

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/RM/3

16 October 1991

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**Group of Negotiations on Goods (GATT)  
Negotiating Group on Rule Making  
and Trade-Related Investment Measures**

MEETING OF 30 SEPTEMBER-4 OCTOBER 1991

Note by the Secretariat

1. The Negotiating Group on Rule Making and Trade-Related Investment Measures held its third meeting on 30 September-4 October under the chairmanship of Ambassador G. Maciel (Brazil). The Negotiating Group adopted the agenda circulated in GATT/AIR/3232. It met in formal sessions on Monday 30 September and on Friday 4 October.
2. The Negotiating Group granted a request by UNCTAD to attend meetings of the Group in an observer capacity.
3. The Chairman noted that there was a need for a very intensive programme of work in the four or five weeks ahead in order to enable the Negotiating Group to submit texts for inclusion in a final version of document MTN.TNC/W/35/Rev.1 covering all areas under negotiation in this Group. While much work remained to be done with respect to the four subject-areas on which consultations would be held during the present meeting (anti-dumping, balance of payments provisions of the General Agreement, TRIMS and subsidies and countervailing measures), there were other subjects, including safeguards, covered by the mandate of the Group in respect of which outstanding problems would have to be resolved. Subject-areas in which further work (of a substantive or technical nature) was necessary included preshipment inspection, Articles II:1(b), XVII and XXVIII of the General Agreement, customs valuation and import licensing. With regard to the draft texts in Articles XXIV, XXV and XXXV of the General Agreement and on the Protocol of Provisional Application, final decisions needed to be taken, e.g. on the dates to be included in the texts on Article XXV and on the Protocol of Provisional Application. There also remained certain substantive issues to be resolved with respect to the draft text on technical barriers to trade.
4. During the course of the week, informal consultations were held with delegations which had participated in the negotiations on preshipment inspection with a view to elaborating a joint response to the proposals made by the International Chamber of Commerce (ICC) and the International

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Federation of Inspection Agencies (IFIA) with respect to Article 4 of the text on preshipment inspection.<sup>1</sup> At the formal session on 4 October, Mr. Opelz, Director of the Non-Tariff Measures Division in the GATT secretariat, who had chaired the consultations, presented to the Group a letter which it was suggested be addressed by the secretariat to the ICC and IFIA reflecting the outcome of the consultations. With respect to the proposal for a joint IFIA/ICC procedure for Implementation of Article 4 of the agreement on preshipment inspection, it had been agreed in the consultations that, since these procedures were an internal matter for the IFIA and the ICC, the response by delegations should be in the form of comments and suggestions on the text in Annex I of MTN.GNG/RM/W/5. These comments were aimed at ensuring consistency between the provisions of the agreement on preshipment inspection and the IFIA/ICC procedure. With respect to the concerns of the ICC on the location and financing of the Independent Review Entity provided for in the agreement, delegations had felt that it was preferable to keep to the original understanding which was that the Entity would be housed in Paris and financed jointly by the ICC and IFIA. However, in view of the concerns of the ICC, it was suggested that this matter be reviewed after a trial period of two years.

5. The Negotiating Group took note of the report on the consultations on preshipment inspection and agreed to the suggested course of action.

6. Regarding the other subject-areas on which consultations were held during the course of the week, the Chairman observed at the formal session on 4 October that, while these consultations had been useful and positive in that they had helped to clarify the positions of delegations on various outstanding matters, no decisive progress had been made in any of these areas. It seemed that there was perhaps an insufficient awareness of how close negotiators were to the final stage of the negotiations. In view of the recent decision taken at a high level to complete the work in all areas covered by the Uruguay Round negotiations by 31 October, it was imperative that the next meeting of the Negotiating Group be very intensive in order to enable the Group to meet that objective. This required a further intensification of efforts in the areas of anti-dumping, subsidies and countervailing measures, trade-related investment measures, and balance of payment measures but also necessitated further work, of a substantive or technical nature, on other subjects (supra, paragraph 3). The Chairman informed the Negotiating Group that the next meeting would take place on 23-31 October 1991 (including the weekend) in order to conclude the work in all areas covered by the mandate of the Group. With respect to technical barriers to trade, he had requested Mr. Peter Williams, former director in the GATT secretariat, to chair consultations which would begin on 25 October.

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<sup>1</sup>These proposals had been circulated in an Annex to document MTN.GNG/RM/W/5 and comments on these proposals received by the secretariat from delegations had been circulated in an informal Note by the secretariat dated 22 July 1991.

7. Several participants noted that some of their concerns had not yet been adequately addressed in the consultations which had been held during this meeting and hoped that these concerns would be taken into account at the next meeting of the Group. One participant, referring to the draft text on safeguards in MTN.GNG/RM/W/3, observed that the problems which remained to be resolved with respect to this text were not limited to the parts of the text appearing within square brackets.

8. The Negotiating Group took note of the statements made.