

ORGANISATION FOR ECONOMIC
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TARIF PREFERENCES FOR DEVELOPING COUNTRIES

Documentation transmitted by the OECD to UNCTAD

Forward letter from the Secretary-General of
O.E.C.D. to the Secretary-General of the UNCTAD

Sir,

In accordance with the undertaking given in the UNCTAD by the developed market economy countries during the third session of the Special Committee on Preferences, the Council of the O.E.C.D. has instructed me to forward to you the attached substantive documentation on the question of preferences as a basis for consultations with the developing countries.

This documentation is complementary to that which this Organisation forwarded to the UNCTAD in January, 1968 and which was distributed at the New Delhi Conference under the reference TD/56.

Accept, Sir, the assurances of my highest consideration

TARIFF PREFERENCES
FOR DEVELOPING COUNTRIES

DOCUMENTATION FORWARDED BY
O.E.C.D. TO UNCTAD

I. Introduction

1. In accordance with the procedure adopted by the UNCTAD Special Committee on Preferences at its third session in July, 1969, the developed market economy countries were to pursue their exchanges of views actively in the O.E.C.D. during the summer in order to be able to present the UNCTAD Secretariat with substantive documentation on the question of preferences before 15th November. It was agreed that this documentation would contain all the detailed information available at that time in order to facilitate a rapid study by the developing countries, and that it would deal with the various aspects of the generalised non-discriminatory and non-reciprocal system of preferences, as had been decided in Resolution 21 (II) of the Conference(1). It is to meet this undertaking that the present report is being addressed to the UNCTAD Secretariat on behalf of the developed O.E.C.D. Member countries, and of New Zealand which has been associated in the work of the O.E.C.D. on preferences.

2. In presenting this documentation it should be recalled that the O.E.C.D. Member countries have already expressed agreed views on the question of preferences at the New Delhi Conference, in the report circulated to the UNCTAD under reference TD/56. It was agreed at the time by the O.E.C.D. Council that the main lines of that report would be used as a common basis for the Delegations of Member Governments at the Conference and in the course of future discussions on the question. This is what has been done, and the agreed views expressed in that report, even if they are not all repeated in detail below, continue to reflect on the whole the way in which the O.E.C.D. countries intend to deal with the question of a mutually acceptable system of generalised preferences.

3. However, as was indicated in the introductory letter to document TD/56, various important questions relating to the arrangements necessary for special tariff treatment had still to be resolved. The Ministers invited the O.E.C.D. to continue studying these problems in the light of the views expressed by the developing countries. The Organisation has worked on this question since that time. In the course of their preparatory work, the countries which envisage granting preferences have taken into account as far as possible the views expressed by the developing countries both at the New Delhi Conference and subsequently.

(1) Cf. the report of the Special Committee on Preferences on its third session - document TD/B/262, paragraph 21(i) to (iii).

4. Among the countries which are either Members of the O.E.C.D. or have been associated with its work in the field of preferences, the following 18 countries envisage taking part as donors in the generalised system of preferences: Austria, Belgium, Canada, Denmark, Finland, France, the Federal Republic of Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States.

5. As regards the Member States of the European Economic Community, it is the E.E.C. as such which acts in this matter by virtue of the Treaty of Rome. In addition, four Nordic countries, Denmark, Finland, Norway and Sweden, have decided to put forward a joint submission.

6. The Icelandic authorities consider that Iceland is not at present able to give preferential treatment to developing countries because of the very special structure of its economy and the persistent difficulties which affect international trade in those products essential to its foreign trade.

7. Within as concerted an approach as possible, each donor country nonetheless reserves the right of taking action appropriate to its own possibilities and taking account of certain features of its particular circumstances.

8. In order to make progress in finding and defining concrete solutions, the bodies of the O.E.C.D. responsible for these questions have followed the procedure which the spokesman of Group B had the occasion to define before the Special Committee on Preferences at its second and third sessions, namely that prospective preference-granting countries would prepare two indicative lists of products; a negative list covering Chapters 25-99 of the Brussels Nomenclature, and a positive list covering Chapters 1-24 of the Nomenclature. The lists were to be accompanied by a description of all the assumptions, qualifications and conditions on which the grant of preferences could be considered and on the basis of which the lists had been prepared. These submissions were to be exchanged within the O.E.C.D. and subsequently to serve as a basis for detailed exchanges of views. The submissions tabled at that stage were to be illustrative in as much as each prospective donor country would wish to be able to review the lists and the assumptions on which they were based.

9. For a variety of reasons, this programme of work was not completed: this is explained in part by the delays in the presentation of submissions and by recent modifications made in some of them which may have far-reaching implications. Moreover, the subject matter is of some complexity, in view of the particular problems which the introduction of a mutually acceptable system of generalised preferences raises for each donor country. Finally, considerable conceptual differences exist between the various approaches. Therefore, the information given below is incomplete. It is only provisional and may be modified. It nevertheless contains the detailed information available at this time as was agreed by the Special Committee on Preferences of the UNCTAD at its third session. On this basis, detailed consultations

can take place in the UNCTAD with the developing countries, and donor countries can continue their work in the O.E.C.D., and move toward early introduction of a mutually acceptable system of generalised preferences. It is in this spirit that they have prepared the documentation contained in the present report.

10. Each of the preferential schemes presented in the various submissions forms a whole: in fact, their characteristics have been carefully weighed as parts of balanced unities. This is why there is a risk involved in picking out certain features of the various schemes in order to compare them in isolation. Such analytical comparison of the various schemes is open to methodological criticism. On the other hand a comparison as entities of the schemes proposed is extremely difficult to carry out in practice. Despite the disadvantages and dangers in the analytical approach, it has nevertheless appeared useful to concentrate on the key elements in the various schemes and thus to compare the solutions appearing in the different schemes.

11. The prospective donor countries were of the opinion that their individual submissions form an important part of the substantive documentation to be submitted to the UNCTAD. These submissions are annexed to this document and should be read in conjunction with it.

II. Principal characteristics of the generalised system of preferences as envisaged by the developed market economy countries

(a) Legal status

12. The legal status of the tariff preferences to be accorded to the beneficiary countries by each preference-giving country individually will be governed by the following considerations:

- (i) the tariff preferences are temporary in nature;
- (ii) their grant does not constitute a binding commitment and, in particular, it does not in any way prevent
 - (a) their subsequent withdrawal in whole or in part; or
 - (b) the subsequent reduction of tariffs on a most-favoured-nation basis, whether unilaterally or following international tariff negotiations;
- (iii) their grant is conditional upon the necessary waiver or waivers in respect of existing international obligations, in particular in the G.A.T.T.

(b) Beneficiaries

13. As for beneficiaries, donor countries would in general base themselves on the principle of self-election(*). With regard to this principle, reference should be made to the relevant paragraphs in document TD/56, i.e. Section A in Part I.

(c) Product coverage

14. The donor countries have considered that the generalised tariff preferences should apply in principle to all industrial semi-manufactures and manufactures. Other products could be included on a case-by-case basis.

15. As far as industrial semi-manufactures and manufactures are concerned, Chapters 25-99 of the Brussels Nomenclature have been taken as the basis for the coverage of the preferential scheme. It was also decided that the prospective donor countries would indicate in their submissions what treatment they were prepared to give to products in Chapters 1-24. These products were to be presented in the form of a positive list. Nine out of the ten submissions received included such a list. Ireland has not submitted one, since it does not envisage granting preferences to any products in Chapters 1-24. Processed and semi-processed agricultural products, appearing in Chapters 25-99 have been in the case of some countries dealt with in the same manner as those products in Chapters 1-24 of the B.N.

16. There was a wide measure of agreement that the generalised scheme of preferences was not in principle intended to cover primary products. It is, however, recognised that distinguishing primary from processed goods raises delicate problems. The donor countries recognised that there were great difficulties in reaching general agreement on the classification of products on or near the borderline. When drawing up their initial lists, some donor countries have given a wider interpretation to the concepts of processing than others. It was generally recognised that it might be possible for some categories of products in Chapters 25-99 of the B.N. to be regarded as primary products, but it was not possible to reach a consensus on the matter at this stage.

17. For special reasons, some donor countries have included primary products in their illustrative submissions. It is nevertheless recognised that the grant of preferences in respect of some primary products does not provide a solution to all the existing problems which face these products on the international level.

(*) The United Kingdom and New Zealand consider that all donor countries should adopt the self-election principle in accordance with the relevant paragraphs in document TD/56 and their submissions were based on the expectation that this assumption would prove to be justified.

(d) Depth of tariff cut

(1) Chapters 25-99 of the B.N.:

18. Some countries envisage duty-free imports. These are the E.E.C., the Nordic countries, the United Kingdom and the United States. In principle, Japan also envisages duty-free imports. In the case of selected products, a 50 per cent tariff reduction of the post Kennedy Round m.f.n. rate will be applied.

Other donor countries would introduce linear tariff reductions falling short of duty-free entry. Ireland envisages reducing the m.f.n. rate of duty by 33 1/3 per cent. Canada proposes as depth of cut the lower of (a) 33 1/3 per cent of the post Kennedy Round m.f.n. rate or (b) the British preferential tariff of Canada. Austria envisages substantive linear reductions, the amount of which have not yet been fixed. Switzerland envisages a uniform reduction. The linear system envisaged is progressive. The rate of cut - as well as the measures in which the system could remain linear - will be finalised after the coming consultations. New Zealand would introduce variable preferential duties, the level of which would in general be the same as that applied under the British preferential arrangement to all countries of the Commonwealth preferential area. For certain positions they would be below that level, and for certain other positions they would be between the m.f.n. duty and the British preferential rate.

(2) Chapters 1-24 of the B.N.:

19. The Nordic countries, the United Kingdom and the United States would grant duty-free entry to these products (in the case of the United Kingdom, lesser reductions would apply to a few products). The other prospective donors envisage variable tariff reductions of the following magnitude: E.E.C.: variable according to products; Austria and Switzerland: variable rates, up to exemption in certain cases; Canada: variable, at least 25-30 per cent of post Kennedy Round m.f.n. rate; Japan: variable, generally 20-50 per cent of post Kennedy Round m.f.n. rate; New Zealand: variable, as for products in Chapters 25-99.

(e) Exceptions

20. The provisional views of the various countries on exceptions in Chapters 25-99 may be summarised as follows, it being understood that all countries reserve the right to review their position in view of the proposals tabled by all donor countries.

21. The preliminary proposals of the E.E.C. do not provide for exceptions; a very limited number of exceptions could however be introduced in the light of the consultations which will take place with other members of the O.E.C.D. The Nordic countries have made no initial exceptions, but in the light of offers by other donor countries they reserve their right to

introduce a small number of exceptions for products which they consider particularly sensitive and for products subject to revenue duties. Japan envisages no exceptions apart from the case of hydrocarbons which will have to be excluded because of the fiscal character of their customs duties. The United Kingdom has tabled a list of exceptions which consists of cotton textiles, of two other items, and of products on which revenue duties are levied. In addition the offer of duty-free entry on non-cotton textiles (other than some items) and on iron and steel products is conditional on equivalent offers by other donor countries. Austria has submitted an exceptions list which contains certain cotton textiles and a few products subject to variable and equalisation charges. Switzerland envisages a very limited number of exceptions based on the fiscal character of the duties or on the agricultural nature of the products concerned. The United States would except textiles, shoes and petroleum and petroleum products. The communication of Canada lists categories of products which would be excepted: (a) products, the exports to Canada of which are at the time the preferential scheme comes into effect, under restraint by countries exporting these products to Canada; and products in respect of which such restraints might from time to time be requested by Canada while the scheme is in effect; (b) products for which preferential margins are bound against reduction unless the countries concerned agree to waive their contractual rights. Ireland has tabled a list of exceptions which, in addition to certain products on which revenue duties are levied and specified textile goods, contains a small number of other sensitive products.

On account of its special economic and trade characteristics, New Zealand has tabled a positive list which covers products included both in Chapters 1-24 and in Chapters 25-99.

(f) Safeguard mechanisms

22. All donor countries provide for certain safeguard mechanisms with regard to the preferences they envisage granting so as to retain some degree of control over the trade which might be generated by the new tariff advantages. The donor countries reserve the right to make changes in the detailed application as in the scope of their measures, if such should appear to them to be necessary or useful. In particular, most of them reserve the right to limit or withdraw entirely or partly some of the tariff advantages granted if they consider such action necessary, either for domestic reasons or to avoid unduly injuring the interests of third countries concerned. The donor countries are prepared to declare that such measures would remain exceptional and would be decided on only after taking due account of the aims of the generalised system of preferences and the general interests of the developing countries. As will be seen in the following paragraphs, the devices used to bring about this result vary according to the system envisaged.

23. Certain countries provide for a mechanism including an a priori limitation formula under which quantitative ceilings might be placed on the amount of preferential imports (E.E.C., Japan and Austria). This formula would represent the principal

means of safeguarding their interests and those of third countries. They might nevertheless have recourse also to escape type measures, at least for those products which are not covered by the a priori limitation formula.

24. For those countries which do not envisage a priori limitations (these are the Nordic countries, the United States, the United Kingdom, Switzerland, Ireland, Canada and New Zealand), escape type measures are the main safeguards at their disposal. Of course, the overall impact of the preferences extended by the various donor countries would also be influenced by other features of the respective schemes, such as the depth of the tariff cuts and the length of the exception lists.

25. The provisional views of the various countries may be summarised as follows:

For the E.E.C. the safeguard mechanism for goods benefiting from preferences and falling into Chapters 25-99 takes the form of a system of ceilings determined in advance. Under this system goods will be imported, and benefit from preferences, up to a ceiling in value terms to be calculated for each product on a basis common to all products.

Annual ceilings will normally be calculated in accordance with the following formula: c.i.f. value of imports from developing countries (basic quota) plus 5 per cent of the c.i.f. value of imports from other sources (supplementary quota)(1). Subject to improvements in the basis of calculation after several years of operation, the basic quota will be a fixed amount corresponding to imports in a reference year. The supplementary quota will be variable, recalculated annually on the basis of the latest available figures, without, however this resulting in a reduction in the ceiling.

For processed agricultural products, a safeguard mechanism will apply.

26. Japan will grant preferences on goods falling within Chapters 25-99 of the B.N. up to a ceiling calculated on the basis of the value or quantity of imports from beneficiaries in a reference year (the basic quota) plus a supplementary quota of 5 per cent of the value or quantity of imports from sources

(1) Among the cotton textiles covered by the long-term Agreement, preference would be granted only to those countries beneficiaries under the system which participate in the long-term Agreement, and then only by virtue of particular provisions arrived at under the Agreement or by bilateral arrangement.

For coir and jute products, preferences are envisaged only under specific measures to be arrived at with the exporting developing countries.

other than beneficiaries. In the case of selected products a ceiling will be the basic quota plus a supplementary quota of 10 per cent of the value or quantity of imports from sources other than beneficiaries. As to the processed agricultural products falling within Chapters 1-24 of the B.N., the safeguard mechanism will be of an escape clause type.

27. Austria has proposed introducing a system of ceilings determined in advance. It would reserve the right to suspend or withdraw the application of the preferential duty on a specific product from all beneficiaries if the imports from those countries exceeded a level calculated on the basis of imports from the same countries during a reference period increased by a fixed percentage. The Austrian authorities will elaborate safeguard provisions later.

28. The submission of the Nordic countries gives a fairly detailed description of a safeguard provision similar to those contained in existing international agreements or arrangements open to all donor countries. Briefly it provides:

- that consultations would be initiated with the exporting country or countries in cases where a product benefiting from the special tariff system is imported into the donor country in such quantities or such circumstances that it disturbs or threatens to disturb the market;
- that in cases of urgent necessity the donor country could unilaterally introduce limitations to imports and/or take measures in the tariff field to limit imports causing disturbance of its markets;
- that imports should not be reduced to a level below that prevailing in a reference period preceding the disturbance, and that the possibility should be allowed of a reasonable increase during the period of restriction;
- that the safeguard measures should be confined to those countries whose imports are causing the injury, and should be temporary;
- that consultations should be held with the exporters affected, in the international body responsible for examining the functioning of the system, and with the other O.E.C.D. donor countries.

29. The United Kingdom envisages the establishment of safeguards which would enable the preferential tariff treatment on particular products to be withdrawn or modified.

30. Switzerland foresees the introduction of a safeguard mechanism although the gradual nature of the system it envisages would make the need to apply it rather unlikely.

31. The submission by Ireland provides for unilateral withdrawal of a preference in cases where the increase in imports causes or threatens to cause serious injury to domestic producers.

32. Canada envisages resort to safeguard measures to protect sensitive domestic industries and third country export interests.

33. The United States proposal envisages that a standard escape clause procedure would be necessary by which preferences on an item could be reduced or withdrawn on grounds that serious injury to domestic producers had occurred or was threatening to occur.

34. New Zealand envisages that a safeguard mechanism could be invoked, without the obligation of prior consultation, at the request of domestic industries or exporting third countries.

35. Exclusion or suspension mechanisms are proposed by the E.E.C., Japan and Austria. Machinery could be devised under which the limitations on imports enjoying preferential treatment would only apply, for a given product, to those exporting countries which by themselves secure a considerable proportion of the market. These would lose the benefit of the preferential tariff for any exports over a certain amount. Such a mechanism of exclusion (or suspension) is justified in the view of its proponents for three reasons. This would preserve opportunities for those countries which are at an earlier stage of development and may have difficulty in securing access to a market. It may also be argued that if a particular industry in a developing country manages to win a large share of a market to the detriment of its competitors, its products are very competitive. In this event the tariff advantages granted to it are no longer justified. Finally, these are the cases which are likely to be the most injurious to industries in an importing developed country or to third countries. The argument on which the E.E.C., Japanese and Austrian proposals are based is that of safeguarding the least developed countries.

36. The E.E.C. envisages, as a general rule, limiting the preference granted to each country to half of the quota fixed for each product. Austria reserves the right to suspend or withdraw the preference for a specific country and product when imports from that country exceed a certain amount (fixed on the basis of a reference period increased by a fixed percentage) and if at the same time that country is the first or second developing country supplier of the product. As for Japan, preferences will be suspended if preferential imports of a particular product from a given beneficiary exceed 50 per cent of the ceiling in the course of a year. As to selected products, in cases where the imports of a certain product from a given beneficiary exceed 50 per cent of the ceiling in the latest year for which statistics are available, preferences will not be granted for that product from the said beneficiary in the following year.

(g) Other hypotheses, reservations and conditions formulated by the prospective preference-granting countries

37. In addition to the various elements summarised in the foregoing paragraphs, a number of countries mentioned certain conditions, reservations or hypotheses which should in their view be fulfilled before their offers could be finalised. Their initial positions could be more or less drastically modified in the light of the solutions which are found to these various points.

38. One of the conditions most frequently mentioned is that the various donor countries must be satisfied that there is sufficient equivalence between their offer and those of the other donor countries. This is the concern for burden-sharing.

39. Japan would consider the possibility of withholding the application of preferences to countries other than those who are known to extend to her the non-discriminatory treatment on trade and are not invoking Article XXXV of the G.A.T.T. against her.

40. A condition which the United Kingdom attaches to their offer is that it will be necessary for the consent to be obtained of countries in the Commonwealth Preference Area with trade agreement rights to margins of preference on certain products to waive these rights to the extent required to enable preferences on these products to be extended to non-Commonwealth developing countries. The fulfilment of this condition does not, of course, depend only on the donor country concerned.

41. The E.E.C. has put forward its set of preliminary proposals subject to possible modifications which could be made following consultations which the Community is obliged to hold with some associated countries in accordance with the provisions of the Association agreements.

42. The more general problem of relations between the existing preferences and the new generalised preferences will in any case arise before the latter are introduced. This is one of the aspects on which there should be consultation with the developing countries.

Japan, the Nordic countries and Switzerland consider that generalised preferences should provide equal tariff treatment for all developing countries in donor country markets. The United Kingdom and the E.E.C. stress that there need be no incompatibility between generalised preferences and special preferences. They recall, moreover, that the developing countries presently receiving preferences on their markets would expect the arrangements to provide them with increased export opportunities on other markets to compensate for their having to share their present advantages with other developing countries. The United Kingdom, Canada and New Zealand attach importance to this consideration in determining the generalised preferences they grant.

43. In the view of several donor countries (Nordic countries, Switzerland and Japan), the abolition of reverse preferences is a key element in granting generalised preferences. It was noted that this was a question which the developed countries are unable to resolve by themselves, since the elimination or maintenance of reverse preferences depends on decisions of the countries granting those preferences in the light of their interest as affected, inter alia, by the scheme or schemes to be instituted.

44. The United States preference offer is premised upon the adoption of a common scheme by all major donor countries and the elimination of special preferences on products covered by the scheme and all reverse preferences. The United States noted that the adoption by the major donor countries of its proposal for duty free entry, without quantitative ceilings and a bare minimum of exceptions, would automatically meet the condition regarding special preferences, and would provide the maximum benefits for the developing countries.

45. The other countries have not at the outset required as a condition for implementing their own method of granting preferences, the adoption of that same method by the other donor countries.

46. The Nordic countries have worked, however, on the hypothesis that the aim of the discussions in the O.E.C.D. was to reach agreement on a common scheme.

47. The E.E.C. believes that it is not necessary that all donor countries should adopt the same system of preferences, especially if it is desired that implementation of Resolution 21 (II) adopted at New Delhi should take place rapidly. Indeed the E.E.C. considers that all donor countries should make the maximum effort by utilising the mechanisms best suited to their specific positions.

(h) Introduction of the system

48. Most of the donor countries will introduce the preferential measures they will have decided upon in full, and in one stage. Some countries, however, envisage implementing their preferential tariff reductions by stages.

(i) Duration

49. The duration of the scheme of generalised preferences will be fixed at ten years. Independently of any periodic reviews which might also be agreed upon, a major review will be held some time before the end of the ten-year period to determine whether the preferential system should be continued, modified or abolished at the end of the period.

(j) Rules of origin

50. The introduction of generalised preferences will call for the application of satisfactory rules of origin. For that reason the UNCTAD Special Committee on Preferences at its second session set up a special Working Party to carry out

consultations on the technical aspects of the rules of origin. The Working Party has begun a study on the technical aspects of rules of origin. This Working Party should pursue its activities. It will in the view of the donor countries be necessary to have rules of origin that meet the following requirements: (a) effectively ensure for the developing countries the advantages of preferential treatment for those exports which will qualify therefor; (b) allow for a simple and reasonable administration for both donor and beneficiary countries; (c) avoid distortion of trade; and (d) help to ensure the equivalence in the conditions of access to the markets of the various industrialised countries. Satisfactory functioning of the rules of origin will be greatly helped if it is possible to establish close and confident collaboration between the competent authorities of the donor and beneficiary countries, particularly concerning documentation and control.

(k) Institutional arrangements

51. Apart from consultations which could take place bilaterally, through usual diplomatic channels, on significant difficulties which may arise as a result of the preference scheme the operation of the system will call for general reviews and multilateral consultations on various aspects of the measures being applied.

52. Without prejudice to what may be decided upon in the G.A.T.T. when it considers the necessary waiver or waivers from the provisions of the General Agreement, examination of the operation of the preferential arrangements should be carried out in an appropriate body of the UNCTAD. The donor countries favour giving this task to the Committee on Manufactures, which is best placed to examine the effects of the preferences, taking into account all other aspects of trade in manufactures and semi-manufactures.

53. It would seem appropriate that the reviews of the functioning and of the effects of the scheme of generalised preferences should take place during the annual sessions of that Committee. The Committee could also carry on more detailed examinations every three years, as the group of 77 suggested at the New Delhi Conference(1), or after five years. The reviews should enable a general assessment to be made of the effects of the generalised preferences on international trade. The reviews would also provide an opportunity for multilateral consultations between the donor countries and the developing countries, on the system as initially applied, on the modalities of its application, and on subsequent changes, which the donor countries may have introduced. In particular, the donor countries consider that the effects of the application of safeguard mechanisms might be the subject of review on the occasion of these consultations.

(1) See document TD/II/C.2/L.5, paragraph 12.

54. Lastly, as was suggested above, a detailed examination should take place before the end of the ten-year period with a view to determining whether the generalised preferences should be continued, modified or abolished.

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III. Actions by developed countries with centrally planned economies and developing countries

55. O.E.C.D. Member countries have not given any further consideration to the question of what corresponding efforts ought to be made by developed countries with centrally planned economies and the complementary measures that might be taken by developing countries. Their general views on this question, however, remain as expressed in the report circulated to the UNCTAD under reference TD/56.

ANNEXESIndividual submissions by the countries which are
considering granting preferences

These submissions are being distributed as separate Annexes. For each one, the text in the original language in which the submission was deposited should alone be considered as authentic. Translations into the other working languages will have only an unofficial value.

The submissions are reproduced in the Annexes as follows:

- Annex 1 : European Economic Community
- Annex 2 : Nordic countries (Denmark, Finland, Norway, Sweden)
- Annex 3 : Austria
- Annex 4 : Canada
- Annex 5 : United States
- Annex 6 : Ireland
- Annex 7 : Japan
- Annex 8 : United Kingdom
- Annex 9 : Switzerland
- Annex 10 : New Zealand

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ANNEXE 3

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m. sigrist, directeur general des relations exterieures

cabine de m. martino

m. deniau

m. colonna di paliano

mm. toulemon

wellenstein

d martino

christaki de germain

objet : seance du conseil de L'ocde - preferences : approbation
de la documentation transmise a la cnuccd

Le conseil de L'ocde a approuve ce mercredi 12 la transmission a la
cnuccd de la documentation substantielle preparee par le comite
des echanges, concernant l'etablissement d'un systeme de
preferences generalisees. Le secretaire general de L'organisation
la remettra vendredi a m. perez-guerrero, secretaire general de
de la cnuccd.

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Les communications individuelles des pays donateurs seront Annexes annexées à la documentation transmise. Pour des raisons matérielles, certaines communications pourraient être adressées au secrétaire général de la CNUCED la semaine prochaine seulement.

Un communiqué de presse sera rendu public. La délégation vous l'adressera par courrier.

Au cours de la réunion du conseil, le représentant de l'Espagne a exprimé au nom des quatre pays en voie de développement membres de l'Organisation (Espagne, Portugal, Grèce, ...) la crainte d'être discriminés par rapport à des pays en voie de développement non membres de l'OCDE et de développement économique équivalent.

Un accord s'est réalisé pour traduire ce souci dans le procès verbal de la séance, pour considérer qu'il s'agit d'une question importante et urgente "que les membres de l'Organisation devront régler en ayant à l'esprit les objectifs de l'art. 1 b de la convention (contribuer à une saine expansion économique dans les pays membres ainsi que non membres en voie de développement économique)".

La délégation japonaise, pour aller à la rencontre du souci exprimé par le représentant de l'Espagne, a décidé de supprimer le premier des deux paragraphes figurant sous le titre "bénéficiaires" dans sa communication. Ceci néanmoins ne modifie en rien la position de fond de la délégation japonaise.

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