

MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND

RESTRICTED

MTN.GNG/NG2/1/Rev.1*
10 March 1987

Special Distribution

Group of Negotiations on Goods (GATT)
Negotiating Group on Non-Tariff Measures

NEGOTIATING GROUP ON NON-TARIFF MEASURES

Meeting of 10 February 1987

Note by the Secretariat

Revision

Appointment of the Chairman

1. Ambassador L. Duthie (Australia) was appointed Chairman of the Negotiating Group for the initial phase.

First examination of the issues to be covered, including the relationship between the negotiations in this area and other areas of the negotiations and establishment of an adequate data base for the negotiations

2. A paper by the secretariat on the data base and relevant work undertaken in the GATT on techniques for negotiating on quantitative restrictions and other non-tariff measures, later issued as MTN.GNG/NG2/W/1 was distributed informally at the meeting. During the discussion, many delegations stressed the importance that they attached to liberalizing non-tariff measures. Delegations pointed out relationships which they saw between the work to be undertaken by this Negotiating Group and other bodies set up under the Uruguay Round. They stressed the need for an adequate data base which would cover all participants in the Round and agreed that the documentation and analyses built up by the Group on Quantitative Restrictions and Other Non-Tariff Measures would be very useful for the Negotiating Group as well as for those other bodies. The need to ensure transparency and surveillance in the course of the negotiations was also underlined.

3. Some delegations recalled that in conformity with the Punta del Este Declaration negotiations could only be held over measures which were consistent with the GATT. The Group therefore had to distinguish between those measures which it would take up and those which would be covered by the rollback commitment and therefore referred to the Surveillance Body. The Technical Group on Quantitative Restrictions and Other Non-Tariff Measures which was going to meet at the end of March could help establish this distinction.

* English only /anglais seulement/inglés solamente

4. One delegation stated that the documentation built up by the Group on Quantitative Restrictions and Other Non-Tariff Measures could serve to develop requests and offers for measures which were consistent with the GATT and be used in the Negotiating Groups on GATT Articles and MTN Agreements and Arrangements. When one examined the extensive number of measures contained in the documentation it appeared that only item-by-item negotiations were likely to yield progress. Another delegation considered that some measures could not be set aside in the expectation that the rules of the GATT would change as a result of the work carried out in the Negotiating Group on GATT Articles. One delegation pointed out that the mandate of the Negotiating Group on MTN Arrangements and Agreements aimed "to improve, clarify or expand, as appropriate, agreements and arrangements negotiated in the Tokyo Round" and did not deal with measures which might or might not be relevant to these arrangements and agreements. It was also stated that in conducting its work the Group should avoid duplicating work done by other bodies or negotiating groups.

5. One delegation stated that the Group first had to assemble data on all non-tariff measures, including technical barriers to trade, voluntary export restraints and orderly marketing arrangements. Subsequently, the Group would have to discuss and determine the criteria to be used to classify measures according to their GATT consistency. Three categories, black, white and grey could be distinguished. "Black" measures were GATT inconsistent and had to be referred to the Surveillance Body, "white" measures were consistent with the GATT and would be dealt with in the Negotiating Group on Non-Tariff Measures, "grey" measures were disputable and had to be clarified. However, according to another delegation there could be no middle ground between GATT consistent and inconsistent measures.

6. The representative of a group of delegations stated that this Negotiating Group had to review all quantitative restrictions and the distinction between "legal" and "illegal" measures could not be accepted. Quantitative restrictions could be divided into those which had been accepted, those which had been questioned and those which had not been notified, of which there were many. According to the Punta del Este declaration, it was incumbent on each contracting party to apply certain procedures for measures which it wished to submit to the rollback process, and therefore not for the Negotiating Group to refer such measures autonomously to the Surveillance Body. All contracting parties including developing countries had a contribution to bring to the liberalization of non-tariff measures.

7. One delegation stated that in view of the relationship which existed between the work carried out by the Negotiating Groups on Tariffs and on Non-Tariff Measures it would be appropriate to bring out the links between the data bases available to both groups.

8. One delegation stated that a new methodology had to be developed for identifying and quantifying the effects of non-tariff barriers. It was also stated that when elaborating techniques for liberalizing non-tariff measures, the Group had to bear in mind the interests of less-developed countries. Another delegation stated that a few countries had put forward in the Group on Quantitative Restrictions and Other Non-Tariff Measures, proposals related to restrictions maintained by other contracting parties which could serve as a basis for negotiation.

Observer organizations

9. The Chairman recalled that a number of international organizations had sought observer status in the bodies set up under the new round. Consultations had taken place on this subject. A number of organizations had expressed a general interest in the negotiations. The question of observer status would appear on the agenda of the next meeting of the Group of Negotiations on Goods which would aim at a coordinated approach towards the requests. He suggested that the Group consider which international organizations were likely to be in a position to contribute to its work. No suggestions were made in response to the Chairman's statement.

Other business, including arrangements for the next meeting of the negotiating group

10. The Group agreed to the Chairman's suggestion that the secretariat issue records of the main points and specific suggestions put forward during the discussion. Drawing attention to the negotiating plan for non-tariff measures whose initial phase envisaged that participants would present proposals setting out the particular problems that they wanted to address and the techniques which they considered should be used to deal with them, he urged that these proposals be submitted in time for the next meeting of the Negotiating Group so that they could begin to be examined at that meeting. It was agreed that the next meeting of the Negotiating Group would be held in the week of 27 April 1987.