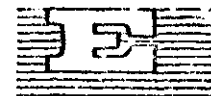


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ECONOMIC COMMISSION FOR LATIN AMERICA
Sixth Session
Bogotá, Colombia
29 August 1955

COMMITTEE III (International Trade)
SUMMARY RECORD OF THE FIRST MEETING

Held at Bogotá on Friday,
2 September 1955 at 10.45 a.m.

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Statement by the Secretary of the Committee
Statement by the representative of the General Agreement on
Tariffs and Trade (GATT)

PRESENT:

<u>Chairman:</u>	Mr. PONCE ENRIQUEZ	Ecuador
<u>Rapporteur:</u>	Mr. L. CARTE RURO	Uruguay
<u>Members:</u>	Mr. MELERO	Argentina
	Mr. ARCE	Bolivia
	Mr. WAACK BUENO	Brazil
	Mr. DAZA	Chile
	Mr. FERNANDEZ DURAN	Costa Rica

/Mr. GONZALEZ LOPEZ

Members : (continued)

Mr. GONZALEZ LOPEZ	Cuba
Mr. SALGADO	Ecuador
Mr. QUINTEROS	El Salvador
Mr. BREITHUT	United States of America
Mr. HERRENSCHMIDT	France
Mr. JEAN-MICHEL	Haiti
Mr. RIVERA	Honduras
Mr. GATICA	Mexico
Mr. GUERRERO	Nicaragua
Mr. NEWTON	Netherlands
Mr. AIZPU	Panama
Mr. SCOTT-FOX	United Kingdom of Great Britain and Northern Ireland
Mr. MULLER	Venezuela

Observers from member States :

Mr. ALMASY	Czechoslovakia
Mr. KOT	Poland

Observers from non-member States :

Mr. ROBERT	Spain
Mr. FIORIOLI DELLA LENA	Italy

Representatives of specialized agencies :

Mr. BOERMA	Food & Agriculture Organization of the United Nations
Mr. VERA	International Monetary Fund
Mr. ROYER	General Agreement on Tariffs and Trade

Representative of a non-governmental organization:

Category A:

Miss. KAHN	World Federation of Trade Unions
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Secretariat :

Mr. PREBISCH	Executive Secretary
Mr. IVOVICH	Secretary to the Committee

/STATEMENT BY

STATEMENT BY THE SECRETARY OF THE COMMITTEE

The SECRETARY drew the Committee's attention to Information Document No 33, outlining the results of the studies made on trade within the region and the region and the rest of the world. It was apparent that the overall volume of Latin America's trade had increased, but in many cases the flow was greater to countries outside the region than to those within it. That was due to many factors hindering exchanges within the region. For instance, no single trade and payments policy was in force throughout the area. Nine-tenths of South American trade was bilateral in form and subject to the clearing accounts system, with its attendant disadvantages. What was required was a certain liberalization of intra-regional trade, with acceptance of the principle of minimum treatment within the region and the adoption of procedure permitting the triangular or multilateral transfer of balances. The amendments recently made to the General Agreement on Tariffs and Trade appeared to be of special interest to Latin America; Article XVIII in particular, in its revised form, would permit the application of protective measures in favour of countries in the process of economic development.

Maritime transport problems also played a large part in Latin American trade relations. Owing to the inadequacy of harbour installations within the region port costs were high, representing in some cases 50 per cent of total freight costs, which were thus higher in intra-regional trade than in trade with other parts of the world.

There was thus clearly room for fuller consultation and co-operation between the Latin American Republics and he hoped that the material prepared by the secretariat would be helpful in clarifying the problems confronting them.

STATEMENT BY THE REPRESENTATIVE OF GATT

Mr. ROYER (General Agreement on Tariffs and Trade) drew the Committee's attention to some of the recent changes in the text of the General Agreement on Tariffs and Trade of special interest to members of ECLA. One of the most important changes, designed to reconcile the need for stability in world trade with the requirements of countries in the early stages of economic development, was a complete revision of article XVIII.

/That, and

That, and the other changes which had been approved by the parties to the General Agreement after considerable hesitation about the desirability of providing for different systems for industrialized countries and for those in the process of industrialization would, he thought, eliminate to a very large degree the atmosphere of mistrust and impatience that often marked the economic and commercial relations between countries belonging to the two groups. It would seem that the changes were such as to meet most of the objections that many of the Latin American countries had had to GATT.

Mr. Royer then proceeded to analyse the advantages and disadvantages to industrialized and to under-developed countries in basing commercial policy on complete autonomy, bilateral agreements or multilateral arrangements such as GATT. Only a system based on the fair, reasonable and flexible principles of GATT could, in his opinion, overcome the loopholes and disadvantages of the other two systems while safeguarding the vital interests of all parties.

Apart from the General Agreement itself, the Contracting Parties at their last session had adopted the text of a new agreement establishing an organization for ~~trade~~-operation which would have the tasks of facilitating inter-governmental consultation on questions of international trade, organizing international trade negotiations and studying questions relating to international trade. Another provision of that agreement made it possible to invite States which were still not prepared to accept the obligations of the General Agreement to participate in all of the activities of the new organization except those related to the application of the General Agreement. 1/

The meeting rose at 12.5 p.m.

1/ For the text of Mr. Royer's statement, see Information Document No.36.