TAIWAN BID TO JOIN GATT SAID POSES LEGAL AND POLITICAL PROBLEMS FOR THE WORLD TRADE FORUM, DIPLOMATIC SOURCES SAID ON FRIDAY.

THIS IS BECAUSE THE UNITED NATIONS RECOGNISES TAIWAN AS A PROVINCE OF MAINLAND CHINA, AND PEKING, WHICH IS ALSO SEEKING GATT MEMBERSHIP, HAS PREVIOUSLY SUCCEEDED IN KEEPING TAIPEI OUT OF MOST INTERNATIONAL ORGANISATIONS, THE SOURCES SAID.

AN OFFICIAL AT THE GENEVA HEADQUARTERS OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT) SAID THE LETTER OF APPLICATION, NOW BEING CIRCULATED AMONG THE ORGANISATION'S 96 MEMBERS, ASKED DIRECTOR-GENERAL ARTHUR DUNKEL TO START AS SOON AS CONVENIENT THE RELEVANT PROCEDURES FOR TAIWAN TO JOIN.

IT ADDED THAT TAIWAN HOPED THESE COULD BE COMPLETED BEFORE THE SCHEDULED END NEXT DECEMBER OF THE URUGUAY ROUND OF WORLD TRADE NEGOTIATIONS BEING CONDUCTED UNDER GATT AUSPICES, THE OFFICIAL SAID.

NORMAL PROCEDURE WOULD BE TO PUT TAIWAN'S REQUEST ON THE AGENDA OF A MEETING OF GATT'S RULING COUNCIL, WHICH COULD SET UP A WORKING PARTY TO CONSIDER IT, BUT THE OFFICIAL SAID IT WAS STILL UNCERTAIN HOW SOON THIS WOULD HAPPEN.

THE NEXT REGULAR MONTHLY COUNCIL MEETING IS SET FOR JANUARY 25. DIPLOMATIC SOURCES SAID THEY EXPECTED IN THE MEANTIME THERE WOULD BE INFORMAL CONTACTS AMONG MAJOR GATT MEMBERS SUCH AS THE UNITED STATES, THE EUROPEAN COMMUNITY AND JAPAN ON THE TAIWAN BID.

THE GATT OFFICIAL SAID TAIWAN BASED ITS APPLICATION ON
GATT'S ARTICLE 33 WHICH SAYS "A GOVERNMENT ACTING ON BEHALF OF A SEPARATE CUSTOMS TERRITORY POSSESSING FULL AUTONOMY IN THE CONDUCT OF ITS EXTERNAL COMMERCIAL RELATIONS" CAN ACCEDE TO GATT ON TERMS TO BE AGREED WITH EXISTING MEMBER STATES.

DIPLOMATIC SOURCES SAID LEGAL ARGUMENTS WERE LIKELY TO FOCUS ON WHETHER TAIWAN MET THESE CONDITIONS. BOTH PEKING AND TAIPEI INSIST THAT THERE CAN BE ONLY ONE LEGITIMATE CHINA.

NATIONALIST CHINA WAS ONE OF GATT'S 23 FOUNDER MEMBERS IN 1948, BUT A COMMUNIST GOVERNMENT CAME TO POWER THE FOLLOWING YEAR AND QUIT THE ORGANISATION IN 1950, AFTER THE NATIONALISTS FLED TO TAIWAN.

PEKING APPLIED IN 1986 "TO RESUME ITS SEAT" IN THE ORGANISATION, WHICH SETS RULES FOR SOME FOUR-FIFTHS OF INTERNATIONAL COMMERCE BASED ON FREE TRADE PRINCIPLES THAT GUIDE THE WORLD'S MARKET ECONOMIES.

A GATT WORKING PARTY RESUMED CONSIDERATION OF CHINA'S BID LAST MONTH AFTER A SIX MONTHS' PAUSE FOLLOWING PEKING'S CRUSHING OF THE COUNTRY'S PRO-DEMOCRACY MOVEMENT LAST JUNE.

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