

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG2/20  
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Group of Negotiations on Goods (GATT)  
Negotiating Group on Non-Tariff Measures

MEETING OF 17 AND 18 JULY 1990

Chairman: Ambassador L. Duthie (Australia)

Note by the Secretariat

1. The Negotiating Group held its nineteenth meeting on 17 and 18 July 1990. It adopted the agenda contained in GATT/AIR/3031.

A. Continued examination of categories of measures for which multilateral approaches have been proposed

Preshipment Inspection (PSI)

2. The Chairman of the Informal Drafting Group on Preshipment Inspection, Mr. P. Williams (secretariat) reported on his own responsibility on the meetings of the Drafting Group which had been held since the last meeting of the Negotiating Group, namely on 26-27 June, and 12, 13 and 17 July 1990. At those meetings, the Drafting Group had continued its task of drawing up elements of a compromise text on preshipment inspection as requested by the Negotiating Group. At the last meeting, the Group had made further progress in building bridges between differing positions and had agreed to forward to the Group a text which set out the results of its work done so far. As stated in the cover note of this text, square brackets had been used in the text to indicate points on which agreement remained to be found and no part of the text would be finally agreed until the whole was. The preamble had not been discussed in detail and further consultations would be necessary on Article 5 (Independent Review Procedures).

3. The Chairman of the Negotiating Group reminded delegations of the call made by the Chairman of the TNC at its April meeting, for conditional agreements, or at least clear profiles of such agreements, to be available in July for the consideration of the GNG (MTN.TNC/14, paragraph 11). He would forward the draft text on preshipment inspection to the GNG as part of his status report (MTN.GNG/NG2/W/72). This text would need to be re-examined by the Drafting Group in the autumn with a view to arriving at a compromise text which could be incorporated in the results of the Uruguay Round.

### Rules of Origin

4. The Chairman of the Informal Drafting Group on rules of origin, Mr. P. Williams (secretariat) reported on his own responsibility on the two meetings of the Drafting Group held since the last meeting of the Negotiating Group, respectively on 26-27 June and 16 July 1990. At those meetings, the Group had continued its task of drawing up elements of a compromise text as requested by the Negotiating Group. At the last meeting, the Group had made further progress in building bridges between differing positions and had agreed to forward a draft text to the Negotiating Group. In the draft text containing the results of the work done so far, square brackets had been used to indicate points on which agreement remained to be found. No part of the text would be finally agreed until the whole of it was.

5. The Chairman of the Negotiating Group announced his intention to forward the draft text on rules of origin to the GNG as part of his status report. This draft would be re-examined by the Drafting Group in the autumn with a view to arriving at a compromise text which could be incorporated in the results of the Uruguay Round. He also drew attention to a communication on rules of origin received from the European Communities (later circulated as MTN.GNG/NG2/W/73).

### B. Information on progress in the request-offer negotiations

6. Drawing attention to Section C(f) of the agreed procedures (MTN.GNG/NG2/15), which provided that participants would submit initial offer lists to the participants concerned and to the secretariat by 15 May 1990, the Chairman recalled that as was apparent from his status report, few had done so. It was clear that further offers would have to be forthcoming soon if the objectives laid down in the Punta del Este Declaration and the Mid-Term Review Decision were to be met. He had received a communication from the European Communities indicating that they had submitted initial request lists to 26 participants and had received requests from 22 participants. According to this communication, these lists formed part of negotiations undertaken on the basis of a coordinated approach for tariffs and non-tariff measures and the requests and offers were being evaluated in the light of progress made in bilateral market access negotiations.

7. One delegation informed the Group that its initial offers should be considered in the context of the Working Party examining its Protocol of Accession to the GATT. These offers were conditional on its trading partners undertaking commitments on non-tariff measures. Bilateral consultations clarifying its negotiating position had been held with three participants. Although it was one of the few delegations having made offers, it had not yet received any.

8. The Chairman urged delegations to expedite progress in the request-offer negotiations and to submit agreements to the Negotiating Group in the autumn.

C. Examination of proposals on the security of concessions

9. The Chairman recalled that at the last meeting of the Group, some delegations had indicated that they were working on proposals relating to this subject. However, no new submissions were introduced and the Chairman invited the Group to resume its discussion of this question at its next meeting, with the help of new submissions which might be forthcoming by then and in the light of progress in request-offer negotiations.

D. Examination of proposals on the recognition of liberalization measures

10. A representative informed the Group that a notification would be submitted soon on the question of the recognition of liberalization measures recently adopted by her authorities.

11. Referring to its communication (MTN.GNG/NG2/W/69/Rev.1), the delegation of Argentina indicated that the measures applied to the products listed in the Annex of this document would be eliminated in the near future.

E. Relationship between the rollback commitments and negotiations on non-tariff measures

12. The Chairman recalled that the secretariat had submitted to the Group the list it had been requested to prepare of the measures which had been found by the CONTRACTING PARTIES to be inconsistent with the GATT in the past five years and which were still in effect (MTN.GNG/NG2/W/70).

F. Other business

13. The Chairman informed the Group that the Informal Drafting Group on Rules of Origin was expected to meet on 17-18 September 1990 and the Informal Drafting Group on preshipment inspection on 19 and 21 September 1990. Subject to the approval of the GNG, the next meeting of the Negotiating Group was expected to be held on 20 September 1990. He suggested that at that meeting the agenda be as follows:

- A. Information on progress in negotiations on preshipment inspection and rules of origin.

- B. Information on progress in request-offer negotiations.
- C. Examination of proposals on the security of concessions.
- D. Examination of proposals on the recognition of liberalization measures.
- E. Other business.