

GENERAL AGREEMENT ON
TARIFFS AND TRADE

Preferential Arrangements
Among Developing Countries
Negotiated in GATT

COMMITTEE OF PARTICIPATING COUNTRIES

Summary of Discussion at Eleventh Meeting
Held on 14 January 1976

Prepared by the Secretariat

1. The Committee of Participating Countries provided for in the Protocol Relating to Trade Negotiations Among Developing Countries held its eleventh meeting on 14 January 1976 under the Chairmanship of Mr. I. Parman (Turkey).
2. The Chairman invited comments on the question of attendance by the UNCTAD Secretariat at CPC meetings which had been the subject of preliminary consideration at the previous meeting of the Committee. In the light of the request of the UNCTAD Secretariat and given the present functions of the Committee as well as its likely future rôle in connexion with a new round of negotiations, the Committee instructed the secretariat to invite the UNCTAD Secretariat to its meetings as an observer unless, prior to a particular meeting, consultations indicate that there is a desire on the part of the Committee to meet without the presence of observers.
3. The draft agenda for the meeting contained in document CPC/W/30 was adopted.

Accession of Paraguay

4. The Chairman, in referring to document CPC/29 and Add.1, said that the Decision relating to the accession of Paraguay to the Protocol had been adopted by the required two-thirds majority of participating countries on 17 November 1975. The Protocol of Accession of Paraguay, now open for signature by Paraguay and by participating countries, would enter into force thirty days after signature by Paraguay. It was to be expected that the necessary domestic procedures would be completed by Paraguay probably in the first half of this year.

5. In taking note of developments regarding Paraguayan accession, the Committee suggested that pending accession, Paraguay might, if it desired, be associated with its activities and attend its meetings.

Request for accession by Bangladesh

6. The Chairman recalled that at the last meeting of the Committee, preliminary consideration had been given to the application for accession without negotiations submitted by Bangladesh. Members had taken note of the application and requested the secretariat to prepare, for consideration by the Committee, a draft Decision and draft Protocol for the Accession of Bangladesh. These had been circulated in document CPC/W/31. As decided by the Committee, the representative of Bangladesh had been invited to attend the present meeting for the purpose of exchanging views with members of the Committee on the application. However, in a communication, the Mission of Bangladesh had requested that consideration of the application for accession be deferred until the next meeting of the Committee as Bangladesh officials would be unable to attend the current meeting to exchange views with members of the Committee on their country's application due to other commitments.

7. The Committee agreed that consideration of the application for accession by Bangladesh be deferred until the next meeting of the Committee when views would be exchanged with the representative of Bangladesh on the application. In the meantime, the secretariat was asked to provide the Committee with a summary outlining the main features of the First Agreement on Trade Negotiations Among Developing Member Countries of ESCAP - Bangkok Agreement - taking into account those points which may be relevant to the application for accession to the Protocol by Bangladesh.

Countries having expressed interest in exploring possibilities for accession:
Romania, Sri Lanka, Iran and Dominican Republic

8. In connexion with procedures for the possible accession of Romania to the Protocol, the Chairman said that at the last meeting, participating countries which had exchanged information with Romania had been urged to use their best endeavours to participate in the exploratory consultations with Romania. A first round of consultations between the Romanian delegation and the delegations of a number of participating countries had taken place and Romania expected to enter into consultations with certain other participating countries in the course of the coming weeks. It was to be expected that these exploratory discussions might lead to a formal application for accession to the Protocol by the Romanian authorities. In commenting on the consultations, some members referred to the preliminary exchanges of views which had taken place on the question of concessions which might be given by Romania as a counterpart to existing concessions in the Protocol. It

was also noted that Romania had not yet provided trade and commercial policy information on products which had been identified by some members as of export interest to their countries in the market of Romania. The hope was expressed that such data would be made available in the near future.

9. With respect to Sri Lanka, the Chairman said that the exchange of product lists and information on commercial policy and trade flows between Sri Lanka and participating countries had continued. However, the Sri Lankan delegation had not so far been able to indicate when it might be in a position to undertake exploratory discussions with members of the Committee or to formally apply for accession to the Protocol.

10. In the context of exchanging information, Iran had not yet submitted a list of products of export interest, even though a number of participating countries have already indicated products of export interest to them in the market of Iran. The Iranian delegation had provided copies of the General Export-Import Regulations of Iran for 1975-1976 and had indicated to the secretariat that the preparation of a list was still being considered in Tehran. A list of products of export interest to the Dominican Republic in the markets of participating countries was yet to be provided by the Dominican Republic authorities.

11. The Committee took note of the current position concerning the countries having expressed interest in exploring possibilities for accession and asked the secretariat to keep it informed of developments relating to accession with respect to Romania, Sri Lanka, Iran and the Dominican Republic.

Other matters relating to enlargement

12. The Chairman recalled that at the last meeting of the Committee, some further consideration had been given, on a preliminary basis, to the possibilities for enlargement of the Protocol in the light of the relevant provisions of the Protocol and the interest expressed in the United Nations General Assembly and other fora concerning the expansion of trade among developing countries. As indicated in paragraph 19 of the summary of the discussion of that meeting (CPC/30), the Committee had taken note of comments made by delegations with regard to the enlargement of the Protocol and agreed to revert to the matter at the present meeting for the purpose of undertaking a detailed examination of the possibilities and scope, as well as timing, of a further round of negotiations among developing countries. The secretariat had prepared a background note (CPC/W/32) to assist members of the Committee in their discussions on this matter, which contained also some specific points for consideration.

13. Some members of the Committee stated that they were able to offer only preliminary comments, as they had not received instructions from capitals on the points raised in document CPC/W/32 which had been circulated shortly

before the meeting. In noting that paragraph 6 of the Protocol Relating to Trade Negotiations Among Developing Countries enables the Committee of Participating Countries to promote negotiations for additions or enlargements to the schedules of concessions and to sponsor such negotiations at any time, members generally supported the idea of a new round of negotiations open to all developing countries in the framework of the Protocol, which might cover tariffs and other trade measures.

14. In this respect, some members suggested that the availability of delegations in Geneva for the multilateral trade negotiations and the probability that commercial policies and other trade information had been subject to close review by participants in the context of the MFN were positive factors relevant to the initiation of a new round of trade negotiations among developing countries at a relatively early date. On the other hand, some members referred to the difficulties which could be experienced by some delegations in preparing for and servicing two sets of negotiations at the same time and emphasized the importance of securing a successful conclusion of the multilateral trade negotiations. One member, in supporting the initiation of a new round of negotiations among developing countries at an appropriate time, suggested that preparations for such negotiations might be commenced through the collection of relevant data etc. with the assistance of the secretariat. One other member noted that as regards timing, experience has shown that the initiation and conclusion of a round of trade negotiations generally covered a considerable time span and that a good deal of preparatory work was required before actual negotiations could commence.

15. The Committee agreed to revert to the question of enlargement of the Protocol at its next meeting taking into account the points raised in CPC/W/32 as well as the preliminary comments and suggestions made by delegations. In this connexion, the representative of the secretariat suggested that in exploring this matter further, delegations might also wish to consider the possibilities of establishing at the appropriate time, a Preparatory Committee for negotiations among developing countries, to which all developing countries could be invited without any commitment on their part to participate in any eventual negotiations, for the purpose of considering the scope, objectives and organization of such negotiations on as broad a basis as possible and for considering other relevant matters such as data requirements and information etc. which might be needed for negotiating purposes. It was to be expected that preparations for negotiations would, in the normal course, take some time to complete.

Ratification of the Protocol

16. The Chairman said that ratification remained pending in respect of Peru and the Philippines. In the absence of the representatives of these two countries, the Committee agreed to revert to the matter at its next meeting.

Certification of Origin

17. The Chairman referred to the note on Certification of Origin circulated as CPC/W/29 and said that the secretariat had been informed that some stamps being used by certain participating countries as well as certain bodies certifying and issuing certificates of origin did not always correspond to the information provided in document CPC/10 and Addenda. It had also been mentioned that forms for certification of origin which made no reference to the Protocol Relating to Trade Negotiations Among Developing Countries were being used in certain instances. In accordance with the provisions of Annex A of the Protocol, participating countries should make available to the Committee the latest information with respect to their rules of origin, procedures and documentation applied in connexion with determination of origin. In this respect updated information provided by Mexico had been issued as CPC/10/Add.3.

18. The Committee agreed that participating countries should update as necessary the information on rules and certification of origin contained in CPC/10 and Addenda. The secretariat was asked to inform the participating countries concerned of any deficiencies in certification procedures which might be raised by importing participating countries.

Next meeting

19. It was agreed that the date of the next regular quarterly meeting of the Committee would be fixed by the Chairman in consultation with delegations.