cut
formula) agriculture, non-tariff barriers, participation of less developed
countries, the problem of countries with a very low average level of tariffs
or a special economic or trade structure and the participation of Poland in
the trade negotiations.
Twenty-Fourth Session, November 1967

13. This meeting was convened in order to enable Trade Ministers to consider the principal trade problems still requiring further international consultation following the conclusion of the Kennedy Round, and to lay down policy guidelines for the future work of the contracting parties.

14. The Session was held from 9-24 November 1967 and its last three days, which were attended by Ministers of many contracting parties, were devoted to a review of the work of GATT over the last two decades and the consideration of the programme for the future. The conclusions adopted on 24 November included agreement on a programme of work under the three main headings of the 1958 programme for expansion of international trade—industrial products, agriculture and conclusions relating to the trade of developing countries.

Ministerial Meeting, Tokyo, 1973

15. This also was an ad hoc meeting, convened in order to launch the Tokyo Round of trade negotiations. Having considered the report of the Preparatory Committee which had been established at the Twenty-Eighth Session the Ministers adopted the Tokyo Declaration and in doing so, formally inaugurated the multilateral trade negotiations. The Tokyo Round was thus not launched by the CONTRACTING PARTIES as such and the Trade Negotiations Committee which the Ministers created was not an organ of the CONTRACTING PARTIES.

Thirty-Eighth Session, November 1982

16. The CONTRACTING PARTIES decided at the Thirty-Seventh Session that their next Session, to be held in November 1982, should be convened at ministerial level. The purpose of the Ministerial Meeting would be "to examine the functioning of the multilateral trading system and to reinforce the common efforts of the contracting parties to support and improve the system for the benefit of all nations". In the context of their consideration of the work programme of the GATT for the 1980s, Ministers would also "determine future priorities for cooperation among contracting parties".

17. The Ministerial Meeting took place on 24-29 November 1982 and resulted in the adoption of the Ministerial Declaration (L/5424). The Declaration, after reviewing the situation of world trade, concluded with a number of decisions and undertakings and with the adoption of a two-year work programme covering 17 specific areas of activity.

Special Session, Punta del Este, Uruguay, September 1986

18. It was agreed at the Forty-First Session in November 1985 to convene a meeting at ministerial level in September 1986. At the same time a Preparatory Committee was established to determine the objectives, subject matter, modalities for and participation in the multilateral trade
negotiations and to prepare recommendations for the programme of negotiations. A Special Session of the CONTRACTING PARTIES at ministerial level took place on 15-20 September 1986 and the Ministerial Declaration on the Uruguay Round was adopted on 20 September. Part I, dealing with negotiations on trade in goods, was adopted by the CONTRACTING PARTIES meeting at ministerial level. Part II, and the Declaration as a whole, were adopted by "the representatives of governments meeting on the occasion of the Special Session of the CONTRACTING PARTIES at Punta del Este."

Attendance at Ministerial Meetings

19. At all of the meeting listed above, save that of October 1958, the majority of contracting parties were represented by Ministers or ministerial representatives from capitals. The number of contracting parties and of Ministers attending has of course increased in line with the increase in GATT's membership. Naturally, in terms of participation in the discussions or the decisions at these meetings no distinction is made between those contracting parties represented by a Minister and others. Observers in Sessions of the CONTRACTING PARTIES were invited to all meetings with the exception of that of May 1964, which was a meeting of the Trade Negotiations Committee at Ministerial level. In a number of cases observer countries were also represented by Ministers. For the 1973 Tokyo Meeting, invitations were addressed to all developing countries which were not contracting parties, and thirty-one such countries attended the meeting. The Punta del Este meeting was attended by fifteen observer countries.

II. Recent discussions on Ministerial Involvement

20. The desirability of more active or more frequent involvement of Ministers in the work of GATT has been increasingly debated in recent years, notably in the Senior Officials' Group of 1985 and the Preparatory Committee of 1986. It was one of the subjects considered for inclusion in the Ministerial Declaration, and the views expressed were fully recorded in the Summary Records of the Prep.Com. (numbers 4, 7 and 8). Many delegations spoke of the need for increased ministerial involvement as a means of providing greater impetus and political commitment, and of developing a common understanding of the protectionist pressures to which governments are subject and mutual support in resisting them. It was also suggested that effective coordination and surveillance of trade policies, as well as the "visibility" and political credibility of GATT in its rôle as a permanent forum for negotiation and for the discussion of international trade problems, would be enhanced by more frequent Ministerial Meetings. No delegation questioned the value of direct ministerial involvement in the work of GATT, or the need to convene Ministerial Meetings to perform important specific functions such as the launching of trade negotiations. However, a number of delegations felt that any initiative to increase the involvement of Ministers would require careful consideration, particularly of the purposes such meetings might be expected to serve.
21. However, differences of view have appeared in discussion of the desirability of holding regular meetings at ministerial level or of creating a permanent ministerial body. Some delegations have argued that, in the same way as many other international organizations, GATT would benefit in all the respects mentioned in the previous paragraph from regular — perhaps annual — meetings of the Ministers responsible for trade. Others have expressed the fear that regular meetings might become an institutionalized routine, failing to justify the attendance of Ministers, or might arouse exaggerated expectations whose disappointment would diminish, rather than reinforce, the credibility of the GATT system. On the other hand, it has also been suggested that — for example — the nine-year gap between the 1973 meeting in Tokyo and the 1982 Geneva meeting itself helped to generate unrealistic expectations.

22. A number of references have been made to the recommendation in the report "Trade Policies for a Better Future" that a permanent ministerial body should be established in the GATT, with limited membership but representative of all contracting parties through a "constituency" system. The communication from Australia on More Active Ministerial Involvement in the GATT (MTN.GNG/NG14/W/2) suggested the establishment of a permanent ministerial steering group whose membership might be modelled on that of the Consultative Group of Eighteen. The discussion of the Australian proposal at the Group's first meeting is recorded in MTN.GNG/NG14/1.
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1See paragraph 18 for status of decisions taken at Punta del Este