

# GENERAL AGREEMENT ON

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## TARIFFS AND TRADE

CONTRACTING PARTIES

Forty-Third Session

### SUMMARY RECORD OF THE THIRD MEETING

Held at the International Conference Centre, Geneva  
on Wednesday, 2 December 1987, at 10.15 a.m.

Chairman: Mr. Mansur Ahmad (Pakistan)

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The following statements were made:	
Mr. Ranko Radulović, Assistant Federal Secretary for Foreign Trade of Yugoslavia	SR.43/ST/28
Mr. Sang Sup Choi, Ambassador at large, Ministry of Foreign Affairs of Korea	SR.43/ST/29
Mr. Trần Văn-Thinh, Head of the Permanent Delegation of the European Communities	SR.43/ST/30
Mr. Nabil Elaraby, Ambassador, Permanent Representative of Egypt	SR.43/ST/31
Mr. Bernardo Chamorro, Vice-Minister of Foreign Trade of Nicaragua	SR.43/ST/32
Mr. Pierre Ndzenge, Second Secretary, Permanent Mission of Cameroon	SR.43/ST/33
Mr. A.H.S. Ataul Karim, Ambassador, Permanent Representative of Bangladesh	SR.43/ST/34
Mr. Gheorghe Dolgu, Ambassador, Permanent Representative of Romania	SR.43/ST/35
Mr. E.A. Azikiwe, Ambassador, Permanent Representative of Nigeria	SR.43/ST/36

Mr. Alioune Sene, Ambassador, Permanent Representative of Senegal	SR.43/ST/37
Mr. El Ghali Benhima, Ambassador, Permanent Representative of Morocco	SR.43/ST/38
Mr. Amir Habib Jamal, Ambassador, Permanent Representative of Tanzania	SR.43/ST/39
Mr. Lyle E. Williams, Ambassador, Permanent Representative of Trinidad and Tobago	SR.43/ST/40
Mr. Quian Jiadong, Ambassador, Permanent Representative of China (speaking as an Observer)	SR.43/ST/41

### Presentation of Reports

Presenting the Council's report (L/6267), its Chairman, Mr. Oxley (Australia), said the document before the CONTRACTING PARTIES offered proof, if any was needed, of the range and importance of the Council's activities during 1987. With the Uruguay Round negotiations in place and advancing, the Council, as the governing body of the GATT and acting on behalf of the CONTRACTING PARTIES, remained the place where governments took up issues arising from the day-to-day handling of their trade policies. The number of issues brought to dispute settlement procedures was evidence of the difficulties and tensions marking trade conduct. The Council's report reflected essentially three distinct categories of work. One comprised the regular items of business which regularly came before it, such as requests by contracting parties for waivers, reports under waiver decisions and reports on the work of various standing or ad hoc bodies such as the Committees on Balance-of-Payments Restrictions, on Textiles and on Tariff Concessions; a second category consisted of what might be termed ad hoc business generated by the concerns of individual contracting parties over matters affecting their trade interests; a third area of work, and one in which the Council had been increasingly involved, concerned trade disputes raised by contracting parties under Articles XXII and XXIII of the General Agreement. The past year, and in particular the past six months, had witnessed a testing of GATT's dispute settlement system. In 1985, for instance, three panels, set up by the Council, had been in operation. By 1987 the number had risen to six.

The dispute settlement system had also been tested in terms of the special nature and complexity of some of the cases which had come before GATT panels. The capacity of the system to adapt to new types of demands, such as multi-party complaints, and to yield successful results, underscored the merits of that system as well as the need for a constructive attitude on the part of the contracting parties involved. While the record was generally good, the timely adoption of panel reports, and implementation of the recommendations they contained, remained crucial

to the effective functioning of dispute settlement in GATT, and thus, to confidence in the GATT system as a whole.

Perhaps one of the surest signs of confidence in that system was the fact that this past year alone, a total of nine countries had applied for either full or provisional accession to the General Agreement. In addition, a working party had been established to examine the request by the People's Republic of China for resumption of its status as a contracting party.

Finally, another area of the Council's work was its twice-yearly special meetings to review developments in the trading system and to monitor paragraph 7(i) of the 1982 Ministerial Declaration. These meetings provided an important opportunity for contracting parties to examine, and to engage in substantive debate on, trade policy developments in the global economic context.

Mr. Nagaratnam (Sri Lanka), presenting the report of the Committee on Trade and Development on behalf of its Chairman, Ambassador Adeyemi (Nigeria), said the Committee's work in 1987, in addition to its regular and continuing responsibilities, had been concerned with the review of developments in international trade and the Uruguay Round from the perspective of developing countries. It had been understood that in carrying out its work, the Committee would not duplicate the work of the Trade Negotiations Committee and its subsidiary bodies. At its end-of-year session in October 1987, the Committee had reviewed developments in the Uruguay Round, structuring its debate under three points: (i) developments in international trade and in the Uruguay Round; (ii) special and differential treatment, fuller participation and reciprocity; and (iii) specific issues in the Uruguay Round of particular relevance to trade between developed and developing countries.

In reviewing developments in the Uruguay Round against the background of developments in international trade as a whole, delegations had referred to a number of trends in the overall trading environment and to interlinkages between developments in the trade, financial and monetary areas that had a bearing on the ongoing multilateral negotiations and were of direct interest to developing countries. The Committee had also reviewed developments in negotiating bodies of the Uruguay Round with regard to special and differential treatment, fuller participation and reciprocity and had had an exchange of views on specific issues on which it might have a more in-depth discussion. It was his hope that members of the Committee would continue to engage in a frank and focused discussion on these matters. Such discussions would permit a better understanding of developing country problems and negotiating positions within the Uruguay Round. As in previous years, the Committee had continued to keep under review developments in regard to implementation of Part IV and the operation of the Enabling Clause. The Committee had reviewed periodically the technical assistance provided in GATT to developing countries in the context of the Uruguay Round. Members of the Committee had expressed appreciation for the activities undertaken in GATT and had stressed the need for continued assistance to further the effective participation of developing countries in the ongoing multilateral negotiations. It had also

been noted that other international organizations were involved in technical assistance activities. In this connection, with a view to ensuring greater complementarity of technical assistance efforts, the need for greater transparency in these activities had been emphasized. The Committee had also decided to reactivate the Sub-Committee on Trade of Least-Developed Countries in order to keep under continuous review issues in the Uruguay Round of particular interest to these countries, and had appointed Ambassador M. Huslid (Norway) as Chairman of the Sub-Committee for the period of one year.

In relation to the expansion of trade among developing countries, the Committee had adopted, for submission to the CONTRACTING PARTIES, the fourteenth Annual Report of the Committee of Participating Countries on the operation of the Protocol Relating to Trade Negotiations Among Developing Countries (L/6227 and Add.1).

The CHAIRMAN then drew attention to the following reports of the Committees and Councils charged with implementation of the MTN Agreements and Arrangements; Committee on Trade in Civil Aircraft (L/6259), Committee on Technical Barriers to Trade (L/6240), Committee on Import Licensing (L/6257), International Dairy Products Council (L/6232), International Meat Council (L/6252), Committee on Government Procurement (L/6258), Committee on Anti-Dumping Practices (L/6247), Committee on Subsidies and Countervailing Measures (L/6254) and Committee on Customs Valuation (L/6266).

The meeting adjourned at 12.45 p.m.