GENERAL AGREEMENT ON 
TARIFFS AND TRADE

Preparatory Committee

TREATMENT OF DEVELOPING COUNTRIES

Note by the Secretariat

1. This note is issued under the responsibility of the secretariat and is intended to facilitate further discussion in the Preparatory Committee. It seeks to identify, in the light of the discussions recorded in PREP.COM(86)SR/1 and earlier discussions, the main considerations which would appear to be relevant should the Committee decide to formulate recommendations on the treatment of developing countries. The note is not intended to be a summary of the discussions. It in no way prejudices the views that delegations may have as to whether and how issues relating to the treatment of developing countries might figure in the Preparatory Committee's recommendations to Ministers, nor should the listing of points for further discussion be regarded as exhaustive.

Main points emerging from the discussion

2. It was noted that the principle of special and differential treatment for developing countries was clearly established in Part IV and the Enabling Clause and was not, therefore, a subject for negotiation as such, and that a distinction was also made in the Enabling Clause between the least-developed countries and other developing countries.

3. It was suggested that an appropriate application of the principle of special and differential treatment was important not only to the balance of rights and obligations among contracting parties, but also to the ability and willingness of developing countries to participate in negotiations. It was further suggested that the application of the principle of special and differential treatment needed to be determined in each area of negotiation.

4. It was suggested that the principle of special and differential treatment had not always been applied in a manner which enabled developing countries to draw full benefits from it, and indeed that in some important areas of trade they have suffered discrimination. The discussions also included references to the question of the non-discriminatory application of special and differential treatment provisions. Another suggestion made was that the concept of special and differential treatment should be applied in a dynamic context. In regard to the implementation of the principle, the question was raised whether existing surveillance mechanisms were adequate in this field.
Points for further discussion

5. The following points would appear to warrant further consideration by the Committee:

i. Recognizing that the principle of, and need for, special and differential treatment are accepted, is it necessary to attempt any quantification, qualification or further elaboration of special and differential treatment, inter alia, in order to ensure more adequate implementation of the principle?

ii. Are there any specific areas where special and differential treatment provisions need to be reviewed in the context of the negotiations?

iii. Are existing mechanisms for monitoring the application of special and differential treatment adequate, or do they need to be strengthened?