

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**Report of the Commission on Trade in Goods  
and Services, and Commodities  
on its third session**

held at the Palais des Nations, Geneva,  
from 28 September to 2 October 1998



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Annex

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## **INTRODUCTION**

1. The third session of the Commission on Trade in Goods and Services, and Commodities was held at the Palais des Nations, Geneva, from 28 September to 2 October 1998. In the course of the session, the Commission held two plenary meetings (the 8th and 9th meetings) and ten informal meetings.

Chapter I

**AGREED CONCLUSIONS AND RECOMMENDATIONS ADOPTED BY  
THE COMMISSION AT ITS THIRD SESSION**

**Item 3: Ways and means of enhancing the utilization of trade preferences by developing countries, in particular LDCs, as well as further ways of expanding preferences**

2. The effects of recent financial and economic turmoil and its several adverse consequences call for further strengthening of international cooperation.

3. The Generalized System of Preferences (GSP) and the Global System of Trade Preferences among Developing Countries (GSTP) and other trade preferences continue to play an important role as tools for development in developing countries, in particular the least developed countries (LDCs). The improvements and extensions of GSP schemes and other unilateral trade preferences that have been implemented or proposed, in particular those in favour of LDCs, are a sign of the continuing relevance of these preference schemes and the importance attached to them by both preference-giving and preference-receiving countries.

4. Concrete action should be taken so that a greater number of beneficiary countries can utilize more effectively the GSP advantages in order to rectify the present imbalances in the distribution of GSP benefits.

**Addressed to preference-giving countries**

5. There is scope for expanding and improving GSP benefits. In so doing, special attention should be paid to extending product coverage to match to a greater extent the comparative advantage of beneficiary countries,

6. The harmonization and simplification of GSP rules of origin could enhance their transparency, facilitate their application and thereby improve the effectiveness of the GSP. Rules of origin which encourage regional cumulation would serve to encourage trade among beneficiary countries by enabling complementarities in production capabilities to be exploited and greater advantage to be taken of international specialization.

7. The lack of stability, predictability and simplicity of a number of GSP schemes has had an adverse impact on the utilization of the GSP, undermining its effective exploitation in particular by LDCs. Such deficiencies in GSP schemes should be addressed.

8. Preference-giving countries should disseminate to the importers in their countries relevant information on the products covered and the rates and other conditions applied under the various preference schemes they maintain. Moreover, the prompt notification of changes in GSP schemes and the provision of GSP-related trade data by preference-giving countries to the UNCTAD secretariat would contribute to the quality of UNCTAD's analytical work and the success of its technical cooperation activities.

9. The GSP and other trade preferences in favour of LDCs need to be accompanied by efforts to eliminate the deep-seated weakness of supply capabilities in LDCs. Market access under special trade preferences should be further improved for export products from LDCs. In addition, all preference-giving countries should give full consideration to offering duty-free market access for all products from LDCs, on an autonomous basis. The further relaxation of administrative procedures in favour of LDCs would help them to enhance their utilization of GSP benefits.

10. To help to contribute to a better understanding of the problems of LDCs in utilizing the GSP, and find appropriate solutions, it would be useful if practical ways were devised for improving contacts between GSP preference-giving countries and LDC beneficiaries. The involvement of representatives from importing enterprises in preference-giving countries in such contacts might provide further insights into the problems which exist.

11. In the context of South-South cooperation, it is noted with appreciation that a number of developing countries themselves have taken initiatives to accord preferential market access unilaterally and without any conditions to LDCs. Other developing countries that are capable of doing so are encouraged to take similar initiatives. More detailed information on the stage of implementation of the various proposals and an analysis of the potential impact on the trade and development of LDCs of the new preference schemes would be useful. Clarification of certain legal aspects of preferences in favour of LDCs by other developing countries would be useful.

#### **Addressed to preference-receiving countries**

12. Many GSP trading opportunities have yet to be seized by beneficiary countries. Insufficient familiarity of exporters with the various GSP schemes and associated complex procedures and weak export capacities constitute important obstacles to a greater utilization of GSP benefits, in particular by LDCs. Therefore Governments in preference-receiving countries should assist in informing and training the private sector in the area of GSP and other trade laws. However, Governments in preference-receiving countries may require assistance in carrying out their educational role. The extent and type of assistance will vary according to the specific needs and development levels of the preference-receiving countries.

13. Technical cooperation addressed to LDCs in the area of GSP should also be provided by other developing countries in the context of South-South cooperation.

14. More LDCs should endeavour to join the GSTP. Participation by LDCs in the GSTP could provide a major boost to South-South trade.

#### **Addressed to the UNCTAD secretariat**

15. UNCTAD should continue to analyse the importance of GSP schemes and other trade preferences, on the basis of quantified and statistically supported evidence. It should identify the real benefits obtained from trade preferences.

16. UNCTAD should continue to provide technical cooperation to preference-receiving countries, particularly LDCs and certain developing countries with structurally weak and vulnerable economies, with a view to increasing the utilization of trade preferences. Such technical cooperation should aim to

enable these countries to hold workshops, carry out information activities and train their exporters themselves.

17. Owing to their administrative constraints, LDCs require direct technical assistance aimed at enhancing their human resource capacities for the more effective utilization of GSP preferences. This would need to include fortifying the existing GSP focal points or assisting in their establishment, and the provision of training materials.

18. UNCTAD should explore how new information technologies could be used to render technical cooperation in the areas of GSP and other trade preferences more effective. Many GSP information services and, to some extent, advisory services could be provided rapidly and cost-effectively to end-users in developing countries centrally from Geneva through communication channels such as the Internet and e-mail.

19. In conducting its future analysis and technical cooperation related to preferences, the UNCTAD secretariat should continue to ensure its complementarity and added-value with respect to other work in this area.

**Item 4: Scope for expanding exports of developing countries in specific services sectors through all GATS modes of supply, taking into account their interrelationship, the role of information technology and of new business practices**

**A. Addressed to national Governments**

20. The following policy initiatives could be taken at the national level:

- (a) Identify barriers to service exports, for example by circulating questionnaires to the private sector with respect to problems faced by the latter;
- (b) Facilitate the liberalization of market access through measures to strengthen producer services, *inter alia*, through outsourcing;
- (c) Apply policies to encourage enterprises to take advantage of market access opportunities for the movement of natural persons, in ways which reduce brain drain and facilitate the acquisition of skills;
- (d) Identify areas of comparative advantage in labour-intensive services so as to facilitate their active participation in the next round of GATS (General Agreement on Trade in Services) negotiations; and
- (e) Accelerate the inclusion of services and their liberalization in the context of subregional arrangements and strengthen cooperative efforts through such arrangements to prepare for the next round of GATS negotiations.

**B. Addressed to the international community**

21. The international community is invited to take the following initiatives:

- (a) Examine the effective implementation of, in particular, article IV and article XIX of GATS in the context of the development of the guidelines for GATS negotiations;
- (b) Foster conditions conducive to the transfer of technology to firms in developing countries, as well as the diffusion to the developing countries of technologies in the public domain; and
- (c) Assist the secretariats of UNCTAD and the World Trade Organization (WTO) in improving services statistics to meet the needs of policy makers and trade negotiators for the next round of GATS negotiations.

**C. Addressed to UNCTAD**

22. UNCTAD should, in close cooperation with other relevant international organizations and within existing resources:

- (a) Prepare jointly with WTO an assessment of the impact on developing countries of liberalization under GATS;
- (b) Undertake a systematic analysis to identify possible opportunities for expanding trade, so as to facilitate the preparation of requests in the GATS negotiations;
- (c) Analyse recent developments in trade and competition issues in service sectors;
- (d) Continue work on the MAST (Measures Affecting Service Trade) database with a view to supporting countries which wish to implement it to strengthen their negotiating capacity, and evaluate its functioning with a particular focus on the utilization of recent developments in the field of information technology;
- (e) Assist developing countries, especially LDCs, as a follow-up activity of the High-level Meeting on Integrated Initiatives for Least Developed Countries' Trade Development, in improving their supply capacity in the area of trade in services through, *inter alia*, human resource development, institutional capacity-building, access to relevant new technologies and setting up adequate legislation;
- (f) Continue work on the Coordinated African Programme of Assistance in Services (CAPAS) and extend it to other interested African countries;



- (g) Take part in an international conference in Tunisia, organized by the World Tourism Organization, to consider ways and means of improving the relationship between developing countries' tourism service suppliers and travel agents from consumer countries in order to achieve a sustainable tourist industry; and
- (h) Prepare, in cooperation with WTO, a list of economic needs tests in the schedules of specific commitments under GATS and propose ways and means to introduce a greater degree of transparency and predictability in the application of such tests.

## Chapter II

### OPENING STATEMENTS

23. The Secretary-General of UNCTAD said that he would like to put the deliberations which would take place during the session in the context of two important developments currently taking place in the global economy: one was the Asian financial and economic crisis, and the other was the preparatory process for the Third WTO Ministerial Conference, due to take place in the United States before the end of 1999. Although institutionally unrelated, those two events were closely linked, since the Ministerial Conference could play a constructive role in repairing the damage done by the economic crisis and preventing further economic instability.

24. He stressed the negative impact of the Asian crisis on developing countries' economies, especially the impact on many countries' current account balances, which had forced them to adopt measures to reduce current account and trade deficits. The measures included macroeconomic policies to slow down economic growth and thus reduce import demand. Asia, for example, which until recently had been a major source of import demand, was now facing growing trade surpluses based on a reduction in imports rather than a real increase in exports. Even though some countries, such as the Republic of Korea and Thailand, had increased their export growth, that had hardly compensated for the losses resulting from price reductions as a consequence of currency devaluations and fluctuations in commodity prices.

25. The reasons why certain countries were so negatively affected by the crisis did not necessarily lie in economic mismanagement, although that might have been the case in some countries. In other countries, such as Chile, economic adjustment had led to high economic growth rates over the past thirteen years and considerable annual budget surpluses. As a result of the crisis, Chile expected to face a current account deficit of almost 7.5 per cent by the end of 1998. That figure was similar to Thailand's deficit before the devaluation of its currency, despite the fact that Chile had followed faithfully the advice it had been given and had integrated itself into the world economy and the world trading system, including by considerably increasing its exports to Asia. With the economic collapse in Asia, export demand in Chile had fallen considerably, while products related to copper and other export commodities had suffered from falls in prices which had had a severe impact on its economy.

26. The example of Chile was useful for demonstrating the interplay between financial forces, financial volatility and the operation of the trade system, which had also been described in the *Trade and Development Report 1998*. It was not trade itself that was the culprit, but trade could not operate without a financial and monetary system which guaranteed a minimum of stability in the world economy. The problem lay with the lack of coherence and balance in the world economy: trade had been successfully submitted to regulations, but there were still problems in the financial and monetary system 26 years after the old rules of the Bretton Woods system had been abandoned.

27. Trade would continue to provide the boost that the world economy needed but it was necessary to be realistic and recognize that it would be impossible for emerging markets to continue to act as a source of import demand, since they would be forced to slow down their economies. That was already happening in

Latin America, where forecasts for economic growth had been revised downwards from 3.1 per cent to 0.6 per cent in a matter of only two months. The revised forecasts were not a reaction to protectionist measures but reflected the fact that countries were being forced to resort to macroeconomic instruments to slow down growth. In Brazil, for example, imports, which had grown at a fast pace during the previous three years, had collapsed since January 1998 despite textbook measures taken to slow down the economy and reduce the current account deficit. Still, Brazil was facing a current account deficit of less than 4 per cent, much lower than that of Chile, but only because Brazil had started to apply its policies much earlier. Similar situations could be found all over the developing world. The stimulus for the world economy and for world trade would have to come from those economies which were still growing or which had current account and trade surpluses. The role of those economies was to stimulate demand and to continue to grow not only through exports but also by increasing their import demand.

28. With regard to the preparation for future trade negotiations, the current situation was strikingly similar to the beginning of the discussions for the Uruguay Round in 1986, but there was less divergence in views on the content of the future trade negotiations than there had been in the early 1980s, although there were still important issues to be dealt with. The immediate future would be a time for consolidation of progress achieved rather than for major new revolutionary ideas, so that the unfinished business of the Uruguay Round could be tackled and attention given to those sectors which had somewhat lagged behind. He referred to the studies which the UNCTAD secretariat had made in cooperation with WTO, which showed that there was still considerable scope for tackling problems such as tariff peaks and tariff escalation, and the areas most subject to protectionism, namely agriculture, processed foods, textiles, clothing, footwear, leather goods, and fruit and vegetables. Efforts should be made to ensure further progress in those areas as well as in the area of rules addressing the problem of implementation. He stressed that it would be vital to pay attention to the difficulties faced in the area of implementation, not only by developing but also by developed countries.

29. He encouraged the Commission to take into consideration the broad framework he had outlined and provide the UNCTAD secretariat with firm guidance on the work it would like the secretariat to carry out. Trade was a major and positive force in the world economy and UNCTAD could help developing countries use trade as an effective way of developing their economies. His belief that UNCTAD could play an important role in that respect had been confirmed at the recent ad hoc expert group meeting on the effects of the Uruguay Round on developing countries and on providing those countries with a more proactive agenda for future trade negotiations. Five objectives were crucial in that work: they were to help developing countries (1) formulate development-related trade policies, (2) pursue those policy objectives during trade negotiations, (3) meet their obligations, (4) defend their acquired rights, and (5) exploit the trading opportunities that would be created by trade negotiations. The meeting had tried to enhance UNCTAD's analytical capabilities by networking with universities and international organizations. The active participation of WTO in the meeting was particularly gratifying. In part as a result of that interaction, Latin American countries had organized a Latin American trade network among researchers in the region. In the context of closer involvement with UNCTAD, four country studies had been commissioned from the Economic Commission for Latin America and the Caribbean to map out the challenges facing those countries in the negotiations ahead. A number of African studies on the same subject had also been carried out

and UNCTAD was trying to include more countries as a sign of its practical approach to problems and in a spirit of cooperation with other organizations.

30. The representative of Uruguay, speaking on behalf of the Latin American and Caribbean Group, recalled, with regard to agenda item 3, the importance for several countries in the region of unilateral trade preference mechanisms as instruments of market access, particularly for access to the markets of the United States and the European Union. However, such preferences had been eroded and their effects on trade reduced as a result of multilateral trade liberalization and the rise of reciprocal regional and subregional agreements. With regard to agenda item 4, he said that UNCTAD had an important role to play in identifying sectors of export interest to developing countries and in supporting the latter's participation in future negotiations by providing them with technical assistance to develop their analytical and negotiating capabilities.

31. He drew attention to three issues which were of the utmost importance to developing countries and therefore should be incorporated into the work of UNCTAD and the Commission on Trade in Goods and Services, and Commodities. The first was the interdependence between trade developments, on the one hand, and monetary and financial issues, on the other. There should be a discussion on the impact of the current economic crisis on the orientation of international trade flows, on the levels of competitiveness of regions and countries and on general macroeconomic equilibria. UNCTAD should also make a contribution to the reform of the international financial system. At present the Latin American and Caribbean region was being destabilized by developments beyond its control.

32. The second issue was that of commodities. In 1998, commodity prices had reached their lowest level in 20 years. Although there was a need to analyse the effects of that fall in prices on the export earnings of developing countries, commodity issues were largely absent from the international debate. There were currently fewer sources of strategic information on commodities than there had been a few years earlier. UNCTAD should revise the studies on the processing, marketing and distribution of commodities which it had done during the 1970s, given the significant changes which had occurred since then.

33. The third issue which deserved greater attention in international forums and in UNCTAD in particular was the trend towards international company mergers in almost all strategic economic sectors. Such mergers had an overwhelming impact on market structure (through the establishment of monopolies and oligopolies), international pricing decisions, competition, trade policy, production, marketing and transport systems, the physical location of the production facilities of large companies, the scope of multilateral trade negotiations, and the capacity of developing countries to formulate national policies. There was a risk that such mergers would negate the tremendous development efforts made by the countries of the Latin American and Caribbean region during the 1990s. UNCTAD should analyse the impact of mergers on trade and development.

34. If the Commission on Trade in Goods and Services, and Commodities continued to ignore those three very important issues, it would lose its influence and relevance.

35. Finally, he said that if the Commissions of the Trade and Development Board were to function effectively, it was absolutely essential that full interpretation services should be made available for the full duration of their sessions.

36. The representative of India, speaking on behalf of the Asian Group and China, said that, with regard to agenda item 3, the GSP and other non-reciprocal trade preferences continued to be important tools for development. The need for preferential market access treatment remained strong, especially in the light of the economic slump in several dynamic developing countries as a result of the global financial crisis. In order to determine the actual benefits of preferential arrangements for the various preference-receiving countries, the UNCTAD secretariat should strengthen its analytical work on the issue.

37. The utilization of GSP and other non-reciprocal trade preferences by recipients had been low. Accordingly, ways and means had to be found to ensure that the developing countries in most need of non-reciprocal trade preferences benefited from them. Technical cooperation activities, including through the use of new information technologies which enhanced awareness in preference-receiving countries about the substantive and operational features of the trade schemes, should be strengthened. Product coverage could be extended so that it matched to a greater extent the supply capabilities of preference-receiving countries. Preference margins could be improved where peak tariffs persisted on products of export interest to developing countries. Tariff quota limitations for GSP imports, particularly in the agricultural sector, could be removed. The greatest possible restraint should be exercised in the use of non-trade-related conditionalities. Better stability, predictability and transparency was also required in a number of the GSP schemes.

38. Special attention should be given to trade preferences for the LDCs, including in the context of regional integration groupings, as agreed upon at the Singapore WTO Ministerial Conference. Improved market access conditions alone were not sufficient, but needed to be coupled with measures to improve LDCs' capabilities to supply exports.

39. The trend towards liberalization and reciprocity in trade relations necessitated a closer examination of issues regarding non-reciprocal trade preferences, with a view to enhancing their effective contribution to the trade and development of developing countries. Such issues included the concept of graduation, the alignment of trade preferences for LDCs, the harmonization of GSP rules of origin, improved burden-sharing among preference-giving countries, broadening the scope of the GSP to cover trade in services, the "development-friendly" operation of GSP schemes, and new, more differentiated and flexible approaches to special and differential treatment for developing countries.

40. With regard to agenda item 4, he said that service industries in developing countries had not reached a stage where they were able to take full advantage of the trade and investment opportunities in other countries. Liberalization policies in different service sectors should be properly sequenced and phased in gradually to enable each sector to become strong enough to compete in international markets. The financial turmoil in Asia had demonstrated the vulnerability of countries to currency speculation, volatile capital flows and inadequate systems of financial regulation and supervision, which could have a serious impact on growth, employment and development.

41. Under articles IV and XIX.2 of GATS, the developed countries had undertaken to facilitate the participation of developing country members in world trade in services through negotiated specific commitments. Those provisions needed to be operationalized to ensure that practical benefits accrued to developing countries, by providing a notification and monitoring mechanism with regard to the implementation of article IV.

42. While much attention had been paid to ensuring commitments on commercial presence, hardly any attention had been paid to providing market access for professionals from developing countries. The movement of natural persons faced considerable barriers in the form of economic needs tests, visa and entry regulations, discriminatory licensing and professional qualification requirements. Most of the commitments in that mode of supply were made horizontally without any sectoral specificity, which gave rise to concerns that the symmetry between the movement of capital and the movement of labour was not being respected. Asian countries were concerned that their professionals were not able to exploit their comparative advantage to the full, while there was unabating pressure on them to open markets in sectors such as basic telecommunications or financial services and modes of supply (the cross-border and commercial presence modes) of export interest to developed countries. Initiatives to change the architecture of GATS and formulate separate agreements for each mode of supply should be viewed in the context of balancing rights and obligations under GATS and the need to maintain the neutrality of policy measures in relation to the four modes of supply. The work on emergency safeguards in GATS needed to be completed within the agreed time-frame in order to encourage developing countries to continue with their liberalization efforts.

43. In the next round of trade negotiations, substantial improvements would need to be made in the provision of market access to developing countries. The latter would need assistance from UNCTAD in preparing for those negotiations, and would benefit from a joint UNCTAD/WTO assessment of the impact on developing countries of liberalization under GATS.

44. The representative of Austria, speaking on behalf of the European Union, stressed that the full integration of developing countries into the multilateral trading system, towards which regional integration was a useful intermediate step, was one of the primary objectives of the European Union's development policy. UNCTAD had made a substantial contribution to the debate on trade liberalization from the perspective of developing countries, and trade policy makers from both developed and developing countries needed to engage in a positive dialogue with a view to exploring ways to enhance the linkage between an open trading system and developmental objectives. She welcomed in particular the fact that the issues on export expansion in the service sector had been chosen as one of the substantive items of the current session, as the service industries already represented a large share of global economic activities, and continued to steadily increase in importance in most developing countries.

45. The representative of Mauritius, speaking on behalf of the African Group, said that the Commission had a mandate to provide an integrated policy framework to enable the full integration of developing countries, especially LDCs and those with structurally weak and vulnerable economies, into the multilateral trading system. That mandate included helping developing countries to identify and take advantage of new export opportunities.

46. With regard to agenda item 3, he expressed concern over the inability of African countries to take full advantage of non-reciprocal preferential trade schemes. The low utilization of trade preferences was evident from the data provided in table 3 of document TD/B/COM.1/20/Add.1. The further utilization of preferences by African countries was constrained by the introduction by preference-giving countries of new criteria for graduation of beneficiaries, the phasing out of trade schemes, or the introduction of non-trade related conditionalities relating to social, environmental and humanitarian standards.

47. Accordingly, it was incumbent upon the international community to assist the African countries in particular in expanding their utilization of trade preferences. Priority areas in that respect included the strengthening of the export supply capabilities of African countries; wider dissemination of information about the trade schemes to enhance understanding in African countries about available trading opportunities; making the trade schemes development-friendly by, *inter alia*, expanding their product coverage and providing derogations from rules of origin and granting duty-free access for all products from LDCs; and infusing predictability and stability into trade schemes with long-term commitments.

48. With regard to agenda item 4, he said that no tangible benefits, particularly in terms of new investment, had yet accrued to most African countries, notwithstanding the binding commitments made by them under GATS and within WTO. Moreover, the trend towards the formation of strategic alliances and mergers between major service providers gave rise to monopoly situations that might further exclude many African countries from trade in those service sectors. It was therefore imperative that the international community should assist African countries in strengthening their participation in international trade in services. Priority areas in that respect included the reinforcement of the Coordinated African Programme of Assistance in Services and its extension to all African countries, the development of human resources in new technologies, the modernization of infrastructure, and the establishment of appropriate legislation for trade in services.

49. The representative of the Russian Federation gave a positive assessment of the Commission's work, including its analytical and practical components. In particular, he mentioned the successful outcome of the Ad Hoc Meeting of the Secretary-General of UNCTAD on GSP, GSTP and New Initiatives for LDCs, held in July 1998. He believed there was still a long way to go before trade liberalization and greater reciprocity in trade relations made unilateral trade preferences redundant. Therefore, GSP schemes continued to play an important role.

50. The Russian Federation was one of the preference-giving countries, having had a national GSP scheme in force since 1994. Under the scheme, all LDCs enjoyed duty-free access, and imports from 104 developing countries were subject to a levy of 75 per cent of the basic rate.

51. It was essential for the Russian Federation, which was still a net importer of services, to develop a national services infrastructure, adequate legislation and services exports. Problems affecting trade in services were similar in developing countries and economies in transition, so the Russian Federation was particularly interested in further work by UNCTAD in that area. Moreover, the role of UNCTAD in that area should be strengthened in view of the new WTO negotiations on services. He was of the view that, with due regard to the complementary tasks and comparative advantages of various international organizations, UNCTAD could make an effective contribution to the debate through human capacity-building and analytical work aimed at identifying export potential for the services of interested countries. In addition, he favoured UNCTAD's more active involvement in increasing the negotiating capacity of those countries, particularly with regard to the choice of negotiating strategy and tactical issues. He also supported UNCTAD's initiative on electronic commerce issues, which should be linked with its work on trade in services in the context of future multilateral negotiations. He also emphasized the usefulness of a recent ad hoc expert group of the Secretary-General of UNCTAD devoted to preparations for future multilateral trade negotiations.



**Chapter III**

**WAYS AND MEANS OF ENHANCING THE UTILIZATION OF TRADE PREFERENCES  
BY DEVELOPING COUNTRIES, IN PARTICULAR LDCs, AS WELL AS FURTHER  
WAYS OF EXPANDING PREFERENCES**

(Agenda item 3)

52. For its consideration of agenda item 3, the Commission had before it the following documentation:

"Ways and means of enhancing the utilization of trade preferences by developing countries, in particular LDCs, as well as further ways of expanding preference - Report by the UNCTAD secretariat" (TD/B/COM.1/20 and Add.1)

53. The representative of the UNCTAD secretariat, introducing agenda item 3, said that in 1996 imports worth around US\$ 103 billion had benefited from GSP treatment as compared to about US\$ 11 billion two decades previously. However, an analysis of recent GSP trade performance revealed that the benefits had been concentrated on relatively few major exporting developing countries, utilization rates had been in many cases well below 100 per cent, and few LDCs had benefited. Hence, a fair amount of GSP trading opportunities had yet to be seized by many beneficiary countries, so that ways and means of increasing the use of GSP preferences deserved priority attention. He described some such measures identified by the Ad Hoc Meeting of the Secretary-General of UNCTAD on GSP, GSTP and New Initiatives for LDCs, and contained in document TD/B/COM.1/20.

54. Non-reciprocal preferences had not become obsolete in the new post-Uruguay Round trading environment. There was still scope for commercially viable preference margins, particularly in sectors of export interest to developing countries. Moreover, the Singapore WTO Ministerial Conference and the High-level Meeting on Integrated Initiatives for Least Developed Countries' Trade Development had provided new impetus to efforts to improve market access conditions for LDCs. One of the options for expanding preferences was to provide duty-free and quota-free market access for all products from LDCs on a non-reciprocal basis. Greater selectivity might be required to ensure that those developing countries most in need benefited most from the GSP and other trade preferences. It was important to build consensus among preference-giving countries on a broad common policy that would significantly enhance the promotional impact of the GSP and help find ways to adapt it to the new trading environment.

**Summary of the informal discussions on agenda item 3<sup>1/</sup>**

55. The discussions emphasized the continuing need for non-reciprocal trade preferences to enhance trading opportunities for developing countries, especially LDCs and countries with structurally weak and vulnerable economies. Despite ongoing liberalization at the multilateral and regional or subregional levels, there was general agreement that the trading opportunities provided through non-reciprocal preferences should not be prematurely abolished, as there was likely

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<sup>1/</sup> Prepared by the UNCTAD secretariat.

to be a lengthy period before liberalization had been implemented in the world economy on a scale that left no scope for commercially meaningful trade preferences. The continuing relevance of the GSP and other non-reciprocal preference schemes and the importance attached to them by both preference-giving and preference-receiving countries was emphasized. It was noted that the importance of non-reciprocal preferences for LDCs had also been affirmed at the Ad Hoc Expert Group Meeting of the Secretary General of UNCTAD on GSP, GSTP and New Initiatives for LDCs.

56. There was general agreement that GSP benefits could be further expanded and strengthened. In the view of some representatives, measures to that effect could address problem areas relating to product coverage, preference margins, graduation measures, non-trade-related conditionalities, rules of origin, and the instability, unpredictability and complexity of GSP schemes. Moreover, the fact that those issues had already been the subject of discussion for a long time made it all the more important to find solutions that were mutually acceptable to preference-giving and preference-receiving countries, and there was considerable scope for expanding the utilization of the GSP and other non-reciprocal preferences by developing countries.

57. There was broad agreement that GSP utilization could be facilitated by enhancing awareness of GSP benefits among exporters in developing countries and among importers in preference-giving countries, and that developing countries and their exporters should continue to be provided with technical assistance to improve their understanding of GSP schemes, including the necessary administrative steps to be taken to be eligible for GSP preferences. Such assistance was being and should continue to be provided by UNCTAD, by export promotion bodies and by the preference-giving countries themselves. Modern information technology such as e-mail and the Internet could be used to reduce the cost and increase the effectiveness of such technical assistance. The view was widely held that preference-giving countries should provide their importers with a framework in which they could identify importable products from GSP beneficiaries as well as the extent of actual GSP benefits, similar to the measures already implemented by Norway and Switzerland. In addition, it was broadly agreed that the UNCTAD secretariat should continue to contribute to the analysis of those issues with a view to developing consensus on some of the major problem areas.

58. There were marked differences in views on the use of non-trade-related conditionalities in GSP schemes. According to one view, social and environmental clauses, although important issues in their own right, should not be attached to GSP schemes as criteria for eligibility by developing countries. Such standards were not always conducive to, and sometimes were even contrary to the spirit of, the development of trade which underpinned the GSP. The unilateral linkage of non-trade standards with the GSP was lamented. According to another view, such standards were necessary to ensure that international trade activities also improved workers' conditions and preserved the environment. Such standards were not new: in the case of the European Union, they had been in existence since the 1970s and had been updated in 1998 to include several International Labour Organization (ILO) conventions on labour standards as well as environmental standards of the International Tropical Timber Organization (ITTO). Moreover, the general public in the European Union was increasingly sensitive to respect for social and environmental norms in production processes. The unilateral application of those norms in GSP schemes was necessitated by the absence of internationally agreed standards.

59. With regard to South-South cooperation, it was noted that a number of developing countries had themselves taken initiatives to accord preferential market access unilaterally to LDCs. More detailed information on the stage of implementation of the various proposals and an analysis of the potential impact on the trade and development of LDCs of the new preference schemes would be useful. It was pointed out that the legal basis for the provision of such preferences had yet to be clarified in WTO; there was uncertainty over whether they were covered by the Enabling Clause, a general waiver or the GSTP. It was broadly agreed that more LDCs should endeavour to join the GSTP and take advantage of the special trade concessions available to them under that instrument.

60. It was emphasized that improved market access conditions alone, either under the GSP or other non-reciprocal trade preference schemes, were not sufficient to allow developing countries, especially LDCs and those with structurally weak and vulnerable economies, to take full advantage of existing trade preferences. GSP and other trade preferences alone could not be the catalyst for export expansion and economic development, but needed to be accompanied by efforts in developing countries to strengthen the export supply capabilities of LDCs, including through the development of their physical infrastructure. To that end, the support of the international community for the efforts of developing countries to overcome the deep-seated weakness of their supply capabilities could be of major importance.

**Action by the Commission**

61. For action taken by the Commission under this agenda item, see chapter V.

Chapter IV

**SCOPE FOR EXPANDING EXPORTS OF DEVELOPING COUNTRIES IN SPECIFIC SERVICES SECTORS THROUGH ALL GATS MODES OF SUPPLY, TAKING INTO ACCOUNT THEIR INTERRELATIONSHIP, THE ROLE OF INFORMATION TECHNOLOGY AND OF NEW BUSINESS PRACTICES**

(Agenda item 4)

62. For its consideration of agenda item 4, the Commission had before it the following documentation:

"Scope for expanding exports of developing countries in specific services sectors through all GATS modes of supply, taking into account their interrelationship, the role of information technology and of new business" (TD/B/COM.1/21 and Add.1)

63. The representative of the UNCTAD secretariat, introducing agenda item 4, said that opportunities in trade in services had increased as a result of several specific global trends, particularly in the use of information technologies which, together with advances in telecommunications, had made virtually all services tradeable. Although there was scope for expansion in the traditional sectors of export interest to developing countries, such as tourism, the most dynamic component of commercial services was the "other commercial services" category, including, for instance, computer and information services and communications services. Involving the private sector in commercial services and outsourcing would help build competitive capacity for the export of services. In order to take advantage of trading opportunities, service firms from developing countries would need to continuously keep up to date with technical and professional advances, as well as to meet and exceed international service quality standards and incorporate information technology in the provision of their services. The expansion of service exports from developing countries depended not only on national capabilities, but also on the quality of the telecommunications infrastructure in place and on emerging market opportunities. The effective supply of services required the use of all modes of supply, and to effectively compete in world markets would require the liberalization of all factors of production. The modal approach in GATS had created a flexible framework for liberalization, as well as for the possibility of trade-offs between different modes of supply.

64. However, service suppliers from developing countries were faced with a number of barriers to market access, such as requirements which limited or prohibited the temporary movement of natural persons, a lack of credibility in foreign markets (an issue which related to quality), the lack of appropriate and timely market information, the lack of access to distribution networks, financial constraints and a high degree of market concentration as a result of mergers and acquisitions and strategic alliances. Economic needs tests were a major barrier to trade in services and left considerable uncertainty as to the level of a country's commitment to market access. The adoption of specific criteria for the application and eventual removal of such tests, particularly with respect to clearly identifiable categories of professions, would be central to future efforts to liberalize trade in services. Facilitating the movement of service providers, through the introduction of streamlined GATS visas for example, would enhance the service exports of developing countries.

65. Particular attention needed to be given to the cross-border mode of supply of services, in view of the opportunities offered by electronic commerce for the supply of long-distance, labour-intensive services. The Internet was changing market structures and eliminating the need for intermediaries. Efforts needed to be made to ensure that the access of developing countries to cross-border data flows was not constrained. International mechanisms were required to regulate and harmonize cross-border legal questions and provide competitive safeguards against the creation of monopolies. The cost of infrastructure for electronic commerce was an important barrier to export expansion. For developing countries to benefit from the opportunities offered by electronic commerce, it was important that the provisions in articles IV and XIX.2, as well as the Annex on Telecommunications, of GATS were faithfully implemented.

66. Developing countries would have to ensure that their service suppliers made use of new business strategies, such as joining strategic alliances, to avoid being marginalized. However, since strategic alliances might also develop into de facto industry standard-setters or price-setters, a development which might lead to the erection of new entry and access barriers, there was a need to pay particular attention to the development of national and international competition policies.

**Summary of informal discussions on agenda item 4<sup>2/</sup>**

67. There was broad agreement that rapid changes in information technology were considerably enlarging market opportunities for the provision and export of services, basically because information technology made many services tradeable, gave access to a worldwide potential market, speeded up transactions, communications and data transmission, and greatly facilitated contacts between producers and consumers of services.

68. It was noted that growth in international trade had been strongest in the "other commercial services" category, particularly in business services, and that, rather than trade in services following trade in goods, trade in goods currently seemed to be following trade in services. Pre-sale services were increasingly required before the production of certain goods or services took place, in order to adjust the production process to the specific needs and demands of clients and consumers.

69. The main barriers which hindered the expansion of service exports by developing countries' suppliers were:

- (a) Their inadequate knowledge of the international services market;
- (b) The absence of international standards for professional services, including problems with the recognition of diplomas or qualifications, which could hinder or prevent the access of foreign professionals to national markets;
- (c) Problems with information technology and telecommunications infrastructure: taking advantage of the potential offered by new technologies presupposed ease of access to information technology and telecommunications infrastructure, in both economic and technical terms. The cost needed to be low and the infrastructure and access to it needed to be technically efficient. When those requirements were not met, many developing countries were unable to take

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<sup>2/</sup> Prepared by the UNCTAD secretariat.

advantage of the potential that information technology offered for the expansion of service exports. That was particularly the case when telecommunication services were provided in a non-competitive environment (e.g. in cases where there was a monopoly or dominant supplier), which tended to lead to high prices and offered no incentive for the technological upgrading of the infrastructure. An anti-competitive environment could arise even after the liberalization of the telecommunications sector. Therefore, it was of the utmost importance that liberalization should be accompanied by competition policies that avoided anti-competitive practices in the sector;

(d) Weak supply capacities: most developing countries faced difficulties in exporting services, and were not always able to meet quality standards in many non-traditional sectors, mainly due to their weak supply capacity;

(e) Concentrated market structure: in several service sectors there was a trend towards mergers and alliances between large companies, which resulted in a small number of large suppliers having dominant positions in those sectors. Such a situation tended to reduce competition in those sectors, change the pattern of international price-setting, alter the international division of labour within the relevant sectors, segment national and regional markets and ultimately affect developing countries' capacity to formulate national policies. The trend was particularly evident in the sectors of air transport, global distribution systems, telecommunications and software, auditing and consultancy services. The consolidation of this type of market structure made it more difficult for service suppliers (particularly small and medium-sized enterprises) from developing countries to enter the international market and take advantage of the opportunities it offered;

(f) The lack of services development policies and export strategies: most developing countries still needed to identify those service sectors in which they had or might develop a comparative advantage, in order to design and implement policies to develop the sector and its exports.

70. The view was widely held that in order to overcome some of the barriers to exports of services, developing countries required technical assistance from international organizations such as UNCTAD, in terms of human resource development, institutional capacity-building, access to technology, formulation of adequate legislation and design and implementation of services development policies and strategies aimed at fostering an internationally competitive supply capacity. Many developing countries, particularly less advanced developing countries and countries with vulnerable economies, also needed to receive technical cooperation to assist them in preparing for future negotiations on trade in services in the regional and multilateral contexts.

71. Developing countries generally considered that there were imbalances between the four modes of supply of GATS. There had been an emphasis on mode 3 (commercial presence) in negotiations and commitments made both during the Uruguay Round and in subsequent negotiations on trade in services, but there had been considerably less progress in negotiations on commitments on mode 4 (movement of natural persons). The basis for seeking an equilibrium was given by articles IV and XIX of GATS, which should, in their view, be fully implemented. Developed countries, on the other hand, argued that the question of the relation between different modes of supply needed to be analysed on a sector-specific basis, since the relative importance of each mode varied considerably among sectors. There was broad agreement that the mix of different modes of supply of services was also affected by technological change. In

particular, advances in information technology and the rapid expansion of electronic commerce had greatly expanded the opportunities for international trade in services through mode 1 (cross-border trade).

72. The question of balance between the modes of supply partly reflected the question of balance between the rights and obligations of developed and developing countries; developing countries considered it important to restore that balance during the coming negotiations on services.

73. It was agreed that the virtual absence of statistics on trade in services made it more difficult to analyse, formulate and discuss proposals in the context of international negotiations on trade in services. Developing countries needed to make an analysis of their service sectors in order to design and implement development policies which might lead to export strategies. Such an analysis would help them to participate in future multilateral and regional negotiations.

74. Developing countries were ready to embark on negotiations which would result in further liberalization of their services sector, but they could not agree to demands which were incompatible with their respective development levels. In relation to the treatment of asymmetries between countries with different levels of development, the concept of establishing preferences in favour of developing countries in the context of trade in services was repeatedly raised, by analogy to the preference that already existed in the context of trade in goods. However, it was understood that the issue needed further analysis if practical measures were to be formulated.

75. The "new" issue introduced in the multilateral agenda during the Second WTO Ministerial Conference was that of electronic commerce. It was noted that in September 1998 WTO had agreed on a work programme on that issue, aiming, *inter alia*, at examining the effect of existing rules on that form of trade. It was pointed out that many of the questions formulated in relation to electronic commerce had been foreseen by GATS, including access to infrastructure, the cross-border mode of supply and domestic regulation.

76. One of the issues raised in relation to electronic commerce was the transfer of technology through services. It was argued by some that electronic commerce implied exchange of information and know-how, and not of patentable technology. However, the link between electronic commerce and transfer of technology might be established in terms of the goods that were required to perform the transactions involved, including telecommunications technology. One way to transfer technology was for a transnational corporation to set up in a developing country and produce information technology and telecommunications hardware locally, either on its own or in partnership with domestic companies.

77. Delegations expressed interest in the Coordinated African Programme of Assistance in Services (CAPAS) and requested further information on the activities of the programme. The secretariat explained that the programme had been set up following the Uruguay Round negotiations, the negotiation of the Lomé Conventions and the structural adjustment programmes. The focus of the programme was on enhancing the understanding of the relationship between services and development, reform of national policies and support to negotiations on trade in services. The three phases of CAPAS had covered 21 African countries. The regional meeting for the third phase of CAPAS would take place in Mauritius in December to discuss the progress achieved in the third phase and to identify ways and means to prepare for the next round of negotiations on services. Some African countries expressed their interest in participating in the regional

meeting and stressed the need for continuation of the programme and expansion of its coverage to include all African countries.

78. In response to queries from delegates on the database on Measures Affecting Service Trade (MAST), the secretariat explained that it was implemented by the UNCTAD secretariat pursuant to the conclusions and recommendations of the second session of the Standing Committee on Developing Service Sectors: Fostering Competitive Service Sectors in Developing Countries. As stated in the original mandate, MAST was conceived as an instrument "to process laws and regulations, affecting the access of services and services suppliers to world markets, with a view to enhancing the services exports of developing countries". MAST was aimed at recording all measures affecting the exports of developing countries in all sectors and modes of supply of expert interest to them. The database used the concepts and definitions of GATS, registering all measures applied to services in accordance with the sectoral classification of GATS or the Central Product Classification (CPC), by each mode of supply and by its applicability to market access, national treatment and most-favoured-nation treatment, as well as domestic regulations.

79. Setting up the database had involved two steps. The first comprised the preparation of the first version of the software and pilot tests in which samples of laws and their relations with commitments under GATS were studied. The second step focused on the processing of records in selected countries and in the framework of collaboration agreements with the Andean Pact, the Central American Common Market, the Latin American Integration Association and the Organization of American States. Following those two steps, new software had been prepared to develop applications in a Windows environment for the dissemination of the database on CD-ROM. More than 3,500 records had been processed for more than 80 countries, including the laws applied to the movement of natural persons in the countries that were the major importers of services. The database was being used by some countries in the process of accession to WTO to register their measures affecting services for use in the preparation of commitments under GATS. The database was also being used by the Latin American Integration Association to support the liberalization of services.

#### **Action by the Commission**

80. For action taken by the Commission under this agenda item, see chapter V.



## Chapter V

### **ACTION BY THE COMMISSION AND CLOSING STATEMENTS**

#### **Action by the Commission**

81. At its 9th (closing) plenary meeting on 2 October 1998, the Commission adopted its agreed conclusions and recommendations on agenda items 3 and 4 (contained in chapter I). It also agreed to include summaries of the informal discussions on those agenda items, prepared by the secretariat under the authority of the Rapporteur, in the final report of the meeting (the summaries are contained in chapters III and IV respectively).

82. Under agenda item 5, the Commission took note of the following reports:

(a) Report of the Expert Meeting to Examine the Effectiveness and Usefulness for Commodity-dependent Countries of New Tools in Commodity Markets: Risk Management and Collateralized Finance (TD/B/COM.1/16 - TD/B/COM.1/EM.5/3);

(b) Report of the Expert Meeting on Strengthening the Capacity for Expanding the Tourism Sector in Developing Countries, with Particular Focus on Tour Operators, Travel Agencies and Other Suppliers (TD/B/COM.1/17 - TD/B/COM.1/EM.6/3);

(c) Report of the Expert Meeting on Strengthening Capacities in Developing Countries to Develop Their Environmental Services Sector (TD/B/COM.1/18 - TD/B/COM.1/EM.7/3);

(d) Informal Report by the UNCTAD Secretariat on the Ad Hoc Meeting of the Secretary-General of UNCTAD on GSP, GSTP and New Initiatives for LDCs (UNCTAD/SG/AC.1/1).

83. In addition, the Commission recommended to the Trade and Development Board that expert meetings should be held on the following topics:

(a) The impact of changing supply-and-demand market structures on commodity prices and exports of major interest to developing countries;

(b) Examine trade in the agricultural sector, with a view to expanding the agricultural exports of developing countries, and to assisting them in better understanding the issues at stake in the upcoming agricultural negotiations;

(c) Clarify issues on air transport services to define elements of the positive agenda of developing countries as regards both the GATS and specific sector negotiations of interest to them.

#### **Closing statements**

84. The representative of Mauritius, speaking on behalf of the African Group, reiterated the importance of avoiding duplication of the work of other international organizations and the need to keep the Commission informed of progress in implementing the agreed recommendations.

85. The representative of Uruguay, speaking on behalf of the Latin American and Caribbean Group, said that the outcome of the meeting gave him reason to believe that the Commission was back on the right track, focusing once again on the subjects of particular interest to developing countries.

86. The representative of the Dominican Republic said that in the interests of transparency and the timely publication of UNCTAD documents, UNCTAD should make greater use of the Internet.

## Chapter VI

### ORGANIZATIONAL MATTERS

#### A. Opening of the session

87. The third session of the Commission on Trade in Goods and Services, and Commodities was opened on 28 September 1998 by Mr. Bozorgmehr Ziaran, Chairperson of the second session of the Commission.

#### B. Election of officers

(Agenda item 1)

88. At its 8th plenary meeting, on 28 September 1998, the Commission elected its Bureau as follows:

<u>Chairperson:</u>	Mr. Sándor Simon	(Hungary)
<u>Vice-Chairpersons:</u>	Mr. Luis Alberto Padilla Menéndez	(Guatemala)
	Mr. Mark Jones	(United Kingdom of Great Britain and Northern Ireland)
	Ms. Rafla Mrabet	(Tunisia)
	Ms. Gothami Indikadahena	(Sri Lanka)
	Ms. Marianne Zuur	(Netherlands)
<u>Rapporteur:</u>	Ms. Leticia Casati	(Paraguay)

#### C. Adoption of the agenda and organization of work

(Agenda item 2)

89. At the same meeting, the Commission adopted the provisional agenda circulated in document TD/B/COM.1/19. Accordingly, the agenda for the third session was as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Ways and means of enhancing the utilization of trade preferences by developing countries, in particular LDCs, as well as further ways of expanding preferences
4. Scope for expanding exports of developing countries in specific services sectors through all GATS modes of supply, taking into account their interrelationship, the role of information technology and of new business practices

5. Reports of the subsidiary bodies of the Commission<sup>3/</sup>
6. Provisional agenda for the fourth session of the Commission
7. Other business
8. Adoption of the report of the Commission to the Trade and Development Board

**D. Provisional agenda for the fourth session of the Commission**

(Agenda item 6)

90. At its closing plenary meeting, on 2 October 1998, the Commission approved the provisional agenda for its fourth session (see annex I below).

**E. Adoption of the report of the Commission to the Trade and Development Board**

(Agenda item 8)

91. Also at its closing plenary meeting, the Commission adopted its draft report (TD/B/COM.1/L.7), subject to amendments to the summaries of statements, and authorized the Rapporteur to finalize the report in the light of the proceedings of the closing plenary.

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<sup>3/</sup> Item 5 was subsumed under items 3 and 4. Under item 5, the Commission had before it the reports of the Expert Meetings listed in paragraph 82 above, and, in accordance with paragraph 24 of the "Guidelines on the efficiency and functioning of the UNCTAD intergovernmental machinery", adopted at the sixteenth executive session of the Trade and Development Board, the "Progress report on implementation of agreed conclusions" (TD/B/COM.1/CRP.1).

**ANNEXES**

**Annex I**

**PROVISIONAL AGENDA FOR THE FOURTH SESSION OF THE COMMISSION**

1. Election of officers
2. Adoption of the agenda and organization of work
3. Analysis of factors affecting the production and trade of commodities, such as the implications of financial crises, the reasons for and effects of the collapse in commodity prices, and the impact of changing distribution and market structures
4. Analysis of certain service sectors, including analysis of successful experiences in those sectors, particularly those which enhance the export capacity of developing countries (such as professional and business services and access to transport services), including the development implications of electronic commerce
5. Reports of the subsidiary bodies of the Commission
6. Progress report on the implementation of agreed conclusions and recommendations of the Commission
7. Other business
8. Adoption of the report of the Commission to the Trade and Development Board.

**Annex II**

**ATTENDANCE \*/**

1. The following States members of UNCTAD, members of the Commission, were represented at the session:

Argentina	Malta
Austria	Mauritius
Bangladesh	Mexico
Belarus	Morocco
Belgium	Myanmar
Bolivia	Netherlands
Brazil	Nicaragua
Bulgaria	Nigeria
Burundi	Norway
Chile	Panama
China	Paraguay
Colombia	Peru
Costa Rica	Philippines
Croatia	Portugal
Cuba	Republic of Korea
Czech Republic	Romania
Democratic People's Republic of Korea	Russian Federation
Denmark	Rwanda
Dominican Republic	Senegal
Egypt	Slovakia
Ethiopia	South Africa
Finland	Spain
France	Sri Lanka
Germany	Sweden
Greece	Switzerland
Guatemala	Thailand
Haiti	The Former Yugoslav Republic of Macedonia
Hungary	Trinidad and Tobago
India	Tunisia
Indonesia	Turkey
Iran (Islamic Republic of)	Ukraine
Ireland	United Kingdom of Great Britain and Northern Ireland
Italy	United States of America
Jamaica	Uruguay
Japan	Venezuela
Kenya	Viet Nam
Lebanon	Zambia
Madagascar	
Malaysia	

2. The following State member of UNCTAD, not a member of the Commission, was represented as an observer at the session:

Democratic Republic of the Congo

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\*/ For the list of participants, see TD/B/COM.1/INF.3.

3. The following intergovernmental organizations were represented at the session:

Commonwealth Secretariat  
European Community  
European Free Trade Association  
League of Arab States  
Organisation for Economic Co-operation and Development  
Organization of African Unity  
World Customs Organization

4. The following specialized agencies and related organization were represented at the session:

Food and Agriculture Organization of the United Nations  
International Monetary Fund  
United Nations Industrial Development Organization  
World Trade Organization

5. The United Nations Environment Programme and the International Trade Centre UNCTAD/WTO were represented at the session.

6. The following non-governmental organizations were represented at the session:

General Category

World Federation of United Nations Associations

Special Category

European Secretariat of the United Agricultural Trade Associations

**Panellists**

Mrs. R. Sethumadhavan, Datamatics Co., India  
Mr. Garry Hunt, Commonwealth Secretariat

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