

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee

INFORMAL MEETING OF HEADS OF DELEGATION

17 March 1994

Statement by the Chairman

Introduction

At today's meeting I would like firstly to report on where I believe we stand on issues we have discussed previously, notably the market access verification process, legal rectification and administrative preparations for the Marrakesh Ministerial meeting. We should then perhaps concentrate our deliberations on certain decisions which have already been the subject of extensive consultations by Mr. Lavorel. Finally, it would seem useful to set out a timetable for the completion of the remaining work required to prepare for the Ministerial meeting.

Market Access in Goods

As of today, the situation in regard to the schedules of all participants has been established. Apart from the least-developed participants for which special arrangements apply, 78 draft final schedules have been received and circulated. Thus, of the participants that need to submit their schedules before the Marrakesh meeting, only the Congo and Kenya are still outstanding. The Secretariat is in contact with these two participants and is ready to assist them as much as possible so as to enable them to become original members of the World Trade Organization (WTO).

At China's request, the Secretariat has circulated to all participants its draft final schedule submitted on 16 March. For technical reasons, it will not be possible to verify the schedule in time for the Marrakesh meeting. In any event, China, as a participant in the Uruguay Round, may attach its schedule to the Marrakesh Protocol but the final status of the schedule will depend on the outcome of the work of the Working Party on the Status of China in the GATT.

The multilateral verification process is now in its final stages. The informal plurilateral meeting this afternoon will conclude the first review of all schedules. A second review of schedules, as necessary, will begin tomorrow and will continue all day Saturday, and the verification process will conclude with an overall review on Monday, 21 March. Those delegations who have final adjustments to make in the light of the verification process must ensure that they reach the Secretariat in good time before the very latest deadline of 25 March when the schedules will be incorporated into the definitive version of the Final Act to be signed at Marrakesh on 15 April.

The reviews to date reveal that there are still a considerable number of schedules on which points and questions raised remain unresolved and on which the participants concerned are actively engaged in bilateral consultations, in many cases on substantive issues.

It is regrettable, given the fact that negotiations were substantially concluded on 15 December, that this should be the case at this late stage, and especially that certain major trading participants are involved. On the positive side, the outstanding issues are very specific and limited in scope and thus are capable of rapid resolution provided the Governments concerned take the necessary decisions immediately. I must urge those concerned to give this matter top priority and to ensure that the relevant bilateral contacts are intensified in the next day or two so that all outstanding matters are resolved no later than Monday, 21 March. The Secretariat will monitor the process closely and will be ready, as always, to facilitate solutions.

Services

The finalization of schedules of commitments in services and lists of MFN exemptions is also proceeding steadily. So far 73 countries have re-submitted schedules and exemption lists rectified in the light of the multilateral verification process which took place in February. In 41 cases the documents are now in final form, either having been formally approved by the government in question or awaiting such approval. Another 32 are being processed, and will be finalized in the next few days. When these documents are submitted they are made available in the Secretariat for delegations to read if they wish.

23 countries have yet to return their corrected schedules and/or exemption lists. They include, for example, Austria, Japan, New Zealand, Norway, the Philippines and Thailand. I would strongly urge the delegations concerned to return their corrected schedules and/or exemption lists immediately because unless they are submitted to the Secretariat no later than Monday, 21 March it will be impossible to have them prepared in the approved format for submission to Ministers. We would then be left in the undesirable position of attaching simply the latest version we have received with all of the legal insecurity that this could imply for the participant concerned.

Legal Rectification

The work of legal rectification is now complete and I want to compliment delegations for the workmanlike approach that has prevailed. A clean text of the rectified Final Act in English will be circulated on Monday, 21 March and in French and Spanish on Tuesday, 22 March. There are, however, two further points which have emerged.

The first point concerns Article XV of the GATT 1947 which relates to the International Monetary Fund and the position arising from the general interpretative note to the Agreements in Annex 1A of the Final Act. I should say that I have been in personal contact with the Managing Director of the Fund on this matter and it seems necessary to find an appropriate solution to this issue that can be acceptable both to the Fund and to delegations. In fact, Mr. Camdessus, in a letter received this morning, has requested me to help organize a meeting with delegations, at the appropriate level so that the Fund could explain how it sees this problem, answer questions from delegations and facilitate the search for solutions to this matter. If delegations are agreeable to this suggestion, a meeting could be arranged on Tuesday or Wednesday of next week.

The second point has been raised in the context of the examination of the French and Spanish texts of the Final Act. Delegations have noted inconsistencies between certain terms used in the Final Act and the text of the General Agreement and have stated the view that these inconsistencies could conceivably cause legal problems under the WTO system; the prevailing view has been that the optimal

solution would be to correct the French and Spanish texts of the General Agreement. Also, delegations have noted that the Spanish-language text of Parts I-III of the GATT is not an authentic text, and have sought authentication of such a text. These changes pose questions of treaty law which are also being addressed by the Secretariat on an urgent basis.

Administrative Preparations for Marrakesh

Invitations to Marrakesh

An information note circulated yesterday (MTN.TNC/INF 20) indicates the potential participation in the Marrakesh meeting. We have envisaged the participation of 119 participating governments plus the European Communities, 18 associated observer governments, the usual 4 observer organizations and 21 other organizations that have been invited on the basis we have already agreed.

Marrakesh speakers' list

The number of speakers inscribed to date on the speakers' list has reached 75. While I fully appreciate the points made by Singapore and Japan at our last meeting, I believe that Ministers should be encouraged strongly to adhere to the guideline of 5-8 minutes for the duration of their statements. We will take appropriate steps to speed up movement at the podium in order to eliminate idle time and thus ensure that we can maintain the timetable for the meeting.

Programme of the Marrakesh meeting

A tentative outline programme for the Marrakesh meeting has been circulated in a Note (MTN.TNC/INF/19) for the guidance of delegations which I trust will respond to points made by certain delegations at our last meeting. Any questions or comments on this outline programme should be addressed to Mr. Mercier, as Secretary of the TNC.

Signature Ceremonies at Marrakesh

Following our discussion at our last meeting on signatures at Marrakesh, an informal note for the guidance of delegations is being circulated. Delegations who have comments or questions on the matters mentioned in this note should raise them with Mr. Linden.

Derestriction of Uruguay Round Documents

At our last meeting, we agreed that I would present a proposal on derestriction of Uruguay Round documentation. Such a proposal has been circulated today. Since the proposal is not in the least controversial, I would hope that we can all agree on it today and present it for formal decision at a meeting of the TNC which we would hold prior to the Marrakesh meeting. Unless I hear to the contrary, I will take it that the approach which is outlined in the cover note to the proposal meets with your approval.¹

Ministerial Decisions

I am pleased to report that progress has been made with regard to two draft texts on (i) the Decision on Acceptance of and Accession to the WTO Agreement and (ii) the Decision on the Establishment of the WTO Preparatory Committee.

¹Subsequently issued as document MTN.TNC/W/138.

Mr. Lavorel has informed me that his consultations have achieved as much as they can. In the case of the Decision on Acceptance of and Accession to the WTO Agreement, I understand that there is now agreement on the draft text that has been circulated.² Although the concept of the Decision is straightforward — it is intended to facilitate the process of accession of those countries acceding to the GATT and that also wish to accede to the WTO — the exact formulation required several drafts. To assist delegations we have included an explanatory note.

There is also a wide measure of agreement on the text of the Draft Decision on the Establishment of the WTO Preparatory Committee, which has also been circulated. There is, however, one area of disagreement represented by the bracketed text in paragraph 8(c)(iii) which relates to additional items which might be added to the Committee's work programme. I should say that the brackets around the text are not meant to imply any judgement on our part as to whether the text should be retained or deleted, but to reflect the positions of participants holding diametrically opposed views. Some delegations would prefer to have this text deleted while others have argued that it be strengthened with a view to being more action-oriented. I would hope that within this Group the parties most directly concerned could reach an understanding on this matter, preferably at today's meeting.

Consultations are also continuing on the issue of trade and environment, on the draft of a possible Ministerial Declaration and on certain issues of principle related to the administrative and budgetary consequences of the conclusion of the Round.

Timetable to Complete Marrakesh Preparations

It may be useful to delegations to outline my intentions in regard to the timetable of further meetings to complete our preparations for Marrakesh. I propose that our next meeting be held on Wednesday, 23 March at 6.30 p.m.³ At that meeting, we shall consider the outcome of the consultations on trade and environment, on the draft Ministerial Declaration and on the administrative and budgetary consequences of implementation of the results of the Uruguay Round. On Monday, 28 March I envisage a further meeting of this Group to consider the definitive texts resulting from the legal rectification process and to check that the market access schedules on goods and services have been completed in the required format. And on Wednesday, 30 March, I envisage holding a TNC meeting at Heads of Delegation level to give formal approval to the texts to be presented to Ministers at Marrakesh.

²Subsequently issued as document MTN.TNC/W/137.

³At the request of certain delegations, this meeting is now scheduled to take place on Thursday, 24 March at 3 p.m.