

25 October 1958

COMMITTEE ON EXPANSION OF INTERNATIONAL TRADETerms of ReferenceDRAFT

Taking into account the Report of the Committee of Experts on Trends in International Trade and the discussions on the Ministerial agenda of the Thirteenth Session of the CONTRACTING PARTIES to draw up a programme of action directed to a substantial advance towards the attainment of the objectives of the General Agreement through the further reduction of barriers to the expansion of international trade along the following lines:

1. To examine the possibility of arranging a further general round of multi-lateral tariff negotiations within the framework of the General Agreement, and to make suggestions to the CONTRACTING PARTIES as soon as possible and not later than the Fourteenth Session, on the following points:

(a) the scope of such negotiations, taking into account the necessary arrangements for negotiations with the Member States of the European Economic Community pursuant to Article XXIV(6); possible negotiations for the modification and withdrawal of concessions pursuant to Article XXVIII; negotiations in connexion with new accessions to the General Agreement, and negotiations between contracting parties for the exchange of additional concessions. In this latter connexion the Committee will explore with the countries concerned the extent to which such negotiations could include negotiations, on the basis of reciprocity and mutual advantage, of reductions in rates provided for in the common tariff of the EEC;

(b) rules and conditions for holding such negotiations;

(c) the timing of such negotiations;

(d) the venue of such negotiations.

II. (a) To assemble data regarding the use by contracting parties of non-tariff measures for the protection of agriculture or in support of the maintenance of incomes of agricultural producers. On the basis of such data to examine the effects of the policies of individual contracting parties applying such measures on international trade as a whole and in particular on the trade in products entering

importantly into international trade. (In carrying out this part of its terms of reference, the Committee should pursue, so far as is practicable and in consultation with the Food and Agriculture Organization, the suggestions in the Experts' Report regarding the measurement of different degrees of agricultural protectionism.)

- (b) To consider, in the light of such data, the extent to which the existing rules of the GATT have failed to achieve a balance in the reciprocal advantages accruing to contracting parties from the General Agreement and have thus impeded a balanced expansion of international trade, and to make appropriate recommendations to the CONTRACTING PARTIES.
- (c) To make recommendations regarding procedures for such regular consultations on agricultural policies as would contribute towards the achievement of such balance and thus towards the mutually advantageous expansion of international trade.

III. To consider and make recommendations to the CONTRACTING PARTIES regarding other obstacles to the expansion of trade, with particular reference to the contribution which increased export earnings could make to the development of the less developed countries, including:

- (a) restrictive measures impeding the development of exports of non-agricultural primary products;
- (b) fiscal measures which hamper the expansion in consumption and consequently in the growth of imports of primary products exported by less developed countries, the demand for which might reasonably be expected to increase as a result of rising standards of living;
- (c) restrictive measures impeding the export of manufactured products by countries in the early stages of economic development;
- (d) policies and measures in primary producing countries which stand in the way of assured supplies of primary products at competitive prices to consumers in other countries.