

SUBJECT: TRADE NEGOTIATIONS COMMITTEE

1. AS STATED IN GATT/AIR/1100 OF 10 JUNE 1974, THE MAIN TASKS BEFORE THE COMMITTEE AT ITS MEETING ON 17 JULY 1974 WILL BE:

- (A) TO CONSIDER THE REPORTS FROM THE GROUPS, AND
- (B) TO CONSIDER HOW BEST TO CARRY ITS WORK FORWARD

CONSIDERATION OF REPORTS

2. IT IS SUGGESTED THAT, UNDER THE FIRST AGENDA ITEM, THE COMMITTEE WOULD FORMALLY ADOPT THE REPORTS.

FURTHER WORK

3. THE CHAIRMAN OF THE TRADE NEGOTIATIONS COMMITTEE WOULD PROPOSE THAT THE COMMITTEE SHOULD, UNDER THE SECOND AGENDA ITEM, AGREE ON THE QUESTIONS WHICH WOULD BE CONSIDERED IN THE AUTUMN IF CONDITIONS PERMIT, TO THE END THAT SUBSTANTIVE NEGOTIATIONS COULD BE ENGAGED. SUGGESTIONS TO THIS EFFECT ARE MADE IN THE FOLLOWING PARAGRAPHS. IT IS UNDERSTOOD THAT IN EACH AREA GOVERNMENTS WOULD BE GUIDED BY THE MINISTERIAL DECLARATION AS IT RELATES TO DEVELOPING COUNTRIES AND THAT, IN DRAWING UP NEGOTIATING PLANS AND APPROPRIATE NEGOTIATING PROCEDURES, CONTINUOUS ATTENTION WOULD BE GIVEN TO SPECIAL PROCEDURES THAT MIGHT BE NEEDED FOR THE NEGOTIATIONS BETWEEN DEVELOPED AND DEVELOPING COUNTRIES.

TARIFFS

4. THE COMMITTEE SHOULD AGREE THAT WORK SHOULD START IN THE AUTUMN ON THE ELABORATION OF A TARIFF NEGOTIATING PLAN. AT THAT TIME, GOVERNMENTS SHOULD BE READY TO DISCUSS AMONG OTHER THINGS THE PRECISE FORMULA THAT SHOULD BE USED FOR TARIFF CUTTING, I.E., WHAT PARTICULAR LINEAR FORMULA OR HARMONIZATION FORMULA OR COMBINATION OF FORMULAE THEY FAVOUR; WHETHER ONE FORMULA SHOULD BE USED ACROSS-THE-BOARD OR WHETHER DIFFERENT FORMULAE SHOULD BE USED IN DIFFERENT SECTORS; STAGING OF TARIFF CUTS; THE BASE DATE AND BASE RATES TO BE USED; HOW ACCOUNT

MIGHT BE TAKEN OF THE IMPORTANCE OF MAINTAINING AND IMPROVING THE GENERALIZED SYSTEM OF PREFERENCES; AND HOW SPECIAL AND MORE FAVOURABLE TREATMENT BE PROVIDED TO DEVELOPING COUNTRIES.

NON-TARIFF MEASURES

5. WHILE IT IS UNDERSTOOD THAT NO MEASURES WOULD BE EXCLUDED FROM THE NEGOTIATIONS, THE COMMITTEE SHOULD AGREE THAT IN THE AUTUMN THEY WOULD SELECT THE CATEGORIES OF MEASURES TO BE THE SUBJECT OF NEGOTIATIONS INITIALLY, SINCE IT WILL HARDLY BE POSSIBLE TO DEAL WITH ALL CATEGORIES AT THE SAME TIME. THE MAIN QUESTION WILL BE WHETHER THE CATEGORIES OF MEASURES SPECIFICALLY MENTIONED IN THE PRESENT PROGRAMME OF WORK SHOULD BE CHOSEN, OR WHETHER CHANGES AND ADDITIONS (FOR INSTANCE, GOVERNMENT PROCUREMENT POLICIES) SHOULD BE MADE TO THE LIST.

6. THE COMMITTEE SHOULD AGREE THAT GOVERNMENTS SHOULD PREPARE THEMSELVES TO DRAW UP DETAILED PLANS FOR NEGOTIATIONS ON NON-TARIFF MEASURES AND SHOULD, BY THE AUTUMN, HAVE A POSITION ON THE OBJECTIVES WHICH THEY WISH TO ATTAIN WITH RESPECT TO EACH CATEGORY OF NON-TARIFF MEASURES AND THE METHOD BY WHICH THESE OBJECTIVES SHOULD BE ATTAINED.

7. WHERE NEGOTIATIONS SHOULD BE AIMED AT REDUCING OR ELIMINATING THE MEASURES, GOVERNMENTS SHOULD BE READY TO DISCUSS, FOR EXAMPLE, WHETHER THE OBJECTIVE SHOULD BE TOTAL ELIMINATION OR REDUCTION; THE PRECISE METHOD BY WHICH THE OBJECTIVE WOULD BE REACHED; AND POSSIBILITIES FOR SPECIAL AND MORE FAVOURABLE TREATMENT FOR DEVELOPING COUNTRIES.

8. WHERE NEGOTIATIONS SHOULD BE AIMED AT ELIMINATING THE TRADE RESTRICTIVE OR DISTORTING EFFECTS OF THE MEASURES, GOVERNMENTS SHOULD BE READY TO DISCUSS, FOR EXAMPLE, WHETHER IMPORTED GOODS SHOULD BE GRANTED NATIONAL TREATMENT; WHETHER THE MEASURES OF DIFFERENT PARTICIPANTS SHOULD BE HARMONIZED; WHETHER THERE SHOULD BE PROCEDURES FOR PRIOR NOTIFICATIONS AND CONSULTATIONS WITH REGARD TO NEW MEASURES; ANY SPECIAL PROVISIONS FOR DEVELOPING COUNTRIES; AND WHETHER BENEFITS WOULD ACCRUE ONLY TO COUNTRIES THAT ARE PARTIES TO THE RESULTING ARRANGEMENT.

9. THE COMMITTEE SHOULD ALSO AGREE THAT, IN THE AUTUMN, GOVERNMENTS SHOULD ALSO BE READY TO DISCUSS WHETHER PROVISION SHOULD BE MADE FOR THE EXCHANGE OF REQUESTS LISTS AND OFFERS LISTS ON SPECIFIC NON-TARIFF MEASURES NOT DEALT WITH MULTILATERALLY.

## SECTOR APPROACH

10. THE COMMITTEE SHOULD DECIDE WHETHER AN EXAMINATION OF THE POSSIBILITIES OF THE SECTOR APPROACH SHOULD BE UNDERTAKEN IN THE AUTUMN. THE COMMITTEE SHOULD ALSO AGREE THAT IF SUCH AN EXAMINATION IS UNDERTAKEN THE GOVERNMENTS SHOULD BE PREPARED TO DISCUSS, AMONG OTHER THINGS, THE SECTORS WHICH WOULD BE THE SUBJECT OF SUCH NEGOTIATIONS AND THEIR DEFINITION; THE OBJECTIVES OF THE NEGOTIATIONS IN EACH SECTOR; THE RULES FOR THESE NEGOTIATIONS; AND HOW THE SECTOR NEGOTIATIONS MIGHT BE RELATED TO OTHER PARTS OF THE NEGOTIATIONS.

## MULTILATERAL SAFEGUARD SYSTEM

11. THE COMMITTEE SHOULD CONSIDER WHEN THE EXAMINATION OF THE ADEQUACY OF THE MULTILATERAL SAFEGUARD SYSTEM SHOULD BE STARTED.

## AGRICULTURAL PRODUCTS

12. WITH RESPECT TO AGRICULTURAL PRODUCTS, THE COMMITTEE SHOULD AGREE TO TAKE UP THE FOLLOWING QUESTIONS IN THE AUTUMN. IT WOULD BE UNDERSTOOD THAT, IN TAKING UP THESE QUESTIONS, THE COMMITTEE WOULD NOT EXCLUDE WORKING OUT PROCEDURES FOR NEGOTIATING ON SPECIFIC MEASURES AFFECTING SPECIFIC PRODUCTS.

13. SHOULD CEREALS (INCLUDING FEED GRAINS) BE TAKEN UP AS A SPECIFIC SUBJECT OF NEGOTIATION? SHOULD OTHER PRODUCT GROUPS (E.G., DAIRY PRODUCTS OR CERTAIN TYPES OF MEAT) BE DEALT WITH AS SPECIFIC SUBJECTS OF NEGOTIATION? IF CERTAIN PRODUCT GROUPS ARE SELECTED AS SPECIFIC SUBJECTS OF NEGOTIATION, GOVERNMENTS SHOULD BE READY TO DISCUSS THE FOLLOWING MATTERS, AMONG OTHERS, FOR EACH PRODUCT GROUP: THE OBJECTIVES OF THE NEGOTIATIONS, THE ELEMENTS TO BE INCLUDED; POSSIBLE ADAPTATIONS FOR THE BENEFIT OF DEVELOPING COUNTRIES.

14. SHOULD CERTAIN CLASSES OF PROBLEMS AFFECTING AGRICULTURAL PRODUCTS, SUCH AS EXPORT MEASURES INCLUDING EXPORT ASSISTANCE AND EXPORT RESTRAINTS, BE DEALT WITH AS SPECIFIC SUBJECTS OF NEGOTIATION? IF CERTAIN CLASSES OF PROBLEMS ARE SELECTED, GOVERNMENTS SHOULD BE READY TO DISCUSS THE FOLLOWING MATTERS, AMONG OTHERS, FOR EACH CLASS OF PROBLEMS: THE TECHNIQUE OR TECHNIQUES TO BE USED TO ELIMINATE OR REDUCE SUCH MEASURES; THE COMMITMENTS TO BE ASSUMED BY DIFFERENT PARTICIPANTS TAKING INTO ACCOUNT THE PARTICULAR SITUATION OF DEVELOPING COUNTRIES.

15. SHOULD THE UNNECESSARY TRADE EFFECTS OF SANITARY AND PHYTO-SANITARY REGULATIONS BE TREATED AS A SPECIFIC SUBJECT OF NEGOTIATION? IF SO, DOES THE PROPOSED INSTRUMENT FOR PREVENTING TECHNICAL BARRIERS TO TRADE ADEQUATELY MEET THE DESIRED AIMS AS REGARDS SUCH REGULATIONS OR SHOULD SOME OTHER SOLUTION BE ADOPTED.

#### TROPICAL PRODUCTS

16. THE COMMITTEE SHOULD AGREE THAT IN THE AUTUMN WORK WOULD START ON THE ELABORATION OF THE RULES FOR THE NEGOTIATIONS ON TROPICAL PRODUCTS IN BOTH RAW AND PROCESSED FORMS, IN ORDER TO TREAT TROPICAL PRODUCTS AS A SPECIAL AND PRIORITY SECTOR. GOVERNMENTS SHOULD THEN BE READY TO ADDRESS THEMSELVES TO THE FOLLOWING TOPICS, AMONG OTHERS: TARIFFS; NON-TARIFF MEASURES; THE POSSIBILITY OF DEVISING ADDITIONAL MEASURES TO FACILITATE THE ELIMINATION OF TARIFFS ON PRODUCTS BENEFITING FROM SPECIAL PREFERENCES; HOW THE SECOND ALINEA OF PARAGRAPH 2 OF THE TOKYO DECLARATION COULD BE APPLIED TO TROPICAL PRODUCTS; WHETHER, FOR SOME OF THESE PRODUCTS, AN APPROPRIATE SOLUTION MIGHT CONSIST OF A COMBINATION OF VARIOUS ELEMENTS; AND THE NEGOTIATING FRAMEWORK FOR TROPICAL PRODUCTS THAT ARE OF MAJOR EXPORT INTEREST TO TROPICAL PRODUCERS BUT THAT ARE ALSO PRODUCED IN TEMPORATE ZONE COUNTRIES.

#### OTHER MATTERS

17. THE COMMITTEE MIGHT ALSO DECIDE THAT IN THE AUTUMN IT WILL EXAMINE THE MANNER IN WHICH CONSIDERATION SHOULD BE GIVEN TO IMPROVEMENTS IN THE INTERNATIONAL FRAMEWORK FOR THE CONDUCT OF WORLD TRADE AND CONSIDER AT WHAT STAGE OF THE NEGOTIATIONS IT WOULD BE APPROPRIATE TO TAKE THIS MATTER UP.

18. IT IS SUGGESTED THAT UNDER THE SECOND AGENDA ITEM THE COMMITTEE SHOULD ALSO DECIDE WHAT TECHNICAL WORK STILL REMAINS TO BE DONE ON TASKS IN THE EXISTING PROGRAMME OF WORK (I.E., ON TASKS 1, 2, 3 AND 16) AND IF ANY ADDITIONAL TECHNICAL WORK SHOULD BE DONE ON THE SECTOR APPROACH AND THE SAFEGUARD QUESTION.

#### INSTITUTIONAL QUESTIONS

19. AT ITS JULY MEETING THE COMMITTEE SHOULD CONSIDER THE ARRANGEMENTS FOR CARRYING OUT THE AGREED WORK, INCLUDING A PROVISIONAL PROGRAMME OF MEETINGS FOR THE AUTUMN.

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