Parliamentary Assembly
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COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Resolution 675 (1978)[1]

Multilateral trade negotiations in the framework of the General Agreement on Tariffs and Trade (GATT)

Parliamentary Assembly

The Assembly,

1. Having taken note of the report of its Committee on Economic Affairs and Development on multilateral trade negotiations (Doc. 4144) ;

2. Emphasising that the liberalisation of trade has been a strong contributory factor to the continuing growth which the Western economies in particular have experienced in recent decades, whereas the income gap between industrialised and developing countries has continued to widen ;

3. Considering that, despite the improvement of the foreign trade situation of certain developing countries, whether they are rich in energy resources or certain commodities, or whether they serve as a basis for multinational corporations to produce export goods destined to the developed countries, there has been no appreciable change in the position of developing countries vis-à-vis the developed countries as a whole, and that this fact justifies special treatment in their favour ;

4. Noting that sudden changes in the prices of energy and certain commodities, combined with immoderate or unfair practices, have jeopardised the competitive position of certain sectors in the industrialised countries, causing inflation and unemployment ;

5. Considering that a return to normality and fairness in international trade is essential to the restoration of the conditions of growth in the industrialised countries and in the world economy as a whole ;

6. Deploring the protectionist trends that are discernible in the industrialised countries, and considering that the closure of the frontiers of the Western countries which are strongly dependent on overseas trade would be very dangerous for the future of the world economy ;

7. Considering that the protection of international trade patterns should not be conducted in a way detrimental to the employment situation ;

8. Calls upon governments of industrialised countries to speed up action designed to restructure industrial sectors affected by new patterns in world trade, so as to facilitate adequate industrial growth and social progress in developing countries, thus contributing to a better international distribution of labour ;

9. Calls upon all governments whether or not they are participants in the GATT multilateral trade negotiations :

9.1. to take vigorous action to reform international trade relations in a manner consistent with the principle of free trade, but giving preferential treatment to the developing countries and in particular the least developed among them ;

9.2. to undertake to restore an equitable system for the control and management of international liquidity ;

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1. Assembly debate on 28 April 1978 (8th Sitting) (see Doc. 4144. report of the Committee on Economic Affairs and Development). Text adopted by the Assembly on 28 April 1978 (8th Sitting).

10. Calls upon the governments of the Council of Europe member states taking part in the multilateral trade negotiations to contribute actively to their successful outcome, inter alia by :

a. with regard to tariff and non-tariff barriers to trade :

achieving harmonisation of tariffs through a more substantial reduction of the highest custom duties (a reduction which could justifiably be of between 20 and 40%) ;

consolidating customs tariffs, in compliance with the GATT rules ;

abolishing or at least lessening non-tariff barriers to trade, in particular through the adoption of draft codes on customs valuation, on government procurement and on technical barriers, and through the adoption of common standards so devised as not to represent a handicap for the fragile economies of the developing countries ;

b. with regard to agriculture :

concluding agreements for such products as cereals, meat and dairy products, which ensure continuing supplies and prices which the importing developing countries can afford, but which provide the farmers with sufficient income ;

fully implementing and improving preferential treatment for tropical products which are a vital source of foreign currency for numerous developing countries ;

c. with regard to the structure of international trade and the position of the developing countries :

1. eliminating economic, social or monetary "dumping" practices which profoundly disrupt international trade, inter alia by the adoption of a code of conduct designed to combat uncontrolled imports and to restore commercial ethics ;
2. restoring the balance of trade between the Council of Europe member countries and Japan, inter alia by a greater opening of the Japanese market, in order to prevent the development of protectionist stresses in numerous sensitive sectors ;
3. improving the international framework of trade, inter alia through a reform of the basic rules governing international trade, in a spirit of solidarity between the industrialised and the developing countries ;
4. reforming the multilateral safeguard system in a way which, while realistic, allows no undue constraints to be placed on free trade- this should be achieved by the introduction of procedures of international surveillance whose effects on countries infringing the code of conduct established in the framework of GATT would be selective ;
5. granting preferential treatment to the developing countries, in particular through the improvement of the Generalised System of Preferences, on the basis of the system introduced in the European Communities, the opening of markets and a revenue guarantee offered by the importing countries ;
6. setting up machinery for joint utilisation by the industrialised and developing countries, introducing structural changes in their international trade, which promote industrial reconversion in the industrial countries.