## RESTRICTED

GENERAL AGREEMENT ON TARIFFS AND TRADE COM.IND/W/31 29 July 1970 Special Distribution

## Committee on Trade in Industrial Products

## NOTE BY THE SECRETARIAT ON MEETING OF 13 JULY 1970

1. The Committee met on 13 July 1970. This was its first meeting since the twenty-sixth session at which the CONTRACTING PARTIES directed it to explore possibilities for concrete action and to complete this task during 1970.

2. The Committee had before it the reports of its five working groups<sup>1</sup> set up to deal with the problems identified in the Illustrative List.<sup>2</sup> Members took note of these reports and found that a great deal of useful work had been done by each of the groups. The Committee considered, however, that the work had not yet been completed, and that the reports should be studied further in capitals during the summer months.

3. In a preliminary discussion on future action, some delegations expressed the view that detailed preparations should be made in the autumn for negotiation on non-tariff barriers. It was considered that progress to this end could best be advanced by further work by the groups, which might include such aspects as seeking reactions to the various proposals from all delegations, expansion of proposals in the reports and putting forward of new suggestions.

4. Some delegations also considered it desirable to establish later in the autumn a group on negotiating techniques in order to facilitate the Council's task in reporting to the CONTRACTING PARTIES.

5. It was suggested that certain non-tariff barrier areas might be selected for priority treatment on the basis of their trade importance as well as the likelihood of early solutions. Some delegations attached special importance to according priority to obstacles of special concern to developing countries, in particular customs valuation and quantitative restrictions. Other suggestions of priority items where work might profitably be advanced were in the areas of countervailing duties and standards. Some delegations stated that the work in the Industrial Committee should be approached in a balanced and deliberate manner.

<sup>1</sup>The reports of Groups 1-5 are contained in Spec(70)4/Rev.1, Spec(70)35, Spec(70)62, Spec(70)65 and Spec(70)67 respectively.

<sup>2</sup>This list is set out in document L/3298.

COM. IND/W/31 Page 2

6. One delegation considered that work in one field could be advanced immediately by setting up a sub-group on standard import forms as envisaged by Group 2. In the light, however, of the fact that work was proceeding elsewhere on this subject, it was decided to defer further consideration of this question until the autumn.

7. It was agreed that the secretariat should prepare and circulate at an early stage, a table summarizing the various proposals for solutions made in the reports. Furthermore, a meeting of the Steering Group, open to all interested delegations, would be held on 25 September 1970 to consider the various other suggestions and to organize the future work. Delegations were asked to come well prepared to this meeting and to submit any suggestions to the secretariat well in advance. At the meeting, a timetable would be decided for work to be completed before the end of 1970. It was also agreed that in the future work programme special attention would continue to be given to the needs of developing countries.

8. As regards the Tariff Study, it was noted that the secretariat had completed and circulated basic documentation for the objective tariff analysis envisaged in the 1969 Work Programme. A note<sup>1</sup> explaining in nontechnical language the contents of the documentation and indicating aspects for possible analysis had been distributed to members of the Committee.

9. The Committee velcomed an announcement by Australia that it had now overcome the technical problems which had hitherto prevented its participation in the Tariff Study and would shortly provide data to the secretariat which would facilitate its inclusion in subsequent work.

10. There was a preliminary exchange of views on the Tariff Study. Among the aspects discussed were the remaining technical questions on comparability of data and the problems of nomenclature, the desirability of sector monographs, and the possible study of tariff escalation. The question of including in the analysis where feasible, non-tariff as well as tariff barriers, was also discussed.

11. It was generally agreed that further action on the Tariff Study should be taken by a policy-oriented group, assisted as necessary by technical experts. It was decided, however, to postpone the establishment of such a group until the autumn when terms of reference could be set by the Industrial Committee having regard to reactions from delegations after study in capitals.

12. The Committee agreed that the Chairman in accordance with the decision of the CONTRACTING PARTIES (see L/3298, paragraph 9(a)) should give an oral progress report to the Council at its meeting on 15 July.

<sup>1</sup>See Spec(70)01.