## GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED TBT/9 3 November 1981 Special Distribution

Committee on Technical Barriers to Trade Working Party on the Accession of Bulgaria

## THIRD PROGRESS REPORT BY THE CHAIRMAN

1. Since my second progress report was submitted to the Committee on 19 June 1981, the Working Party has held two meetings, on 10 July and 19 October respectively. Intensive consultations, in the nature of actual negotiations, were held on several occasions during July with a view to arriving at a text which all delegations could support, setting forth terms for the accession of Bulgaria to the Agreement.

2. At an informal meeting held on 23 July the members of the Working Party examined a draft text dated 23 July which constituted a compromise proposal containing elements put forward by the Chairman in a last attempt to reach an agreement. This text seemed at the time to represent the best possible solution having regard to the positions taken.

3. After an initial exchange of views on the draft terms of accession, the members of the Working Party decided to submit them to their respective authorities and to meet again on 19 October 1981 in order to inform the Working Party whether or not their authorities could accept the text as it stood. The text submitted to the authorities of the members of the Working Party on 23 July is now being distributed by the secretariat and will be annexed to my report, bearing the date of 23 July 1981.

4. At the meeting held on 19 October most members of the Working Party announced that their authorities could accept the 23 July text or would be able to join a consensus of the Working Party on that text or on another text based upon it. The delegation of Bulgaria stated that it could accept the 23 July text in substance but wished to submit some amendments designed to clarify aspects of the proposed procedure.

5. The draft terms of accession of 23 July embodying the amendments submitted by Bulgaria on 19 October are also in process of being distributed by the secretariat in the conference room and will also be annexed to my report.

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6. One member of the Working Party said that one of the amendments submitted by Bulgaria was unacceptable; the other members of the Working Party, on the other hand, made no comment.

7. The Working Party, noting that delegations had not had enough time to examine the amendments submitted by Bulgaria, decided to take time for thought and for possible consultations between delegations. It may meet again when such consultations have reconciled divergent views sufficiently for an understanding to be reached on a text setting forth terms of accession and for the Working Party to take a decision. 23 July 1981

## DRAFT DECISION ON BULGARIAN ACCESSION TO THE AGREEMENT ON TECHNICAL BARRIERS TO TRADE

The following terms of accession to the Agreement on Technical Barriers to Trade take into account the fact that Bulgaria is not a contracting party to the GATT and that therefore Article 14.23 of the Agreement does not apply in the case of Bulgaria. These terms of accession would apply only as long as Bulgaria is not a contracting party to the GATT. These terms are intended to achieve mutual economic advantage and a balance of rights and obligations between the Government of Bulgaria and the other Parties to the Agreement:

- The agreement shall be understood as giving rights and obligations only in the field defined by the Agreement.
- 2. In the event of a dispute between Bulgaria and another Party to the Agreement, the provisions of Article 14, paragraphs 1-22, shall apply. During the procedures under the said provisions of Article 14 and without prejudice to them, the Party or Bulgaria may, in exceptional circumstances in which the balance of rights and obligations under the Agreement cannot be preserved otherwise, take provisional action in order to suspend such obligations under the Agreement which it deems necessary in the circumstances to preserve the balance of rights and obligations under the Agreement. Any such action would be promptly notified to the Committee on Technical Barriers to Trade.
- 3. Should any Party or Bulgaria consider that the action taken is not appropriate in the circumstances it may refer the matter to the Committee on Technical Barriers to Trade which will, upon request from such Party or Bulgaria, examine the action.

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19 October 1981

## DRAFT DECISION ON BULGARIAN ACCESSION TO THE AGREEMENT ON TECHNICAL BARRIERS TO TRADE

The following terms of accession to the Agreement on Technical Barriers to Trade take into account the fact that Bulgaria is not a contracting party to the GATT and that therefore Article 14.23 of the Agreement does not apply in the case of Bulgaria. These terms of accession would apply only as long as Bulgaria is not a contracting party to the GATT. These terms are intended to achieve mutual economic advantage and a balance of rights and obligations between the Government of Bulgaria and the other Parties to the Agreement:

- The agreement shall be understood as giving rights and obligations only in the field defined by the Agreement.
- 2. In the event of a dispute between Bulgaria and another Party to the Agreement, the provisions of Article 14, paragraphs 1-22, shall apply. If no mutually satisfactory solution has been reached in the course of consultations and investigation of the matter by the Committee, during the procedures under the said paragraphs of Article 14 and without prejudice to them, in exceptional circumstances in which the balance of rights and obligations under the Agreement cannot be otherwise preserved, a Party or Bulgaria may take provisional action in order to suspend such obligations under the Agreement which it deems necessary in the circumstances to preserve the balance of rights and obligations under the Agreement. Before taking provisional action in the course of the dispute settlement procedures the Parties shall make every effort to complete these procedures. Any such action would be promptly notified to the Committee on Technical Barriers to Trade.
- 3. Should any Party or Bulgaria consider that the action taken is not appropriate in the circumstances it may refer the matter to the Committee on Technical Barriers to Trade which will, upon request from such Party or Bulgaria, examine the action in accordance with the provisions of paragraph 2 above.