

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG3/1
26 February 1987

Special Distribution

Group of Negotiations on Goods (GATT)
Negotiating Group on NRPs

NEGOTIATING GROUP ON NATURAL RESOURCE-BASED PRODUCTS

Meeting of 11 February 1987

Note by the Secretariat

1. The Group held its first meeting on 11 February 1987.
2. The Group adopted the agenda proposed in the convening airgram (GATT/AIR/2367).
3. H.E. Mr. Lindsay Duthie (Australia) was appointed Chairman for the initial phase of the Negotiating Group on Natural Resource-Based Products.
4. The main document before the Group was MTN.GNG/5, which contains, on page 8, the Negotiating Plan for Natural Resource-Based Products, adopted by the Group of Negotiations on Goods (GNG) on 28 January 1987.
5. The two major subjects for discussion at the meeting were matters covered under agenda items B and C, namely:
 - First exchange of views and/or proposals for organizing the work of the Group; and
 - Review of existing data-base established in the context of the Working Party on Trade in Certain Natural Resource-Based Products.
6. At the outset, the Chairman recalled the Group's negotiating mandate and the work done by the Working Party on Trade in Certain Natural Resource Products, established in 1984 in pursuance of the November 1982 Ministerial mandate. He explained that the Working Party's examination had covered three distinct product areas, namely:
 - (a) non-ferrous minerals and metals;
 - (b) forestry products;
 - (c) fish and fisheries products.

For each of these product areas, factual background documentation had been prepared by the secretariat. Additional material had been provided by a number of delegations. Separate reports on problems identified for each of the product areas had been submitted to the Council and the reports had subsequently been adopted by the CONTRACTING PARTIES. A checklist of the relevant secretariat documentation and of the reports was distributed at the meeting and is also annexed to this note.

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7. There was general agreement in the Group that the documentation established in the context of the Working Party on Natural Resource-Based Products should permit the Negotiating Group to make an early start on its work. The Group expects to revert to the question of the data-base at its next meeting.

8. The main points of the discussion centred on three interrelated issues:

- (i) the role of the Negotiating Group and its relationship with other Negotiating Groups;
- (ii) matters, or measures, to be covered by negotiations on Natural Resource-Based Products; and
- (iii) the scope, i.e. product coverage, of the negotiations.

9. A number of delegations said that they favoured that negotiations on tariff and non-tariff barriers to trade in natural resource-based products be undertaken mainly in the context of the broader tariff and NTM negotiations in the appropriate functional Negotiating Groups. Several delegations stated that they envisaged the Natural Resource-Based Products Group having primarily a monitoring and surveillance function, thereby ensuring that all negotiating interests, as they relate to natural resource-based products, are fully covered as work progresses in the different Negotiating Groups. Other delegations, while agreeing that the work of different Negotiating Groups was interlinked, expressed the view that negotiations relating to natural resource-based products merited a certain specificity.

10. As regards point (ii) under paragraph 8 above, one delegation recalled its firm indication, given also at the Ministerial Meeting in Punta del Este, that negotiations on natural resource-based products could not be limited only to questions of access to markets, but would also have to cover certain other relevant aspects, including production, access to supplies, restrictive business practices. Some delegations considered that negotiations should cover both import or export measures. Many delegations said they were prepared to cover all aspects directly related to trade; on the other hand, they could not agree to enter into negotiations on subjects which were not within the competence of the GATT.

11. As regards (iii), one delegate stated that his Government was examining the possibility of extending the scope of the negotiations on natural resource-based products to cover additional product areas, notably energy products, such as oil, natural gas and uranium.

12. In his summing-up, the Chairman noted the various interesting points and proposals made by delegations, but noted also that there was not yet full consensus on all aspects relating to the envisaged scope and the organization of the Group's work. He offered to meet for consultations with interested delegations prior to the Negotiating Group's next meeting.

13. On item D of the agenda - Observer Status for International Organizations - the Chairman informed the Group that the question was also on the agenda of the forthcoming meeting of the GNG so that it might be preferable, with a view to taking a decision on a co-ordinated basis, to revert to this matter at the next meeting of the Group.

14. The Group agreed, having in mind the meetings' calendar pattern set out in the GNG's Decision on Negotiating Structure, to schedule its second meeting during the week starting 27 April 1987.

15. The secretariat was requested to prepare a summary of the main points made at the meeting.

ANNEX

CHECKLIST OF SELECTED DOCUMENTS

Prepared in the context of the Working Party on Trade
in Certain Natural Resource Products^{1/}

Documents relating to trade in non-ferrous metals and minerals:

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| L/5995 | Report of the Working Party |
| MDF/W/10 and Add.1 | Background Study on Copper and Copper Products |
| MDF/W/20 | Background Study on Tin and Tin Products |
| MDF/W/21 | Background Study on Nickel and Nickel Products |
| MDF/W/37 | Background Study on Zinc and Zinc Products |
| MDF/W/61 and Add.1 | Background Study on Aluminium and Aluminium Products |
| MDF/W/71 | Background Study on Lead and Lead Products |

Documents relating to trade in fish and fisheries products:

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| L/5895 | Report of the Working Party |
| MDF/W/55 | Problems of Trade in Fish and Fisheries Products |

Documents relating to trade in forestry products:

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|----------|--|
| MDF/23 | Report |
| MDF/W/52 | Problems of Trade in Forestry Products |

^{1/}References to numerous other relevant GATT documents are generally cited in the Working Party's reports and in the studies mentioned above.