

4 November 1958

COMMITTEE ON EXPANSION OF INTERNATIONAL TRADEDraft Terms of ReferenceAmendment Proposed by the Six

Taking into account the Report of the Committee of Experts on Trends in International Trade and the discussions of the problems dealt with in this Report which took place at 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 a further reduction of barriers to the expansion of international trade along the following lines:

- I. (a) To assemble in co-operation with other competent international organizations, and in particular with the Food and Agriculture Organization, on a country-by-country basis data concerning:
- the use of measures for the protection of agriculture or in support of the maintenance of incomes of agricultural producers (including the Experts' suggestions regarding the technical possibilities for the measurement of the different degrees of agricultural protectionism);
  - the agricultural policies which confer upon such measures their true significance;
  - the effects of such measures on international trade.
- (b) To consider in the light of such data the extent to which the existing rules of GATT have proved inadequate to promote normal expansion of international trade. On the basis of such findings, to propose possible modifications to existing rules and to make recommendations regarding procedures for such regular consultations on agricultural policies between the contracting parties as would contribute towards the mutually advantageous expansion of international trade.
- II. To consider and make recommendations to the CONTRACTING PARTIES regarding other obstacles to the expansion of international 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) discriminatory or restrictive 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;
- (e) measures taken both nationally and internationally by industrial countries in order to help under-developed countries to increase their investments and to diversify their economies;
- (f) after the March Conference of the Commission on International Commodity Trade and in the light of a report to be submitted by the Executive Secretary of GATT to draw up such measures to be taken both at national level and through an international agreement as would have a stabilizing influence on the market in primary commodities.