

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Group of Negotiations on Goods (GATT)

GROUP OF NEGOTIATIONS ON GOODS
Fifth meeting: 16, 18 and 20 December 1986 and
22 and 28 January 1987

1. The Group of Negotiations on Goods met on 16, 18 and 20 December 1986 and 22 and 28 January 1987 under the Chairmanship of the Director-General. It had on its agenda the designation of a mechanism for surveillance of standstill and rollback; the elaboration of detailed trade negotiating plans; and the negotiating structure. The decisions reached on these matters, together with statements made by the Chairman at the time of their adoption, are reproduced in document MTN.GNG/5.
2. On 16 and 18 December the Group continued its elaboration of the trade negotiating plans on the basis of informal drafts prepared by the secretariat, as revised in the light of earlier discussions, together with a short introductory text covering the plans as a whole. The Chairman pointed out that in response to requests by participants the draft plans had been cast in a uniform format, with the exception of that on agriculture, which had not yet been discussed in detail. While the introduction of greater uniformity was in general welcomed by the Group, some delegations suggested that certain subjects need not and could not be treated identically with the others, and that a degree of flexibility should be retained.
3. It was noted that the introductory text dealt inter alia with the role of the GNG in relation to the negotiating plans, and reference was made to the documents circulated by Jamaica and Egypt on the role of the GNG (MTN.GNG/W/2 and MTN.GNG/W/5 respectively). Differing views were expressed on the role of the GNG in this context. Some delegations felt that the Group could at this stage approve only the initial stages of the plans, taking note of the subsequent negotiating processes as proposed in the drafts; others felt that the plans should be approved in their entirety. As regards any future modifications of the plans, some delegations emphasised the need for these to be subject to approval by the GNG as part of its role in supervising the negotiations. Other delegations stressed the need for flexibility, to allow individual Negotiating Groups to react appropriately to new developments and opportunities in the negotiations. The Chairman expressed the view that it should not be difficult, through regular meetings of the GNG, to ensure fulfilment of the functions prescribed for it in the Ministerial Declaration, without subjecting the Negotiating Groups to excessive reporting requirements that would diminish their effectiveness.
4. It was generally agreed that the designation of a mechanism for surveillance of standstill and rollback, the elaboration and putting into effect of negotiating plans, and agreement on the structure of Negotiating Groups would have to be treated as a package.

5. In discussion of the individual draft negotiating plans a number of amendments were suggested. No changes were proposed in certain of the drafts but it was understood that the plans would need to be approved en bloc.

6. On 20 December the Chairman informed the Group that despite the substantial progress made so far there remained a number of points of divergence which made it impossible for him to put before the Group, on the three matters for decision, draft texts which would be likely to command a consensus. On the question of standstill and rollback sufficient progress had been made for him to be able to circulate, as a basis for further work, an informal draft reflecting the current state of the discussions. It was understood, however, that no participating country was committed by this text. In view of the work remaining to be completed, and in order to provide time for reflection, the Chairman proposed that the current meeting of the GNG should be suspended and should resume on 22 January at 10 a.m., it being understood that on 28 January the Group would agree on the three questions under discussion and report to the Trade Negotiations Committee.

7. A number of delegations said that while they would be guided by the Chairman's proposal, they were prepared to pursue the discussions now in the hope of reaching agreement before the end of the year. Other delegations, however, felt that to press for immediate decisions would be unlikely to result in clear and satisfactory understandings and that it would be better to accept a short delay in order to ensure a sound basis for the negotiations proper.

8. Following a short discussion of the informal paper on the surveillance of standstill and rollback, the Group agreed with the Chairman's proposal that the meeting should be suspended. It was further agreed that the Negotiating Groups should be in a position to begin work in the early days of February.

9. At its meetings on 22 and 28 January, the Group continued its discussion of the three items on its agenda. On 22 January the Group had before it the informal draft on the surveillance mechanism which had been distributed on 20 December, and the draft negotiating plans, which had been revised in the light of the Group's discussions on 16 and 18 December. The Group adopted the decisions referred to in paragraph 1 above on 28 January.

10. During the discussion, the Chairman and Coordinator of the Informal Group of Developing Countries said that developing countries attached importance to the establishment of effective surveillance mechanisms for standstill and rollback, based on the principles of transparency and multilateralism and taking full account of the trade interests of less developed contracting parties. The GNG should play an active rôle in coordinating and supervising the conduct of the negotiations on goods. All subjects contained in Sections D and E of the Declaration should be treated without discrimination, each in a separate negotiating group. Finally,

techniques and modalities should be established to ensure appropriate practical application of more favourable and differential treatment for developing countries in all appropriate areas of the negotiations.

11. Concerning the calendar of meetings, the Chairman suggested that the Group should approve a schedule for the initial meetings of each negotiating group, on the basis that a first meeting of each group, plus a meeting of the GNG, could be scheduled prior to Easter. Regarding chairmanships of the Negotiating Groups, agreement was required as soon as possible in order to enable the Negotiating Groups to begin their work in early February, as agreed. He proposed that H.E. Ambassador Mansur Ahmad, in his capacity as Chairman of the CONTRACTING PARTIES, should be requested to undertake consultations to this end. It was so agreed.

12. Following the adoption of the decisions one delegation said that the GNG should ensure that the negotiations moved forward at an appropriate pace in all areas; their results must constitute a generally acceptable package, balanced as between sectors and in terms of the contributions of participants. Several delegations expressed their satisfaction with the positive way in which the proceedings leading to the adoption of the decisions by the Group had been conducted, despite the fact that discussions between certain contracting parties on trade matters were at a delicate stage and could have adversely affected the work of the GNG. The fact that this had not been allowed to happen was an indication of the commitment of participants in the Uruguay Round to proceed with the negotiations in an expeditious manner.