

GENERAL AGREEMENT ON

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TARIFFS AND TRADE

CONTRACTING PARTIES
Forty-Sixth Session

DRAFT REPORT OF THE COMMITTEE ON TRADE AND DEVELOPMENT
TO THE CONTRACTING PARTIES

1. Since the Forty-Fifth Session of the CONTRACTING PARTIES in December 1989, the Committee on Trade and Development held two meetings, comprising its Sixth-Eighth and Sixth-Ninth Sessions, under the Chairmanship of H.E. Ambassador El Ghali Benhima (Morocco).

2. The Sixth-Eighth Session of the Committee was held on 27 June 1990. At this session, the Committee reviewed developments in international trade and in the Uruguay Round and also carried out a review of recent developments in regard to the implementation of Part IV and the operation of the Enabling Clause. The Committee reviewed the technical assistance activities to developing countries in the context of the Uruguay Round. The Committee also appointed Ambassador Erik Selmer (Norway) as Chairman of the Sub-Committee on the Trade of Least-Developed Countries for 1990 and held an informal exchange of views on certain matters of relevance to interests of least-developed countries in the Uruguay Round. Document COM.TD/130 contains the note on the proceedings of the Sixth-Eighth Session of the Committee.

3. For its Sixty-Ninth Session, held on 12 and 16 October 1990, the Committee had the following items on its agenda: review of developments in international trade and in the Uruguay Round; review of the implementation of the provisions of Part IV and the operation of the Enabling Clause; technical assistance to developing countries in the context of the Uruguay Round; work of the Sub-Committee on the Trade of Least-Developed Countries; annual report of the Committee of Participating Countries on the operation of the Protocol Relating to Trade Negotiations Among Developing Countries. In the discussion, the Committee took up the first and the second items together.

Items (i) and (ii): Review of developments in international trade and in the Uruguay Round; Review of the implementation of provisions of Part IV and of the operation of the Enabling Clause.

4. For the purpose of the review of the implementation of provisions of Part IV and of the operation of the Enabling Clause the Committee had before it a number of notifications made by Austria, Japan and Norway since the Sixty-Eighth Session in June 1990. The Committee also had before it a report by the member States of the Bangkok Agreement (L/6718) and a report by the member States of the Andean Group (L/6737).

5. The representative of Bolivia speaking also on behalf of other members of the Andean Group which were contracting parties to the GATT (Colombia, Peru and Venezuela) introduced the report on activities carried out by the Andean countries under the Cartagena Agreement (document L/6737). The Agreement was initially set in the context of the integration process provided for in the 1960 Montivideo Treaty which since then had been replaced by the 1980 Montivideo Treaty establishing the Latin American Integration Association (ALADI). As a result of recent changes made in the legal arrangements the Cartagena Agreement had become an independent instrument. The present report had been submitted for consideration by the Committee in accordance with the provisions of the Enabling Clause. It contained information on trade flows of the Andean Group, both with third countries and within the sub-region, a description of the main changes recently introduced in the legal arrangements of the Cartagena Agreement, an analysis of the new orientation adopted by member countries for the sub-regional integration process and a description of the various mechanisms and instruments aimed at reducing or eliminating tariffs among members and perfecting the sub-regional expanded market. The spokesman hoped that this complete report would be considered satisfactory by the Committee. He also noted with satisfaction the participation as observer to the Committee of the representative of the Commission of the Cartagena Agreement.

6. The Committee took note of the notifications made by governments under Part IV. The Committee also took note of the reports by the member States of the Bangkok Agreement and of the Andean Group contained in documents L/6718 and L/6737 respectively.

Item (iii): Technical assistance to developing countries in the context of the Uruguay Round

7. The Committee had before it a note outlining the technical assistance activities provided by the GATT secretariat since the commencement of the Uruguay Round (COM.TD/W/483). It was suggested that in reviewing technical assistance activities Committee members might also initiate an exchange of views on technical assistance which would be required after the completion of the Round. It was also recalled that as agreed by the Committee at its Sixty-Third Session in April 1988, governments and international organizations which provided technical assistance to developing countries in relation to work in the Uruguay Round were invited to keep the Committee periodically informed on activities which they had carried out as well as of facilities which were available under their programmes.

8. Commenting upon the Technical Cooperation Programme of the GATT in the context of the Uruguay Round a large number of developing-country representatives expressed sincere appreciation for the quality of the Programme and their gratitude for the technical assistance made available to their countries throughout the negotiations. The Programme had comprised a wide range of activities in order to respond to various needs of developing countries. Many such countries had taken full advantage of activities carried out under the Programme since the commencement of the Uruguay Round. It was generally felt that the Programme had been successful and had played a very positive rôle in enhancing developing countries' participation in negotiations. Some representatives also noted with appreciation the special attention given within the Programme to activities aimed at assisting the least-developed countries in negotiations.

9. Many representatives underlined the professionalism and competence of the GATT staff involved in technical assistance activities and in particular the contribution made to the success of the Programme by the Technical Cooperation Division. Some representatives also noted with appreciation the support received from the secretariat during their negotiations for accession to GATT.

10. A number of representatives also expressed gratitude to donor countries which through their voluntary financial contributions had increased the capabilities of the GATT secretariat to strengthen and intensify technical assistance activities in relation to the Uruguay Round. It was hoped that such voluntary financial contributions would also be forthcoming in future.

11. Representatives of a number of developing countries referred to technical assistance and support provided in negotiations by other international organizations. The contributions of UNCTAD, UNDP, FAO, World Bank, IMF and SELA were greatly appreciated.

12. A large number of developing-country representatives underscored the importance attached by them to strengthening the Technical Cooperation Programme of the GATT after the completion of the Uruguay Round. The continuation and intensification of technical assistance after the conclusion of the Round was particularly useful for developing countries in helping them to analyse and assess the results of the negotiations and to implement those results. Moreover, developing countries should benefit from continued assistance in making use of the results for the benefit and enhancement of their international trade. To this end the capabilities of the GATT secretariat to carry out technical assistance and training activities should be further strengthened by the CONTRACTING PARTIES. The representatives urged individual governments to continue providing voluntary financial contributions which could play an important rôle in increasing the assistance capabilities of the secretariat.

13. Recalling the previous reports submitted by UNCTAD to the Committee on technical assistance, the representative of this organization said that in 1990 its activities comprised over fifty seminars and round tables covering all regions. These seminars focused on new issues in which developing countries had expressed particular interest. Several volumes of papers on agriculture and services, including the rôle of services in Asia and Latin America, had also been published this year. In the period immediately following the completion of the Round, UNCTAD stood ready to provide technical assistance to developing countries in continuation of its technical cooperation programme on the basis of views expressed by governments. Finally the representative thanked members of the Committee which had expressed appreciation for the technical assistance provided by UNCTAD in relation to the Uruguay Round.

14. The representative of the World Bank informed the Committee of the completion of the technical assistance project for Software for Market Analysis and Restrictions on Trade (SMART). The project was designed to improve the capability of developing countries to analyse data on trade, tariff and non-tariff measures of their trading partners in order to help them in their participation in negotiations. About fifty developing countries had received the system and the related training for it. This Project had been undertaken in cooperation with UNCTAD and UNDP. More detailed information was contained in a Progress Report made available to delegations at this Session of the Committee (subsequently circulated as document COM.TD/W/485).

15. In concluding the debate under this item the Chairman noted the unanimous emphasis laid on the importance as well as the quality of the assistance provided by the GATT secretariat and particularly by the Technical Cooperation Division. A sincere tribute was also paid to individual governments that had made financial contributions as well as to other international organizations which had provided technical assistance in the context of the Uruguay Round. He also noted the wide

support expressed for continuing and strengthening the Technical Cooperation Programme of the GATT after the conclusion of the Uruguay Round.

16. The Committee took note of the statements and comments made under this item of the agenda.

Item (iv): Work of the Sub-Committee on the Trade of Least-Developed Countries

17. The Chairman observed that given the work load related to the Uruguay Round the Sub-Committee had not held its meeting before this session of the Committee. However, delegations wishing to do so might raise any matters of relevance to the work of the Sub-Committee under this item of the agenda.

18. The representative of a least-developed country drew attention of the Committee to the importance of the next meeting of the Sub-Committee scheduled for 31 October 1990. At that meeting the Sub-Committee would undertake a stocktaking of the results achieved so far in regard to the proposals that had been put forward by least-developed countries in various negotiating groups of the Uruguay Round. It was therefore important to ensure a wide participation at the meeting as it offered perhaps a last opportunity to address those issues in the Sub-Committee before the completion of the Round.

Item (v): Annual Report of the Committee of Participating Countries concerning the operation of the Protocol Relating to Trade Negotiations Among Developing Countries

19. The Committee adopted the Seventeenth Annual Report of the Committee of Participating Countries concerning the operation of the Protocol Relating to Trade Negotiations Among Developing Countries (L/6731 and Addenda) for submission to the CONTRACTING PARTIES.

Next meeting of the Committee

20. The Committee agreed that the date of its next meeting would be set by the Chairman of the Committee in consultation with delegations and the secretariat.