GENERAL AGREEMENT ON TARIFFS AND TRADE

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DEVELOPMENTS IN THE MULTILATERAL TRADE NEGOTIATIONS

Note by the Secretariat

- 1. As agreed at its meeting in May 1975, the Committee on Trade and Development undertakes, at each of its meetings, a review of developments in the multilateral trade negotiations with particular reference to points of interest to developing countries. In the following paragraphs, an attempt has been made to provide a general summary of recent developments in this regard since the Committee last met.
- 2. Following the reaffirmation by the major trading partners in January of their intention to move forward rapidly with the multilateral trade negotiations in order to secure the further liberalization of international trade and improvements in the rules governing it and to head off the threat of widespread protectionism to the world trading system, the participants in the MTN intensified their activities with the object of achieving a positive outcome to the negotiations in the course of 1978. In this context, a number of important participants have affirmed their intention to seek substantive agreements on the major elements in the multilateral trade negotiations by July this year.
- 3. Beginning January 1978, tariff offers have been tabled by all developed country participants. As a follow-up, delegations have been submitting requests to their trading partners for improvements in the initial offers made; a number of developing countries have also submitted requests in the tariff field on products of export interest to them. A process of consultation and negotiation between the participants concerned is now taking place with respect to these requests and offers. In order to underscore the importance of submitting requests in sufficient time for consideration in capitals, an airgram was circulated in April reminding participants that the negotiations had entered their final and decisive stage and it was therefore urgent that further requests in relation to tariffs, agriculture, and non-tariff measures should be put forward as quickly as possible.

- 4. In relation to individual non-tariff measures also, following the submission of requests by interested delegations and the tabling of offers by the developed participants, delegations concerned are now involved in a process of consultation and negotiation.
- 5. Similarly, with regard to individual agricultural products, requests have been submitted and offers have been tabled. This procedure is being followed up by consultation and negotiation between interested countries. There is also intensive activity in the <u>Sub-Groups</u> established for <u>meat</u> and <u>dairy products</u> with a view to working out mutually acceptable global arrangements in these two areas. These sub-groups have draft texts before them as a basis for negotiation. Work on grains is awaiting developments in the Interim Committee of the "Grains" Conference which is scheduled to meet in London during June.
- 6. In the field of tropical products, some forty developing countries have submitted or resubmitted requests for concessions on tropical products on the basis of the procedures agreed to in this connexion in the Groups "Agriculture" and "Non-Tariff Measures". Consultations and negotiations with respect to these requests are proceeding between the participants concerned.
- With regard to technical barriers to trade, it is the general impression that while work in this area is well in hand, some outstanding issues remain to be resolved. The Sub-Group "Technical Barriers to Trade" met in March and again in May with a view to making further progress on the draft text before it. The Sub-Group "Government Frocurement" also has before it a draft text to serve as a basis for negotiations. Following the March meeting of the Sub-Group "Government Procurement" a revised document incorporating changes in the earlier text, and additional proposals, have been circulated for consideration at the Sub-Group's next meeting in June. With regard to subsidies and countervailing duties, it is understood that contacts are taking place among a number of interested delegations with a view to working out approaches that would reconcile their divergent concerns and preoccupations in this area. At a meeting of the Sub-Group "Customs Matters" in February, most members of the Sub-Group agreed that a draft code on customs valuation put forward by a participant constituted a basis for future work. Since that meeting, informal consultations and negotiations have been taking place on a number of provisions in the draft code relating to the application of norms for arriving at the valuation of imported goods. With regard to import documentation, consular formalities and customs procedures, the Sub-Group noted that to a large extent these points were being taken up under the request and offer procedure agreed to by the Group "Non-Tariff Measures".
- 8. The delegation of one developed country put forward in January 1978, a "Proposed Basis for Negotiations in Certain Resource-Based <u>Sectors</u>". This delegation has been consulting with other participants on the proposal taking into account the offers made so far in the field of tariffs and non-tariff measures with respect to products falling within these sectors.

9. Intensive consultations have been proceeding in recent weeks at the bilateral and plurilateral levels with a view to exploring the basis on which agreement may be reached on the essential elements in provisions on safeguards. Since the last meeting of the Committee, delegations, at the bilateral and plurilateral levels, have also been giving consideration to issues put forward for examination in the Group "Franework" with a view to exploring the possibility of arriving at agreed positions on some of these issues.