

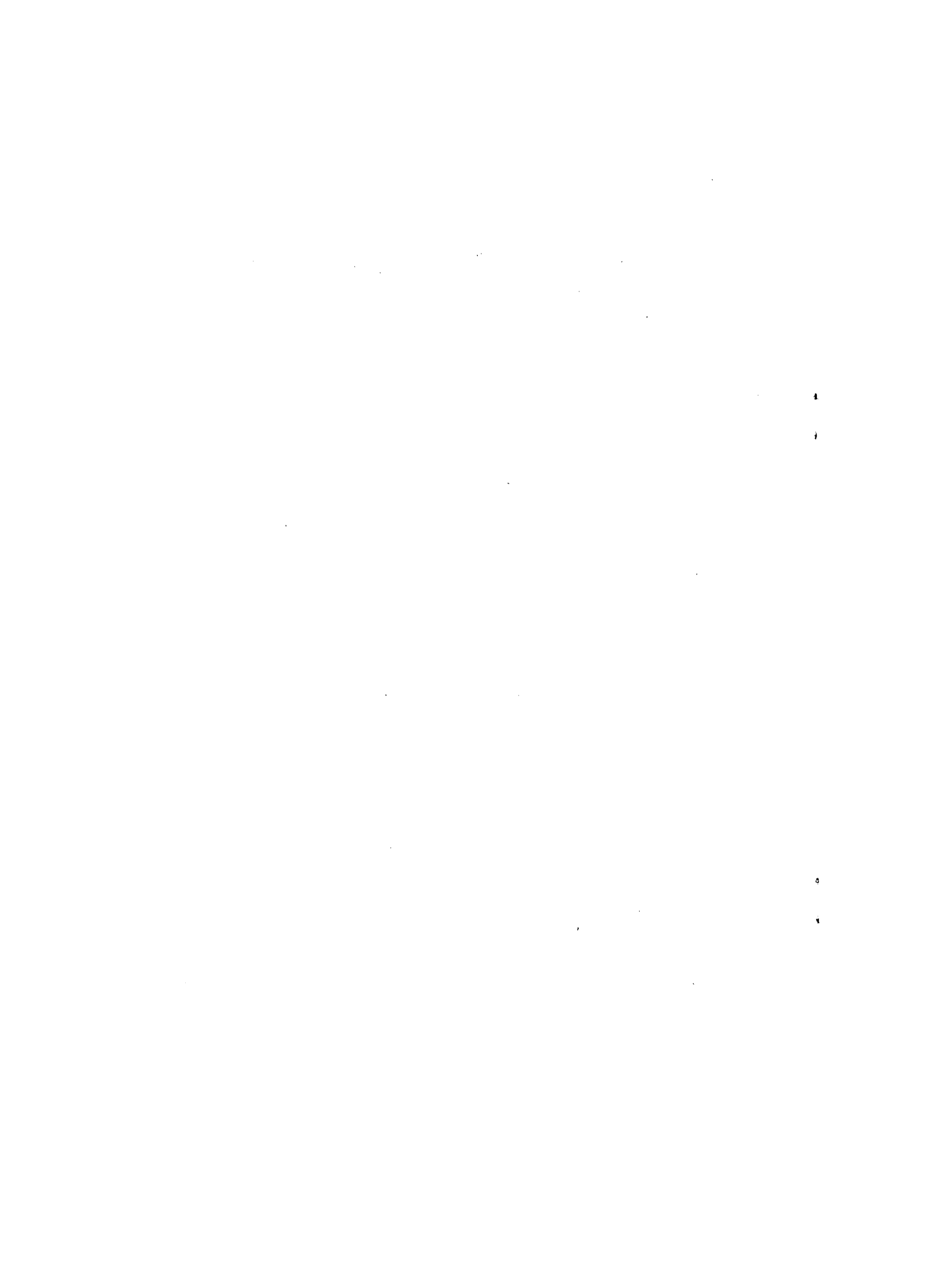
COMISION ECONOMICA PARA AMERICA LATINA
COMITE DE COOPERACION ECONOMICA
DEL ISTMO CENTROAMERICANO

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DRAFT REPORT OF THE SECOND SESSION OF THE
STANDING COMMITTEE ON TRADE



ECONOMIC COMMISSION FOR AFRICA
Standing Committee on Trade
Second Session
Niamey, 20-28 November 1963

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I. Organization and Attendance

1. The second session of the Standing Committee on Trade met from 20 through 27 November 1963 at Niamey, Niger. Following a decision by the fifth session of the Economic Commission for Africa the work of this Committee is considered as being governed by rules 67 and 68 of the rules of procedure which apply to subsidiary bodies of the Commission.

2. The meeting was opened by His Excellency Mr. Courmo Barcougné, Minister of Finance and Economic Affairs of the Republic of Niger. His speech is reproduced in Annex II of this report. Mr. R.K.A. Gardiner, Executive Secretary of the Economic Commission for Africa, welcomed the delegates. His speech is reproduced in Annex III.

3. The session was attended by delegates from the following member countries: Algeria, Burundi, Cameroon, Chad, Congo (Leopoldville), Dahomey, Ethiopia, Ghana, Liberia, Libya, Madagascar, Mali, Morocco, Niger, Nigeria, Senegal, Tanganyika, Togo, Tunisia, and United Arab Republic. In addition delegates from Fernando Poo, France, Spain, Rio Muni, and United Kingdom (associate members) and observers from Belgium, Czechoslovakia, Federal Republic of Germany, Israel, Hungary, Japan, Netherlands, Poland, Sweden, Turkey, United States of America and the Union of Soviet Socialist Republics attended the session. The following organization sent observers: AFRESEC, CCC, ICC, GATT and OAMCE.

/ 4. Two officials

4. Two officials of the Commission of the European Economic Community attended the conference at the invitation of the Secretariat.
5. During the opening session the work of the Niamey Sub-Regional Office of the Economic Commission for Africa was officially inaugurated by the signing of the Convention regarding the Office between the Republic of Niger and the United Nations Organization.
6. Mr. Ali Diaroume (Niger), Mr. C. Mwanbunu (Tanganyika) and Mr. Z. Houki (Tunisia) were elected unanimously Chairman, first Vice-Chairman and Second Vice-Chairman respectively for the Committee.
7. It was decided that the office-bearers would form the Drafting Committee for the purpose of preparing the report to be submitted to the plenary session of ECA.
8. The Provisional Agenda prepared by the secretariat was adopted with one amendment to item 5 (a). It is reproduced in Annex 1.

II. General Discussion of Trade Developments
and Trade Policy Questions

9. In the general discussion the delegations reviewed and expressed opinions on the major trade problems of the region. It emerged from these statements that the Committee recognized that foreign trade must play a positive role in the economic development of African countries. Deep concern was expressed over the persistent downward trend in the prices of Africa's main export commodities. Attention was drawn to the negligible change in the traditional export pattern which made Africa extremely vulnerable to fluctuations in the world commodity markets.
10. The poor state of intra-African trade was emphasized and various delegations stressed the main factors responsible for it and particularly,

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lack of diversification in their economies, lack of adequate transport facilities as well as obstacles of an institutional nature. In this connection it was pointed out that it was necessary to take a broader approach to trade problems. Trade could not be seen in isolation but should be considered as an integral part of any programme for balanced regional growth. Special reference was made to the co-ordination, in a sub-regional or regional framework, of the development of natural resources, processing of traditional export commodities before exportation to world markets and development of an intra-African transport network.

11. It was generally agreed that to achieve this the ultimate aim should be a common economic policy. Several delegations nevertheless stressed the necessity of proceeding by taking simple steps in areas where there is least resistance, in order to enable the African economies to adjust to the new situations and avoid undue disruption. Import substitution was cited as an example where it would be necessary to proceed pragmatically.

12. Most delegates stressed the importance of trade with countries in other parts of the world. Hopes were expressed that industrialized countries would in the future show more understanding for the trading needs of developing countries. Reference was made to the work undertaken within the framework of GATT to remove obstacles in industrialized countries to an expansion of exports from developing countries. It was also felt that the forthcoming United Nations Conference on Trade and Development could greatly contribute to a solution of this problem.

13. It was pointed out by some delegates that a non-discriminatory elimination of trade barriers in industrialized countries on imports from

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developing countries should be only a first step. Ways would have to be found to achieve a gradual structural transformation of the world economy. The system of international trade only reflects more fundamental problems. The root of the problem is the structure of world production and the distribution of world income. Other delegates expressed the view that in spite of the short-comings of existing commodity agreements and the proposed scheme for compensatory financing such devices would have to serve as stop-gap measures until a wider and a more comprehensive solution had been found.

14. Stressing the importance of transport in the cost and in the competitiveness of African exports, the Committee recommended that the Executive Secretary initiate a study of freight rates (for sea, land and air transport).

15. Concerning intra-African trade, it was pointed out that the possibilities for complementary production between different sub-regions provided a great potential for trade. Attention was drawn to the special problems facing land-locked countries, and the Executive Secretary was requested to study the various aspects of these problems. It was stated repeatedly that the time had come to consider concrete aspects of implementing an African Common Market. Several delegates referred to the useful role that could be played by trade missions and agreements to achieve an expansion of trade among African countries. Mention was also made of how trade fairs could acquaint African customers with the products of the region.

Intra-African Trade and an African Common Market

16. For discussion of this item of the agenda the Committee had before it the following documents: a background paper on the establishment of an

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African Common Market (E/CN.14/STC/20 and Corr. 1 and Add 1 and Add 2); a study of the possibilities of establishing a clearing system within a payments union between the African countries (E/CN.14/STC/21); a report on the sterling area (E/CN.14/STC/25); a report on the franc zone (E/CN.14/STC/34); a progress report on regional customs survey (E/CN.14/STC/27 and Corr. 1) and a paper submitted by the Uganda Government (E/CN.14/STC/36).

17. During the discussion, which was marked generally by a very constructive approach, it was possible to identify a number of issues of importance for the expansion of intra-African trade and creation of an African Common Market, such as different customs regimes, different monetary and fiscal systems, participation in existing economic groupings and so on. The Committee noted with satisfaction the work undertaken to convene an expert group in January 1964 on the formation of an African Payments Union. The need for concerted action in all fields aiming at the gradual elimination of obstacles to the promotion of intra-African trade was strongly emphasized.

18. The discussion concentrated primarily on the following points: existing international obligations, relations with extra-African groupings and ways and means of establishing an African Common Market.

19. Several delegations referred to international obligations which may have a bearing on the scope of an African Common Market and the speed with which it could be established. Particular attention was drawn to the rules of GATT governing the establishment of customs unions and free trade areas and to the possibilities of introducing more limited preferential arrangement within the framework of the General Agreement.

20. The Committee requested the Executive Secretary that a group of experts should assess the problems and suggest formulas by which African countries could discharge these obligations and at the same time speed up the process of integration.

21. The observer from GATT described in some detail the conditions and procedures of Article XXIV of the Agreement, with particular reference to the possibility of a customs union or a free trade area being formed over a more or less lengthy period during which internal adjustment could be made. He also drew attention to the provisions in GATT for flexibility and the reasonable and practical way in which these GATT provisions had been implemented. In the light of this information and further clarification the Committee felt that there was no reason to regard the GATT as a potential obstacle to the formation of a customs union. The Committee requested the Executive Secretary to keep in close touch with the GATT Secretariat in carrying out further work in regard to the formation of an African Common Market so that the project could be elaborated and finalized in harmony with the technical requirements of GATT.

22. On the question of the developing countries granting more favourable treatment to one another than to industrialized countries, the Committee agreed with the view of the Secretariat of the ECA that the current activities of the GATT might make the Agreement flexible enough to enable some actions of this kind to be reconciled with the basic rules of GATT. The observer of GATT informed the Committee of these activities aimed at codifying the possibility not only of instituting preferences between the developing countries, but also the granting of multilateral preferences by

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developed countries to developing countries in the field of manufactures and semi-manufactures, where developing countries were at a competitive disadvantage. The Committee suggested that the GATT should keep the Executive Secretary of the ECA constantly informed about progress made in this field.

23. The Committee expressed the unanimous opinion that increased co-operation among African states was essential in order to promote African unity. Some delegates questioned the association between certain African states and the European Economic Community on the grounds that it would have adverse effects on the development of an African Common Market. Representatives of countries associated with the EEC stressed that their relations with the Community in no way precluded them from having connection with other African countries. It was generally agreed that this was an issue which should be examined as each particular problem or obstacle was encountered. It did not lend itself to sudden and overall solutions.

24. Several delegations objected to the drafting of sentences 6, 7 and 8 in paragraph 55 of document E/CN.14/STC/20. The following formulation was suggested: "The association of certain African countries with EEC, which is really a multilateral agreement including reciprocal preferential arrangements, concedes to the associated states the right to maintain and levy duties for revenue and protective purposes. In the case of the European Free Trade Area (EFTA) the agreement provides for the removal of all duties only on industrial products, although special arrangements are envisaged for increasing trade in agricultural products and fish".

25. Questioned on the scope of Articles 7, 8 and 9 of the Convention, the Representative of the European Economic Community first pointed out that Article 8 permits the setting up, without restrictions of any sort, of an integral Common Market between the 18 Associated States. After stressing that Articles 7 and 9 were an obstacle to economic integration in Africa, he said that applications would be examined individually by the Council of the Association in accordance with the provisions of Article 12 of the Convention and as a function of the development of the relations between the 18 Associated States and the other African States. He added that in case of difficulties in interpretation or application of the Convention and where no friendly arrangement is reached between the contracting parties within

/the institutions

the institutions of the Association, Article 51 of the Convention stipulates that the dispute shall be submitted at the request of the aggrieved party to the Association's Court of Arbitration.

26. The creation of an African Common Market was a generally recognized ultimate goal. A number of proposals were submitted on the most efficient procedure to follow to reach this goal. Most delegates favoured an empirical approach. Measures adopted might then be widened as each preceding stage becomes firmly established. In that connection the Executive Secretary was requested to draw up a list of priorities as well as a list of commodities that can be traded among African countries, suggesting measures for promoting such a trade, and to make an inventory of obstacles in the way of an African Common Market in order to be able to tackle them. Detailed studies would be needed, drawing upon experiences of other developing regions. The attention of the meeting was also drawn to the possibility of first aiming at the creation of sub-regional common markets, built on existing groupings which at a later stage could be blended into the African Common Market. Other delegates pointed to the danger that this might create vested interests, thus slowing down the creation of an all-African integrated economy. The loss of momentum inherent in a too cautious approach was also stressed.

27. Several delegates made proposals for a standard tariff nomenclature among African countries. A most valuable example of progress in this direction, namely the introduction of the new tariff of the OAMCE countries to be brought into force on 1 January 1964, was reported. This tariff is to be based on the Brussels Nomenclature. An important feature will be the standardization of national sub-divisions which previously had many variations. The Executive Secretary was requested to draw up a draft of standard African tariff nomenclature for consideration in 1964. The need for harmonization of tariff rates was emphasized. Attention was also drawn to the great value of the experiences over many years of the East African Common Market in the successful operation of a standard nomenclature and tariff rates. The observer from the OAMCE informed the Committee that the West African Customs Union is approaching English speaking West African countries to collect data for a possible customs integration. On the same theme, but on a more general scale, it was recommended that a special body be established to work out a scheme for elimination

/of African

of African customs barriers.

28. The Committee took note of the arrangements for adoption of common customs documentation by the OAMCE countries. Closely related to this was a suggestion for the standardization of customs frontier formalities. Legislation for a clear definition of frontier crossings was being introduced by OAMCE countries.

29. The representative of the Customs Co-operation Council remarked on the growing awareness of the African countries, and of others throughout the world, that the rationalization, simplification and standardization of customs techniques and procedures was essential as a first step towards the facilitation of the free flow of trade in general and the formation of trading groups, such as customs unions and free trade areas, in particular. The studies and standard documents prepared by his Council (which had at present 33 members, among them four African countries, i.e. Ivory Coast, Nigeria, the Sudan and the United Arab Republic) were at the disposal of all countries. They included the Brussels Nomenclature, the Brussels Definition of Value, various Conventions in regard to temporary importation, and numerous Recommendations and Norms.

30. Further, the CCC was ready, within the limits of its resources, to give all possible help in the customs field to any country requesting it. The ECA customs expert and those to be attached to the three sub-regional offices would be most valuable in this connection as they would provide the necessary links with the CCC Secretariat from whom they would receive all possible assistance.

31. Other practical measures to be recommended for the implementation by African governments included the construction of transfrontier roads, standardization of highway codes, studies of coastal shipping, sharing of common institutions such as universities, research bodies etc. (as it already exists in the East African Common Market), education in both the main European languages

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spoken in the region and the creation of sub-regional bodies to prepare studies and concrete proposals on transport problems for submission to the African Development Bank. Mention was also made of various actions to promote and ease traditional trade. In such ways habits of co-operation would be built up.

32. Particular attention was paid to the harmonization of industrial and agricultural policies and co-operation of development plans. In connection with this last point it was recommended that the sixth session of the Commission set up a Standing Committee on Economic Development. The harmonious development of all African countries could only be realized by a co-ordination of the national development plans and especially the industrial plans. Such a co-ordination was a necessary prerequisite for the creation of an African Common Market. The meeting noted with appreciation that a third conference on harmonization of industrial development plans in West Africa opens in Lagos on 28 November 1963. Hopes were expressed that this meeting would lead to concrete agreements, particularly regarding the establishment of industries on a multi-national scale, and that other sub-regions convene similar conferences to harmonize their industrial development programmes.

33. The outline of action suggested by the Executive Secretary in document E/CN.14/STC/20 was strongly endorsed. The Executive Secretary was requested to draw up the relevant documents and draft Conventions in consultation with African governments. This documentation might be presented to the Economic and Social Committee of the Organization for African Unity for subsequent action by the Heads of States of the OAU.

United Nations Conference on Trade and Development.

34. The Committee had before it the following documents: a report on the United Nations Conference on Trade and Development (E/CN.14/STC/26) and a

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paper outlining the Uganda position (E/CN.14/STC/36).

35. The Secretary-General of the United Nations Conference on Trade and Development (Dr. Raul Prebisch) opened the discussion on this item of the agenda. In his address which is reproduced in Annex IV, Dr. Prebisch pointed out that the decision of the United Nations General Assembly to convene this conference was a historical event which was bound to transform world trade and world economic policy. The needs and aspirations of Africa's peoples, which were the same as those of other developing regions, should be expressed at this conference.

36. The doctrine of world trade, as expressed in the Havana Charter and subsequently in GATT, was to restore the old order of things as it existed before the Great Depression. The weakness of that doctrine was that it attempted to treat as equals countries that were not equal. This lack of equality was now being recognized. New formulas would accordingly have to be devised.

37. The solutions, as envisaged by the Secretariat of the Conference, to the growing trading gap of developing countries were to be found in an expansion of exports of primary commodities, remunerative, equitable and stable prices for these exports, an expansion of exports of manufactures, invisibles, and import substitution in developing countries. In addition the Conference would have to consider the question of a machinery to frame the policies for obtaining these solutions.

38. It was to be hoped that the governments of developed countries would show the political will to counteract the present regressive distribution of income and find means for transferring income from the richer to the poorer parts of the world. In the commodity field this implied the widening of the scope and the improvement of the efficiency of commodity agreements and the finding of

/ ways of

ways of introducing compensatory financing from a long-term point of view. A degree of understanding on the part of developed countries for the need to open up their markets for imports of manufactures from developing countries was also a prerequisite. A vigorous promotional policy by the developing countries was essential to benefit from this opening up of markets. Aid was needed to increase the modest rate of growth established by the General Assembly for the United Nations Development Decade. New sources would have to be found for international transfer of resources.

39. As far as import substitution was concerned Africa could benefit from the experience of other developing regions during the nineteen-thirties, such as Latin America and India. Africa was in the fortunate position that she would not be forced to resort to import substitution to alleviate the fall in export earnings integrated economy. She might also be in a position to produce for a bigger market and thus avoid the danger of creating strong section or sub-regional industrial vested interests.

40. Imports into the centrally planned economies from developing countries have been increasing in recent years. The expectation of future high rates of growth of income of these economies should lead to an even stronger increase in imports from developing countries in coming years. It could be expected that this trade, which was predominantly carried out on a bilateral basis would gradually become more multilateral as the number of products traded and the number of participating countries increased. However, the bilateralism in this case might be considered a means of creating and not of diverting trade.

41. The secretariat would propose a permanent trade conference with a standing committee to follow up the decisions of the conference and to prepare

/subsequent meetings.

subsequent meetings. GATT might, after an internal transformation, become part of the new institutional set-up to deal with tariff questions. The machinery to be expected from the Conference would depend upon the policy that emerged. The regional economic commissions of the United Nations would be entrusted with the task of analysing the economic development of the regions in the light of the decisions of the permanent Trade Conference.

42. The discussion concentrated primarily on the following points: the GATT, the position of primary commodities in world trade and the economies of developing countries, regional groupings and the need to present an African point of view at the Trade Conference.

43. Some doubts were expressed whether one would be able to reach a solution on the problems facing African countries within the framework of GATT. The view was expressed that the proposed permanent Trade Conference and GATT would be complementary to each other in the efforts at providing developing countries with the necessary resources for development. While the GATT had a well established mechanism for negotiations on tariffs and related matters, the UN Conference would have greater political and doctrinal authority and be capable of more effectively influencing the thinking of the governments of the world.

44. Special attention was drawn to commodity trade, which is most important for African countries. It was clear that governments of Member States considered that existing commodity agreements failed to provide an efficient solution to the trading needs of African countries. The meeting noted with satisfaction the progress made by the Secretariat of the ECA on the study on multi-commodity agreements requested by the Commission in resolution 79 (V) at its fifth session. Special mention was also made of the international organization of markets proposed by some countries at the second session of the Preparatory Committee

/of the Conference,

of the Conference, and hopes were expressed that this might constitute the first step on the road to a more equitable distribution of world income. Reference was made to the possibility of instituting a scheme for compensatory financing. The meeting felt that such a scheme should be put into force as soon as possible and recommended that this questions be discussed at the sixth session of the Economic Commission for Africa.

45. Considerable attention was devoted to matters related to the creation of regional groupings and the association of certain African countries to the European Economic Community. Some delegations expressed the hope that the members of the EEC and the associated states in the implementation of their reciprocal preferential arrangements would take adequate measures to avoid adverse effects on the trade of non-associated developing states and ultimately the economy of Africa. It was on the other hand generally recognized that it would be necessary to look for a more permanent solution without impairing the economic development of the associated states. In that connexion the Committee was informed that the present Convention of Association was of limited duration. There was however, no need for preferences for developed countries in the markets of developing countries. In that connexion it was suggested that developed countries remove -or reduce to the largest possible extent- the different trade barriers imposed on imports from developing countries without claiming reciprocity in treatment from them.

46. The question of the role and place of the African Common Market in the context of the present movement towards an integrated world economy was raised. Related to this question was the future of sub-regional groupings within the African Common Market. It was stressed that the creation of an African Common Market was a great step forward which should be welcomed by the other members

of the world community. The unanimous opinion that it would also be necessary to expand trade with other continents was repeated. Regarding the sub-regional approach in the establishment of a common market in Africa it was stated that the greater the number of participating countries, the more benefits could be reaped from specialization and division of labour.

47. It was strongly felt that African countries must meet and discuss the various issues to be raised at the Conference with the view to creating a common stand so that this outstanding event would yield maximum benefits for the region. The Committee recognized that it was necessary to reconcile the views of African governments in order to work out concrete proposals and that it was important to cultivate greater understanding and goodwill among African countries so as to avoid differences of approaches at the Conference. In that connexion the Executive Secretary was requested to prepare a summary of the main issues to be raised at the Conference with recommendations regarding points that should be stressed by African Governments and present this paper for extensive discussion at the sixth session of the Commission.

Expansion of African Trade

48. For discussion of this item of the agenda the Committee had at its disposal a study of Africa's trade with Asia (E/CN.14/STC/23), a study on bilateral trade and payments agreements in Africa (E/CN.14/STC/24 and Corr.1), and an information paper on recent developments in commodity stabilization (E/CN.14/STC/28 and Add.1).

49. The Committee noted that Africa's trade with Asia remained low and that African exports to Asian countries excluding Japan was lower in 1962 than in 1948. It was also observed that Asia sells more to Africa than it buys from the region, in spite of the fact that Africa can offer many goods of interest to

/Asian consumers

Asian consumers. Indeed Asia buys nothing from some African countries.

50. It was generally agreed that measures should be taken to provide more favourable conditions for such trade. The Committee was informed about the positive results of certain quantitative foreign trade controls imposed by one African country on its trade with its main Asian trading partner, Japan.

51. The Committee recognized the role bilateral agreements might play in the efforts of African countries to achieve an expansion and diversification of their exports, an improvement in their terms of trade and stabilization of their volume of exports. Several delegations drew the attention of the Committee to certain paragraphs of the secretariat study dealing with agreements entered into by African countries of the Franc Zone. The Committee was informed that participation of France in the negotiation of trade agreements was left to their discretion after the attainment of independence and only in a few instances had advantage been taken of this arrangement. For practical reasons authority was in certain cases delegated to the French representatives in negotiation of less important agreements. It was pointed out that the procedure followed should be considered in the light of the general agreements of co-operation concluded between France and the African countries of the Franc Zone.

52. Regarding certain paragraphs on monetary developments in the secretariat's study it was stressed that any monetary measures which African countries had taken were in no case due to external pressure, and that measures for controlling foreign trade and foreign exchange had been taken in some countries without any preferential clauses.

53. Deep concern was expressed about the downward trend and the violent fluctuations in commodity prices, particularly in view of the significant role played by primary exports in economic development. Several delegates referred

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to synthetic substitutes and competing agricultural products of temperate climate industrialized countries. Special reference was made to the use of subsidies by these countries to expand and promote agricultural production and the detrimental effects of this policy on primary commodity markets.

54. It was agreed that the gradual elimination of tariffs and other restrictions on the import of primary products in industrialized countries, particularly foodstuffs and beverages, could make a significant contribution to the expansion of trade between African and developed countries. In that connexion the view was expressed that a reduction or elimination of import duties in order to have the desired effect should be combined with a simultaneous reduction of internal taxes on these products and goods derived from them. Some delegates considered that these measures in themselves were inadequate to solve the problem of foreign exchange receipts of the developing African countries. They therefore proposed that commodity producers should be given guarantees concerning prices and if possible quantities of the commodities which they could sell on world markets.

Trade Promotion

55. For discussion of this item of the agenda the Committee had before it a report prepared by GATT on training courses in foreign trade and commercial policy (E/CN.14/STC/30 and Add.1), a progress report on training of African customs officials (E/CN.14/STC/31), a progress report on trade intelligence (E/CN.14/STC/29) and a note submitted by the Government of the United Arab Republic regarding the organization of an African Trade Fair in Cairo (E/CN.14/STC/35).

56. The twofold role of training in the promotion of trade was stressed, first as a means of producing officials with sound knowledge of commercial policy

/and secondly

and secondly in order to provide for an up-to-date and efficient customs administration. The Committee noted with approval the combined GATT/ECA course in foreign trade and commercial policy and the ECA customs training programme. It also observed the absence so far of any joint residential African customs training college (on the lines of the National Customs School at Neuilly), and was informed about the proposal to establish such a college shortly for certain French speaking countries.

57. The representative of the Customs Co-operation Council drew the attention of the meeting to a study of training facilities of member countries which would be available to developing countries. It was proposed to channel the placing of trainees through the Council. Likewise the recruitment of experts needed for technical assistance in customs matters could be effected in the same manner. The Council offered assistance in customs training in close co-operation with the secretariat of the ECA.

58. Several delegations informed the meeting that in their countries there existed trade intelligence bodies which played an important part in the framing of their foreign trade policy and regretted that no mention had been made of them in the secretariat report. The Executive Secretary pointed out that the report had been prepared on the basis of information received from governments up to 25 October in a reply to a questionnaire circulated by the secretariat 15 February 1963. The secretariat would be happy to receive any additional information from governments which were not included in the report. The Committee recommended that, taking into account the importance of adequate trade intelligence services, the sixth session of the ECA should propose to member countries to set up national intelligence agencies capable of providing studies and reports to policy-making bodies. It was also suggested that an information /agency should

agency should be established on a regional scale. The Executive Secretary informed the meeting that the secretariat of the ECA would assist member governments in setting up or re-organizing national trade intelligence units, but that a central unit could not be established within the secretariat.

59. A wide range of views was expressed during the discussion on the arrangement of an African Trade Fair. The UAR delegation referred to the note submitted to the secretariat regarding the organization of an African Trade Fair in Cairo, and the secretariat offered to transmit this proposal to the sixth session of the Commission for its consideration.

60. A number of delegations announced their plans for the organization of national trade fairs in which other African countries could participate. The high cost of participating in these various fairs and the lack of co-ordination regarding their timing was stressed by some delegations. The view was also expressed, concerning the arrangement of an African Trade Fair, that before considering the technical aspects, the Committee might re-examine the objectives of such a Fair. The question was raised whether a sufficient number of overseas buyers would come, and whether the net effect would not tend to promote imports into Africa rather than African exports. It might perhaps be cheaper and more effective for African countries to mount joint exhibits at international fairs abroad. It was the opinion of a number of delegations that an African Trade Fair would serve a very useful purpose in acquainting African businessmen with one another, publishing African products and in promoting intra-African trade. The ICC and the CCG suggested that contacts be made with the Union of International Fairs which could supply valuable advice. A suggestion was also made that the secretariat should study arrangements for Trade Fairs.

/Programme of

Programme of Work and Priorities

61. In connexion with item 10-03 (document E/CN.14/STC/32) the Executive Secretary observed that in the perspective of the Secretariat's total work programme and urgent priorities it would not be possible to treat the subject adequately. He suggested that this item be confined to the assembling by the secretariat of technical material pertaining to the organization of trade fairs for forwarding to those African governments interested in it, and that full use be made by such countries of the facilities offered by the ICC and CCC. ECA could also arrange for services of experts in this matter to be put at the disposal of interested governments.

62. Regarding item 10-05 the secretariat proposed that, in view of the apparent lack of initiative on the part of the member governments towards the convening of the conference of African businessmen and the relatively low priority of this project, it be either deferred or deleted from the work programme. An alternative way of achieving the same objective would be for member governments to send to future meetings of the Standing Committee on Trade representatives of business and chambers of commerce to discuss possible fields of co-operation among them. A number of delegations stressed the usefulness of this project, and the last suggestion was accepted by the Committee.

63. The rest of the work programme was accepted unchanged by the Committee.

/SUMMARY OF

SUMMARY OF RECOMMENDATIONS
FOR FUTURE ACTION:

African Common Market

- I. The Executive Secretary was requested to submit a paper on difficulties to be resolved prior to the formation of an African Common Market, positive steps to be taken, commodities which may be traded among African countries and measures for the promotion of intra-African trade (work programme item 1-01).
- II. The Executive Secretary was requested to undertake a study of the international obligations which may have a bearing on the scope of an African Common Market and the speed with which it could be established, and suggest formulas by which the African countries could discharge these obligations and at the same time speed up the process of integration, (work programme item 1-01).
- III. The Executive Secretary was requested to assist African governments in adapting their customs tariffs to the Brussels nomenclature (work programme item 1-01).
- IV. The Executive Secretary was requested to draw up the relevant documents and draft conventions (based upon the outline of action suggested in document E/CN.14/STC/20) in consultation with African governments (work programme item 1-01).
- V. The Executive Secretary was requested to keep in close touch with the GATT secretariat in carrying out further work in regard to the formation of an African Common Market so that the project could be elaborated and finalized in harmony with the technical requirements of GATT (work programme item 1-01).
- VI. The Committee recommended to the sixth session of the Commission that following the West African meeting on harmonization of industrial development plans other African sub-regions might be invited to convene similar meetings (work programme item 1-01).
- VII. The Executive Secretary was requested to study the various aspects of the special problems facing land-locked countries (work programme item 1-04).

The United Nations Conference on Trade and Development

- VIII. The Executive Secretary was requested to prepare a summary of the main issues to be raised at the United Nations Conference on Trade and Development with recommendations regarding points that should be stressed by African governments and present this paper for extensive discussion at the sixth session of the commission (work programme item).
- IX. The Executive Secretary was requested to study in collaboration with the Standing Committee of the Permanent Trade Conference the effects of the almost total control of invisible trade by foreign countries on African economies with special reference to insurance of imports and exports (work programme item).

Trade Promotion

- X. The sixth session of the Commission was requested to propose to member countries to set up national intelligence agencies capable of providing studies and report to policy-making bodies (work programme item 1-06).

Miscellaneous

- XI. The Executive Secretary was requested to initiate a study of freight rates (for sea, land and air transport) (work programme item).
- XII. The sixth session of the Commission was requested to set up a Standing Committee on Economic Development (work programme item).

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