

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED  
Spec(85)45  
26 September 1985

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WRITTEN COMMUNICATIONS ON THE IMPROVEMENT OF  
WORLD TRADE RELATIONS AND A PROPOSED NEW ROUND  
OF TRADE NEGOTIATIONS: SUMMARY TABLE

..... The attached document is circulated to contracting parties as a guide to the contents of the written communications submitted by a number of delegations on the improvement of world trade relations and a new round of trade negotiations.<sup>1</sup> It represents an effort by the secretariat to arrange under a number of headings the main points made in the communications: points made on the same issues in GATT meetings or in other documents are not included here. To the greatest extent possible the words used are direct quotations from the written communications.

It must be emphasised that this document is in no sense a substitute for the written communications themselves, since a list of this kind inevitably cannot do justice to the balance and nuances of the original presentations, each of which must be seen as a whole. The document is therefore the responsibility of the secretariat and does not commit delegations.

In many cases the communications have been supplemented or explained in oral statements in the Council. The summary does not reflect these points, for which reference should be made to the Minutes of the Council meetings of 5-6 June and 17-19 July 1985 (C/M/190 and C/M/191).

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<sup>1</sup>The following are the documents covered: ASEAN countries L/5848; Australia L/5842; Austria L/5849; Canada L/5834; Developing countries L/5744; 24 developing countries L/5818; European Communities L/5835; Japan L/5833; New Zealand L/5831; Nordic countries L/5827; Switzerland L/5837; United States L/5846.

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I. OBJECTIVES

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AUSTRALIA L/5842	<ul style="list-style-type: none"><li>- trade liberalization which benefits all CPs</li><li>- multilateral solutions to the major obstacles that restrict trade</li></ul>
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AUSTRIA L/5849	<ul style="list-style-type: none"><li>- new initiatives on a large-scale basis are indispensable in order to revitalize GATT and to maintain, strengthen and enlarge the multilateral open-trading system; in this context it might be useful to examine to what extent certain GATT rules require adaptation</li></ul>
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CANADA L/5834	<ul style="list-style-type: none"><li>- Canada's preliminary objectives and priorities reflect a desire to meet protectionism and seek further expansion of access to markets; develop new rules of conduct for agricultural trade; seek tighter disciplines on the use of subsidies and on contingency protection measures; develop a framework for trade in services; and strengthen the effectiveness of the rule of law and non-discrimination governing international trade</li><li>- Canada regards the MTN as both a challenge and an opportunity to find forward looking solutions to the current and emerging problems facing the international trading community. Canada is approaching the MTN with a sense of urgency and importance to fight protectionist threats, to enhance the rule of law in international trade and to restore the momentum towards further trade liberalization</li></ul>
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24 DEVELOPING COUNTRIES L/5818	<ul style="list-style-type: none"><li>- if developed CPs were to comply with their undertakings, particularly those of the GATT Ministerial Declaration and Work Programme, LDCs would be in a position to consider taking the initiative of proposing specific trade negotiations in GATT, the basic objective of which, from their standpoint, would be the significant enlargement of access for LDCs' exports to the markets of developed countries, which, in turn, would enable LDCs to expand their capacity to absorb higher levels of imports from the developed countries and thus lead to mutually beneficial expansion of world trade</li></ul>
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EEC L/5835	<ul style="list-style-type: none"><li>- to liberalize world trade</li><li>- to offer the most appropriate framework for a global review of trade policy options which must be addressed if the dangers confronting the multilateral trading system are to be averted; only in this way can the GATT service the needs of changing trading environment and provide an appropriate framework for the trading system of the future</li><li>- to arrive at a better balance of rights and obligations and to find mutual advantages for all participants</li><li>- changing patterns of trade have been evident for some years and the GATT, if it is to remain relevant in the future, must be ready to consider new topics for negotiations, such as trade in services, the commercial policy implications of intellectual property in general, and perhaps other items, depending on their merits.</li></ul>
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JAPAN L/5833	<ul style="list-style-type: none"><li>- to revitalize the open and non-discriminatory trade system based upon the GATT</li><li>- to reduce and eliminate barriers to trade</li><li>- to improve the trade environment for the LDCs</li><li>- to adapt the GATT to the changing economic and trade structure</li></ul>
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NEW ZEALAND L/5831	<ul style="list-style-type: none"><li>- to reinforce the basic principles and objectives of the General Agreement</li><li>- to bring all trade sectors within the effective multilateral disciplines</li><li>- to liberalize tariff and non-tariff measures</li><li>- to take appropriate measures to enable the GATT to respond to new developments in the composition of international trade</li></ul>
NORDICS L/5827	<ul style="list-style-type: none"><li>- to maintain and reinforce the multilateral trading system</li><li>- to promote further trade liberalization</li><li>- to develop international rules and disciplines on new trade-policy issues</li></ul>
SWITZERLAND L/5837	<ul style="list-style-type: none"><li>- to strengthen and revitalize the multilateral system so as to ensure further liberalization</li><li>- to update the GATT system and to supplement it in order to adapt it to the new conditions of competition</li></ul>
USA L/5846	<ul style="list-style-type: none"><li>- to strengthen and develop trading rules to better attune them to the current and future trading environment</li><li>- to expand the exchange of goods through the reduction of trade barriers</li><li>- to develop a set of rules applicable to the trade in services</li></ul>

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II. MODALITIES

A. General

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ASEAN L/5848	- ASEAN welcomed the launching of the new round of multilateral trade negotiations. Toward this end they stressed the need to initiate preparations expeditiously
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AUSTRALIA L/5842	- Australia favours the establishment of appropriate arrangements in the GATT to facilitate and supervise the negotiations
	- arrangements to involve ministers in the oversight and guidance of the negotiating process, including the preparatory stage would be important

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AUSTRIA L/5849	- as to the content of the negotiations, a balanced set of items of interest to the largest possible number of CPs, both developed and developing, must be drawn up to facilitate balanced results
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CANADA L/5834	- a new round should seek to deal with all the key issues of interest to the trading countries which are expected to make a contribution to the success of the negotiations
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24 DEVELOPING COUNTRIES L/5818	- the negotiations should cover manufactured and semi-processed goods, natural resource products and agriculture, with particular emphasis on the substantial liberalization of the latter. In addition to securing significant enlargement of access for LDCs exports to the markets of developed countries, these negotiations must ensure effective protection and enforcement of the rights of LDCs. Techniques and modalities should, therefore, be established, <u>inter alia</u> , to concretely quantify, to the extent possible, the application of the GATT provisions on special and more-favourable treatment for LDCs.
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EEC L/5835	- a balanced package of topics should be drawn up in a manner which allows all CPs to arrive at a better balance of rights and obligations and to find mutual advantages for themselves
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JAPAN L/5833	- it will be desirable to arrive at a prior consensus on the general time scheme for the negotiations
	- we should also agree on the results of the negotiations as one whole package; items for negotiations not initially included in the package may emerge in the process of the new round
	- the negotiations should be considered as one undertaking

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NEW ZEALAND L/5831	- negotiating modalities should include, <u>inter alia</u> : (i) full adherence to the MFN principle (ii) a general liberalization programme (iii) redefinition, where appropriate, of the specific rules and provisions of the GATT (iv) specific programmes to improve access in all sectors
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SWITZERLAND L/5837	- if necessary, separate meetings to consider normative and executive tasks could be convened
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II. MODALITIESB. High Level Meeting

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| AUSTRALIA<br>L/5842 | - a decision should be taken by the GATT Council to convene a meeting of senior officials in September 1985 to bring forward recommendations by the end of March 1986 on the coverage, timing, organization and objectives of a new round |
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| AUSTRIA<br>L/5849 | - a meeting of officials should be held, at a suitable date in September of 1985; the senior officials - most likely more than one meeting will be required - should prepare the ground and attempt to reach a broad consensus allowing CPs to take all the necessary decisions both with regard to the substance of the new round and the further procedural steps |
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| EEC<br>L/5835 | - the Council should decide, at its 17 July meeting to call a meeting of senior officials before the end of September to discuss the subject matter and modalities of a new round |
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| JAPAN<br>L/5833 | - the Council meeting in July should convene a preparatory meeting of senior officials before the end of September, with the preparatory meeting setting up a Preparatory Committee |
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| NEW ZEALAND<br>L/5831 | - a comprehensive examination by high level officials of the agenda and modalities for a new round should be held no later than the end of September 1985 |
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| NORDICS<br>L/5827 | - a meeting of senior officials should be held in GATT in September to undertake an in-depth exchange of views on negotiating priorities and to discuss the modalities and timing of a new round |
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| SWITZERLAND<br>L/5837 | - the CPs should meet in the near future at the level of responsible senior officials, with a view to<br><br>(i) confirming the list of topics for negotiations<br>(ii) dividing them into categories<br>(iii) defining the modalities and fundamental objectives<br>(iv) determining which non-CPs would be invited to participate |
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| USA<br>L/5846 | - a meeting of senior officials is needed to initiate an evolving process of international consensus building on the issues to be addressed |
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II. MODALITIES

C. Participation in a New Round

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AUSTRALIA L/5842	- all countries should be able to participate within a framework of mutual commitment
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AUSTRIA L/5849	- one should aspire to the broadest possible participation, including not only CPs or countries which have provisionally acceded to GATT, but also countries which <u>de facto</u> apply GATT rules as well as interested developing countries
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CANADA L/5834	- there should be an appropriate arrangement to allow countries having observer status in GATT to participate, if they are prepared to contribute to the achievement of overall objectives of the negotiations
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JAPAN L/5833	- as many countries as possible (especially the LDCs) should participate in the preparatory stage and the negotiating stage
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SWITZERLAND L/5837	- to be defined by the high-level meeting
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USA L/5846	- negotiations would be open to any contracting party wishing to participate
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II. MODALITIESD. Relationship with the Work Programme

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| ASEAN<br>L/5848 | - ASEAN reiterated the need to fulfil the past commitments of the Tokyo Round, the relevant elements of the Work Programme and to take into account the interests of ASEAN and other developing countries |
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| AUSTRALIA<br>L/5842 | - the approach to the new round should build on the measures of liberalization undertaken within the ambit of the Work Programme |
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| CANADA<br>L/5834 | - Canada wants to underline the importance it attaches to the Work Programme, however its various elements are unlikely to be brought to a satisfactory conclusion outside the context of the new round |
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| 24 DEVELOPING<br>COUNTRIES<br>L/5818 | - while the basic task of preserving the multilateral trading system continues to be neglected, the attention of major trading partners is being increasingly focussed on planning events which by themselves cannot lend to solutions  |
|                                      | - as a result, the implementation of the Work Programme of 1982 has come a virtual halt, particularly in areas of interest to LDCs; while the pace of work is sought to be accelerated in programmes relating to new themes, the possibility of even modest progress on long outstanding issues is being denied on the questionable ground that further progress in these areas would be possible only in the context of wider trade negotiations |
|                                      | - LDCs call upon the developed CPs to agree to engage in serious efforts, on a priority basis, to implement all aspects of the Work Programme of particular interest to LDCs (L/5744).  |
|                                      | See also "Objectives".  |
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| EEC<br>L/5835 | - the EEC has advocated further efforts to pursue the Work Programme   |
|               | - many of the issues included in the Work Programme will have to be considered in the new negotiations   |
|               | - the implementation of the Work Programme must continue but it now appears that problems which are clearly arising in this process can only be resolved by negotiations |
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| JAPAN<br>L/5833 | - it is important to fully utilize the results of the Work Programme in studying the modality of the negotiations   |
|                 | - a balanced package of negotiating items embracing the major elements contained in the Work Programme must be sought   |
|                 | - it is possible to promote the Work Programme and the preparations for the new round in parallel   |
|                 | - there are items in the Work Programme progress on which can only be hoped through negotiations; a new round can give the results for which the Work Programme was established |
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| NEW ZEALAND<br>L/5831 | - full account should be taken of any measure of liberalization undertaken by the CPs within the ambit of the Work Programme |
|                       | - CPs should review their commitment to fulfil promptly the terms and conditions of the Work Programme                       |
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| NORDICS<br>L/5827 | - the Work Programme covers most, if not all, of the crucial issues that have to be tackled; the new round is the best way to provide stimulus to the implementation of the Work Programme |
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| SWITZERLAND<br>L/5837 | - the Work Programme is, in reality, a programme of negotiations |
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| USA<br>L/5846 | - the Work Programme covers most of the pressing trade issues; it is reaching a stage where further progress will depend on the initiation of negotiations |
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II. MODALITIESE. Standstill and Rollback

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| AUSTRALIA<br>L/5842 | - action is needed to halt new protective measures that are not in conformity with the GATT and to freeze trade distorting measures at existing levels; this should cover trade in all products |
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| AUSTRIA<br>L/5849 | - an important step to create a proper climate for the launching of new negotiations would be a renewed commitment by the CPs to the observance of a standstill |
|                   | - further efforts must be made to fulfil the rollback commitments made in GATT and elsewhere  |
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| CANADA<br>L/5834 | - the capacity to resist protectionist pressures will clearly be a major factor in creating a favourable environment to enter into the new round |
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| DEVELOPING<br>COUNTRIES<br>L/5744 | - LDCs believe that discussions on implementation of the existing work programme mandated by the Ministers would remain an academic and pro forma exercise unless ... the developed contracting parties ensure a standstill on all protectionist measures along with an appropriate and meaningful rollback, starting with action in favour of the less-developed contracting parties |
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| 24 DEVELOPING<br>COUNTRIES<br>L/5818 | *<br>- a firm and credible commitment supported by appropriate legislative sanctions where necessary:<br><br>(i) not to introduce any new restrictions inconsistent with GATT or not based on GATT, it being understood that measures based on specific GATT provisions must conform fully with the provisions invoked<br><br>(ii) to rollback measures inconsistent with the GATT either by elimination forthwith or, at least, through a phase out in accordance with a time-bound programme |
|                                      | - the Council should monitor implementation of this commitment   |
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| EEC<br>L/5835 | - the EEC expects that commitments to effectively halt protectionism and resist protectionist pressures and progressively to relax and dismantle existing measures will be honoured |
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| JAPAN<br>L/5833 | - in supporting the new round we should introduce no new protectionist measures and we should work to rollback protectionist measures without waiting for the launching of the new round |
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| NEW ZEALAND<br>L/5831 | - CPs should accept as a minimum a firm and credible commitment to refrain from introducing any new restrictive measures inconsistent with or not based upon the GATT;  |
|                       | - measures of a "rollback" nature undertaken prior to the new round should be taken fully into account when assessing the results of negotiations   |
|                       | - more useful still would be a more comprehensive and explicit undertaking to refrain from reducing overall existing levels of access and from exceeding existing levels of trade-impacting subsidization and to establish a surveillance group under the Council to monitor implementation of these undertakings |
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\*To be undertaken before the specific negotiations could be launched

(The same footnote refers to all asterisks in the text.)

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NORDICS  
L/5827

- the possibilities to carry through a successful round of trade negotiations would be enhanced by the strict observance of standstill commitments
- further efforts must be made to fulfil the rollback commitments made in GATT and elsewhere

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SWITZERLAND  
L/5837

- it should be recalled that the EFTA countries have undertaken not to adopt any trade-restrictive measures outside the GATT context

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USA  
L/5846

- an agreement on application of the four principles of transparency, surveillance, limited duration and degressivity would enable us to establish a firm basis for implementing standstill/rollback commitments
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II. MODALITIESF. Special Treatment and LDCs' Contribution

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| AUSTRALIA<br>L/5842 | <ul style="list-style-type: none"> <li>- the particular interests and circumstances of LDCs must be addressed in any new round with the liberalization of trade in textiles and clothing and tropical products being key priorities</li> <li>- there are issues, however, where the maximum benefit to all countries, developed and developing alike, will be realized by seeking multilateral solutions to them in a new round</li> <li>- all participating countries should approach the round with a genuine commitment to trade liberalization</li> </ul> |
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| AUSTRIA<br>L/5849 | <ul style="list-style-type: none"> <li>- particular consideration should be given to the special needs and export interests, e.g. in tropical products, of developing countries, especially the least-developed among them</li> <li>- the requirement of a better balance between rights and obligations commensurate with the economic development and the financial and trade situation of individual developing countries is clearly expressed in the last sentence of paragraph 7 of the "Enabling Clause" which should, therefore, not be seen as a permanent exception, but as a dynamic instrument for transition</li> </ul> |
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| CANADA<br>L/5834 | <ul style="list-style-type: none"> <li>- the trade negotiations should be conducted on the basis of overall reciprocity of mutual advantage</li> <li>- an appropriate contribution should be made by all participants</li> <li>- this contribution should be commensurate with the benefits which participants obtain from open international markets, with their economic strengths and with their interest in multilateral trading system</li> </ul> |
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| DEVELOPING COUNTRIES<br>L/5744 | <ul style="list-style-type: none"> <li>- techniques and modalities for such negotiations should be established to concretely quantify, to the extent possible, the application of the GATT provisions on special and more favourable treatment for developing countries</li> </ul> |
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| 24 DEVELOPING COUNTRIES<br>L/5818 | <ul style="list-style-type: none"> <li>- the principle of differential and more favourable treatment is an integral and inalienable part of the GATT and of the MIN Codes and, as such, must be strictly adhered to</li> <li>- it is necessary to ensure that techniques and modalities be devised to quantify, to the extent possible, the application of GATT provisions on special treatment in concrete situations where concessions are exchanged between developed and developing countries</li> <li>- special attention should be given to the particular situation and problems of the least-developed among the developing countries</li> <li>- LDCs cannot accept that the onus for bringing about trade liberalization be shifted on to them (L/5744)</li> <li>- developed countries have agreed not to expect reciprocity and that they shall not seek, neither shall LDCs be required to, make concessions that are inconsistent with the latter's development, financial and trade needs</li> </ul> |
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| EEC<br>L/5835 | <ul style="list-style-type: none"><li>- the interest of LDCs is fully understood and deserves urgent attention in future negotiations</li><li>- an evolutionary process in the respective obligations of developed and developing countries is recognized by the GATT</li><li>- Part IV and the Enabling Clause must in future become a vehicle for the NICs to make an increased contribution to the GATT, consistent with their individual development, financial and trade needs</li></ul> |
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| JAPAN<br>L/5833 | <ul style="list-style-type: none"><li>- one of the aims of the new round should be an improvement of the trade environment for LDCs, taking account of debt accumulation and other such recent developments</li></ul> |
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| NEW ZEALAND<br>L/5831 | <ul style="list-style-type: none"><li>- developed countries should recognize the need of LDCs to be able to exploit their comparative advantages through access for their products to developed countries' market (on the MFN basis)</li><li>- consideration should be given to how best the growth and development prospects of LDCs could be further strengthened by their participation in generalized commitments to liberalize</li></ul> |
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| NORDICS<br>L/5827 | <ul style="list-style-type: none"><li>- within the general framework of negotiations particular attention should be given to matters of interest to LDCs, especially the least-developed among them</li><li>- participating countries would be expected to make reciprocal commitments to the extent that their level of individual development and financial and trade needs would permit</li><li>- the Nordic countries would envisage to present requests to both developed and developing countries</li></ul> |
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| SWITZERLAND<br>L/5837 | <ul style="list-style-type: none"><li>- it would be desirable to elaborate provisions allowing the GATT to accommodate specific arrangements between LDCs and developed countries more satisfactorily</li><li>- the negotiations should define the conditions for more dynamic application of Part IV and of the Enabling Clause without bringing into question their fundamental objective</li></ul> |
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II. MODALITIESG. Parallel or Sequential Negotiations

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AUSTRALIA L/5842	- negotiations on services might best be handled separately
AUSTRIA L/5849	- the Council should also discuss the question whether Senior Officials should deal with the issues related to trade in goods and those related to trade in services together or at separate meetings
CANADA L/5834	- may accept parallel negotiations on services
24 DEVELOPING COUNTRIES L/5818	- LDCs would be prepared to make a proposal for specific multilateral trade negotiations confined to trade in goods only, to be conducted under the terms of the relevant provisions of the General Agreement
EEC L/5835	- items should be negotiated and results implemented in parallel, and not in succession
JAPAN L/5833	- in principle, all negotiating items should be dealt with simultaneously; it is necessary, however, to work out the appropriate procedures for negotiations, taking account of the different degree of maturity of each item
NORDICS L/5827	- ready to consider separate negotiations on services
SWITZERLAND L/5837	See "General"
USA L/5846	- negotiations: an evolving process of international consensus building on the issues to be addressed

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III. SUBSTANTIVE ISSUES

A. Tariffs

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AUSTRALIA L/5842	- there should be a scope to address remaining tariff issues, in particular tariff escalation
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CANADA L/5834	- further improvement in market access conditions should include the prospect of total tariff elimination in particular product areas
	- a degree of tariff bindings on agricultural products should be comparable to that on industrial products

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24 DEVELOPING COUNTRIES L/5818	* - a short and special timetable should be established for reduction of tariff escalation
	- the negotiations should encompass the totality of tariff measures

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EEC L/5835	- tariff negotiations should deal with tariff escalation, tariff peaks and give attention to the extent and level of bindings accepted by all CPs
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JAPAN L/5833	- reduction of tariff rates on industrial products by advanced industrialized countries to zero
	- promotion of the elimination of the tariffs on industrial products with low rates
	- substantial reduction or elimination of tariff on many other industrial products
	- promotion of agricultural tariff negotiations
	- rectification of tariff escalation

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NEW ZEALAND L/5831	- specific programmes to improve access covering tariff measures in all sectors
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NORDICS L/5827	- negotiations on market access could be based on requests and offers, including tariffs
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SWITZERLAND L/5837	- the tariff area will have to be tackled and the approach should be to apply a general formula designed to achieve further progress towards harmonizing tariffs at lower levels
	- exchange of concessions on tariffs is one of the topics for negotiations

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USA L/5846	- significant tariff barriers remain and we will need to analyse what creative new approaches might be considered in this area
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III. SUBSTANTIVE ISSUESB. Non-Tariff Measures

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| AUSTRALIA<br>L/5842 | <ul style="list-style-type: none"> <li>- each CP should proceed with elimination of QRs which are not in conformity with GATT (preferably in advance of a new round)</li> <li>- liberalization of QRs and other NTM is a key general issue for the new round</li> </ul> |
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| AUSTRIA<br>L/5849 | <ul style="list-style-type: none"> <li>- since some non-tariff measures have severe adverse effects on trade, special weight should be given to these issues; a multilateral discipline for non-tariff measures, e.g. QRs, whether they are covered by the MTN Agreements and Arrangements or not, should further be established</li> </ul> |
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| CANADA<br>L/5834 | <ul style="list-style-type: none"> <li>- extension of the existing GATT Agreement on Government Procurement is a major element of market-opening measures</li> <li>- Canada will be prepared to join with others in an examination of possible co-ordinated actions aimed at limiting special measures of protection which have been introduced in sectors facing particular international competitive difficulties</li> </ul> |
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| 24 DEVELOPING<br>COUNTRIES<br>L/5818 | <ul style="list-style-type: none"> <li>- * a short and special timetable should be established for liberalization in the areas of tropical products, and quantitative restrictions and other non-tariff measures which affect the exports of developing countries in the markets of developed countries. Actions in these areas and products must be concluded prior to, and independently of, the results of negotiations on other products</li> <li>- * utmost restraint under suitable GATT surveillance should be exercised in taking recourse to countervailing and anti-dumping procedures against imports from LDCs, and in instituting new procedures; such procedures should, under no circumstances, be instituted against imports subject to QRs</li> <li>- the negotiations should encompass the totality of non-tariff measures</li> </ul> |
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| EEC<br>L/5835 | <ul style="list-style-type: none"> <li>- The EEC has worked towards genuine and balanced progress in the elimination and liberalization of QRs and other NTMs; these questions should be addressed as an interconnected problem</li> </ul> |
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| JAPAN<br>L/5833 | <ul style="list-style-type: none"> <li>- some of the MTN Codes may be reviewed as a part of new negotiations</li> </ul> |
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| NEW ZEALAND<br>L/5831 | <ul style="list-style-type: none"> <li>- progressive and comprehensive liberalization, in accord with an agreed plan and schedule, of non-tariff measures should be undertaken</li> <li>- specific programmes should be undertaken to improve access covering non-tariff measures, in all sectors; remaining NTM including QRs and grey-area measures should be made transparent, measurable and non-discriminatory</li> </ul> |
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| NORDICS<br>L/5827 | <ul style="list-style-type: none"> <li>- an important objective is to enlarge participation and to enhance the level of commitment in the NTM Codes</li> <li>- importance should be given to the current negotiations on the government procurement code and subsidies code</li> <li>- for non-tariff measures not covered by the MTN Codes the scope for multilateral disciplines should be further explored</li> </ul> |
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| SWITZERLAND<br>L/5837 | - the existing provisions should be made generally applicable; it would be necessary to make the content of various codes an integral part of the GATT, applied by all the CPs; |
|                       | - new areas, not yet covered by the GATT, could likewise be tackled   |
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| USA<br>L/5846 | - the US seeks to strengthen the GATT non-tariff barrier codes (subsidies, procurements, standards, etc.) by clarifying ambiguous applications and extending participation in and coverage of the agreements |
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III. SUBSTANTIVE ISSUESC. Market Access

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| AUSTRIA<br>L/5849 | - the general objective is the improvement of market access for products, both of developed and developing countries |
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| CANADA<br>L/5834 | - Canada urges further improvements in access on as broad a basis as possible in terms of both products and markets |
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| DEVELOPING<br>COUNTRIES<br>L/5744 | - developed contracting parties should individually promptly implement their undertaking to lift any measures inconsistent with GATT, or not based on specific GATT disciplines, which restrict or have the effect of restricting exports of developing countries to their markets, and refrain from introducing new ones |
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| 24 DEVELOPING<br>COUNTRIES<br>L/5818 | - liberalization of trade can and should be pursued as a first priority, through individual and autonomous actions |
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| EEC<br>L/5835 | - there is a pressing need for Japan to increase her imports of manufactured goods and processed agriculture products to levels comparable with those in other major developed countries<br><br>- there should be opportunities for collective progress in improving access for products, including tropical products |
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| NORDICS<br>L/5827 | - progress on "systemic" issues could result in improved market access; in addition, it is important that a more specific effort be made to improve market access;<br><br>- negotiations on market access could be based on requests and offers, including both tariffs and non-tariff barriers |
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| SWITZERLAND<br>L/5837 | - many of the normative tasks will automatically have a direct or indirect liberalizing effect. Furthermore it will be possible to expand market access through an immediate exchange of concessions on the basis of rules that will have to be updated and supplemented |
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| USA<br>L/5846 | - negotiations on market access should aim primarily at eliminating tariff and non-tariff barriers<br><br>- particular emphasis on expanding market access for high technology products |
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III. SUBSTANTIVE ISSUES

D. Safeguards

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| AUSTRALIA<br>L/5842 | <ul style="list-style-type: none"><li>- a comprehensive understanding is required which will bring the operation of all safeguard measures back into conformity with the GATT rules</li><li>- return to the principles of Article XIX in the exercise of safeguard measures is needed; safeguard measures should not be seen as a way of importing countries avoiding structural problems</li></ul> |
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| AUSTRIA<br>L/5849 | <ul style="list-style-type: none"><li>- a comprehensive solution for the problem of safeguards is imperative; in this context the special problem of the so-called "grey zone measures" needs an urgent solution</li></ul> |
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| CANADA<br>L/5834 | <ul style="list-style-type: none"><li>- an understanding to bring greater discipline to the use of all forms of safeguards actions should be developed</li><li>- safeguards measures should possibly be related to undertakings on structural adjustment by the protected industries</li></ul> |
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| 24 DEVELOPING<br>COUNTRIES<br>L/5818 | <ul style="list-style-type: none"><li>*<ul style="list-style-type: none"><li>- a comprehensive agreement on safeguards based on the provisions of the GATT must be concluded within an agreed time-frame, such an agreement being fundamental to the preservation of the multilateral trading system and for securing the results of any further liberalization efforts</li></ul></li></ul> |
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| EEC<br>L/5835 | <ul style="list-style-type: none"><li>- any new disciplines applicable to safeguards must reflect the realities of the situation and thus be responsive to the evolving patterns of international trade</li></ul> |
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| JAPAN<br>L/5833 | <ul style="list-style-type: none"><li>- a comprehensive understanding should be elaborated; to this end an interim agreement on the less controversial elements (temporary nature, degressivity, transparency, surveillance) should be reached</li></ul> |
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| NEW ZEALAND<br>L/5831 | <ul style="list-style-type: none"><li>- the long-standing problem areas, including safeguards and "grey area" arrangements, should be dealt with on a priority basis</li><li>- a comprehensive review of the operation, interpretation and consequences of those GATT provisions which relate to deviations and derogations from its basic principles and obligations should be undertaken</li></ul> |
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| NORDICS<br>L/5827 | <ul style="list-style-type: none"><li>- a comprehensive understanding in accordance with the Ministerial Declaration should be reached; to this end the Nordic countries would like to achieve greater transparency and multilateral surveillance of existing and new measures</li><li>- the problem of phasing-out of so-called "grey area" measures will probably have to be dealt with in several contexts, safeguards certainly being one of them</li></ul> |
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| SWITZERLAND<br>L/5837 | <ul style="list-style-type: none"><li>- formulation and functioning of appropriate and equitable safeguard clauses are a priority element; to that end one should cease presenting the problem in the form of an absolute alternative as between "selectivity" and "<u>erga omnes</u>" application but approach it from the angle of the situation that made such measures necessary</li></ul> |
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| USA<br>L/5846 | <ul style="list-style-type: none"><li>- it is important to establish an effective GATT discipline over all actions taken to restrain imports; as a first step - an agreement should be sought on the application of the four building-block principles: transparency, surveillance, limited duration and degressivity to all import restrictive actions taken by all CPs</li></ul> |
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III. SUBSTANTIVE ISSUESE. Subsidies

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AUSTRALIA L/5842	- more effective rules on subsidies aimed at reducing their distorting influence on world trade must be a key objective of the new round
CANADA L/5834	- there must be a review of existing rules concerning subsidies and countervailing measures with an aim to increase the discipline on those subsidies which are harmful to the trade interests of contracting parties, including subsidized export credits and subsidies affecting trade in agricultural products, as well as an attempt to broaden international agreement on the definition and measurement of subsidies
24 DEVELOPING COUNTRIES L/5818	* - GATT disciplines on subsidies must be strictly observed. Subsidies when used should not adversely affect the interests of LDCs. Utmost restraint under suitable GATT surveillance should be exercised in the use of export subsidies which compete with the exports of LDCs, to third country markets
JAPAN L/5833	See "Non-Tariff Measures"
NEW ZEALAND L/5831	- the negotiations must deal on a priority basis with the long-standing problem areas in international trade, including subsidies  - in the case of trade impacting subsidies, measures should be taken to ensure that the current imbalance against trade in agricultural products is redressed
NORDICS L/5827	- the Nordic countries attach importance to the further elaboration of the subsidies code
SWITZERLAND L/5837	See "Non-Tariff Measures"
USA L/5846	See "Non-Tariff Measures"

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III. SUBSTANTIVE ISSUES

F. Agriculture

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| AUSTRALIA<br>L/5842 | - new arrangements are required to bring agriculture fully into the GATT system and allow comparative advantages to apply more fully |
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| AUSTRIA<br>L/5849 | - the problems of trade in agricultural products need a comprehensive solution; the work of the CTA should be continued with the view to finding solutions on the basis of the existing GATT rules and disciplines; the specific characteristics and problems in agriculture have duly to be taken into account |
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| CANADA<br>L/5834 | - new fair, predictable and effective rules on export and domestic subsidies as well as on variable levies, QRs and export restraints should be developed in order to bring agriculture more effectively under the discipline of contractual rights and obligations and to obtain an improved balance between all major participants; these new rules should apply to all major importers and exporters and to third-country markets |
|                  | - the new rules should take account of trade and production characteristics in agriculture   |
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| 24 DEVELOPING<br>COUNTRIES<br>L/5818 | - there should be particular emphasis on substantial liberalization of the trade in agriculture |
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| EEC<br>L/5835 | - the EEC is ready to work towards improvements within the existing framework of the rules and disciplines in GATT covering all measures affecting trade in agriculture taking full account of the specific characteristics and problems in agriculture; the fundamental objectives and mechanisms of the CAP shall not be placed in question |
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| JAPAN<br>L/5833 | - international rules for trade in agricultural products should be formulated, with due consideration being given to the special characteristics of agriculture and to the present situation of trade in agricultural products |
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| NEW ZEALAND<br>L/5831 | - in the case of trade impacting subsidies measures should be taken to ensure that the current imbalances against trade in agricultural products is redressed |
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| NORDICS<br>L/5827 | - a comprehensive solution to the problems in world agricultural trade should be found; Ministerial Declaration and recommendations of the 1984 session should provide a balanced and realistic point of departure; the negotiations should focus on elaboration of present GATT rules rather than setting-up new ones; full account must be taken of the specific characteristics of the agricultural sector |
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| SWITZERLAND<br>L/5837 | - more generally applicable rules should be established; this would imply stabilizing both conditions of competition and of access to export markets; at the same time such rules will have to respect the specific characteristics of this sector |
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USA  
L/5846

- the work in the CTA has established a solid framework for negotiations, which should provide an effective discipline on import restrictions and export subsidies in agriculture. The US favours greater discipline over agricultural trade practices and elimination of any permanent exceptions for agricultural trade from GATT rules.
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III. SUBSTANTIVE ISSUES

G. Tropical Products

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| AUSTRALIA<br>L/5842 | - the particular interests and circumstances of LDCs must be addressed in any new round with the liberalization of trade in ... tropical products being key priorities |
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| AUSTRIA<br>L/5849 | - particular consideration should be given to the special needs and export interests, e.g. in tropical products, of developing countries, especially the least developed among them |
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| 24 DEVELOPING<br>COUNTRIES<br>L/5818 | - a short and special time-table should be established for liberalization in the areas of tropical products ...; action in this area must be concluded prior to, and independently of the results of negotiations on other products |
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| JAPAN<br>L/5833 | - the requests of the developing countries have been identified in the work under the GATT Work Programme. Beginning negotiations in the early stage is, therefore, technically possible; however we should find mutually satisfactory negotiating procedures within the framework of the whole negotiating package |
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| SWITZERLAND<br>L/5837 | - concrete themes for negotiations include topics concerned with access to markets through exchange of concessions (tariffs, quantitative restrictions, including tropical products, for example) |
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III. SUBSTANTIVE ISSUESH. Textiles

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AUSTRALIA L/5842	- the liberalization of trade in textiles and clothing is the key priority
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AUSTRIA L/5849	- the sector of textiles and clothing is actually under consideration within GATT; the results of this consideration should be awaited before concrete steps can be envisaged
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24 DEVELOPING COUNTRIES L/5818	* - a categorical and unconditional commitment by the importing countries to the full application of the rules and principles of the GATT should constitute the first step for meaningful negotiations in this area  - in this context actions must be directed to a significant and substantial liberalization  - the protectionist measures introduced since 1982 Ministerial Declaration should be rolled back forthwith
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EEC L/5835	- the EEC is aware of the necessity of working towards further improvement in market access benefiting especially LDCs
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JAPAN L/5833	- medium and long-term liberalization of trade in textiles
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NEW ZEALAND L/5831	- negotiations must deal on a priority basis with the long-standing problem areas, including textiles
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SWITZERLAND L/5837	- trade in textiles should be brought under the general GATT rules with a view to achieving increased and stable liberalization (relationship with safeguards)
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III. SUBSTANTIVE ISSUES

I. Dispute Settlement

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AUSTRALIA L/5842	- Australia supports the adoption of more effective dispute settlement procedures in relation to such aspects as the time taken to form panels and hear cases; the need for clear recommendations for corrective action and effective enforcement procedures
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AUSTRIA L/5849	- due consideration should be given to a strengthening of the dispute settlement procedures; the main issue: the follow-up and the implementation of panel reports;
	- taking into account the principle of consensus, ways and means must be found that the parties concerned comply with the recommendations of the relevant GATT bodies

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CANADA L/5834	- serious review of such fundamental questions as, <u>inter alia</u> , dispute settlement must be undertaken
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24 DEVELOPING COUNTRIES L/5818	- * dispute settlement and enforcement mechanism should be improved with a view to introducing greater equity and thereby to protect the rights of LDCs
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EEC L/5835	- the resolution of disputes can best be achieved if conclusions are arrived at by a consensus in the Council; the EEC is ready to explore how further improvements of a practical nature can be found
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NEW ZEALAND L/5831	- the matter of dispute settlement should be addressed in the negotiations
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SWITZERLAND L/5837	- Switzerland is ready to examine any proposal for improving dispute settlement; the fundamental problem lies not so much in any shortcomings of the mechanism as in the use that contracting parties make of it
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USA L/5846	- the negotiations should aim to achieve a vastly improved dispute settlement mechanism
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III. SUBSTANTIVE ISSUESJ. Review Functions and Ministerial Participation

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| AUSTRALIA<br>L/5842 | - the new round should provide the opportunity to further enhance the "review" functions of the GATT. A focus of discussion in the negotiations could be provided by the recommendations of the Leutwiler group on strengthening the surveillance function of the GATT, including the possibility of regular ministerial-level GATT sessions |
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| CANADA<br>L/5834 | - in meeting the challenge to the credibility of GATT there should be scope for greater Ministerial participation in and direction of GATT affairs |
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| NEW ZEALAND<br>L/5831 | - procedures regarding notification and surveillance should be addressed, as should institutional arrangements to assist governments in resisting protectionist pressures including, for instance, the proposal for establishment of a Trade Policy Committee and the notion of instituting a ministerial-level body within the GATT framework |
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III. SUBSTANTIVE ISSUES

K. Trade Aspects of Counterfeit Goods and Intellectual Property

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AUSTRIA  
L/5849

- the trade in counterfeit goods seriously affects fair trade
- unilateral measures could create new barriers to our trading system
- therefore, possibilities for a multilateral discipline in this field should be explored

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CANADA  
L/5834

- trade action in some of the so-called new areas such as patent infringement can have a direct prohibitive effect on the flow of goods thus placing such measures in the activity of traditional issues

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24 DEVELOPING  
COUNTRIES  
L/5818

See "Services"

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EEC  
L/5835

- it is important to pursue efforts within the GATT to reach an agreed basis for tackling the problem of trade in counterfeit goods

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JAPAN  
L/5833

- Japan attaches considerable importance to the issue of Intellectual Property Rights including trade in counterfeit goods; before entering on the negotiation stage, further intensive study will be necessary

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NEW ZEALAND  
L/5831

See "Services"

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NORDICS  
L/5827

- GATT is an appropriate forum for dealing with the trade aspects of counterfeiting
- an international framework for actions to be taken against trade in counterfeit goods is needed

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SWITZERLAND  
L/5837

- negotiations within GATT should take up the problem of combating trade in counterfeit products (marks, designs, manufacture or designation of origin) and seek some solutions that would not in turn generate new unnecessary trade barriers

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USA  
L/5846

- an agreement on actions and procedures should be sought that will ensure that a proliferation of individual country practices in the field of intellectual property does not act as a barrier to international trade
  - over the longer term we seek to reduce trade distortions resulting from inadequate treatment of intellectual property rights
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III. SUBSTANTIVE ISSUESL. Services

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- AUSTRALIA  
L/5842
- while services are not currently covered by the GATT, Australia agrees that this is a subject to be included on the agenda
  - in view of the need to develop a clear understanding of the obstacles and the scope for negotiating on their liberalization, negotiations on services might best be handled separately from negotiations on other issues
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- AUSTRIA  
L/5849
- a multilateral trading system must take into account changes and developments taking place in the world economy; it therefore seems appropriate to explore, under the auspices of GATT, if and to what extent existing GATT rules could apply to issues such as trade in services and high-technology products and if multilateral disciplines could be developed
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- CANADA  
L/5834
- Canada attaches considerable importance to the development of a new trading framework to provide a mutually beneficial set of rules and principles to govern trade relations in services
  - this development should explore the possible application of some basic principles as non-discrimination, national treatment and transparency
  - the eventual status of a new instrument should not be prejudged at this time
  - Canada does not have any firm view as to whether the new framework should be of a comprehensive nature, whether its scope and coverage should be applicable to a selected number of sectors or whether it should be applied differently to particular sectors
  - negotiations on services can be conducted in parallel with negotiations on goods provided they are conducive to achieving a reasonable mutual balance of overall benefits in the global MTN context
  - negotiating process should be serviced by the GATT secretariat
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- 24 DEVELOPING  
COUNTRIES  
L/5818
- new items alien to the jurisdictional competence of GATT are being systematically promoted at the expense of the central area of responsibility of the General Agreement
  - there is little evidence to show that a new round would reduce or eliminate the basic asymmetry in trade relations between developed and developing countries; there are, however, indications that these negotiations would go far beyond the charter of GATT and divert attention to new themes alien to the jurisdictional competence of the GATT
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- EEC  
L/5835
- negotiations on services should take place in the framework of the GATT
  - the GATT, as it stands, cannot simply be extended to this area: the objective should be to develop a framework of rules appropriate to trade in services, drawing on GATT principles where they are relevant
  - negotiations should be a step-by-step process over time
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JAPAN L/5833	<ul style="list-style-type: none"><li>- new international rules on trade in services are needed; adaptation of GATT to deal adequately with this new area is important from the point of view of revitalizing the GATT system</li></ul>
NEW ZEALAND L/5831	<ul style="list-style-type: none"><li>- the extent and nature of work on trade in services, in high technology, and in intellectual property will be dependent on the evolution of precise negotiating objectives</li><li>- CPs should be prepared to consider a step-by-step approach to such issues</li><li>- progress on outstanding "hard core" issues should not be frustrated or delayed by the pace of negotiations on "new" issues</li></ul>
NORDICS L/5827	<ul style="list-style-type: none"><li>- the Nordics are most interested in developing a multilateral discipline which will counteract protectionist and arbitrary elements in regulations concerning trade in services - a multilateral agreement which would provide a general framework for discipline, transparency and for future liberalization of trade in services</li><li>- disciplines for services should be compatible with the international rules governing trade in goods</li><li>- the idea that negotiations should be conducted separately from negotiations on trade in goods deserves close consideration</li><li>- GATT work on services will have to include an analysis of statistical problems, definitions and substantive items of general and sector specific nature</li><li>- it should be explored to what extent the existing rules and principles of GATT are relevant for trade in services generally</li></ul>
SWITZERLAND L/5837	<ul style="list-style-type: none"><li>- a multilateral system designed to facilitate trade in services should be established</li><li>- the services sectors for which rules would be needed should be identified and it should be decided whether those rules should be based on the GATT rules or should take some novel form</li><li>- the negotiations should therefore proceed without any pre-determined ideas as to the areas to be covered and the forms of the resulting provisions</li></ul>
USA <sup>1</sup> L/5846	<ul style="list-style-type: none"><li>- a general agreement on principles and procedures to ensure that trade in services is as open as possible should be developed</li><li>- negotiations should be carried out by as many interested CPs as possible under the aegis of the GATT</li><li>- the agreement on a set of rules and principles would be based on a commitment to transparency of practices and the resolution of problems through consultation</li><li>- procedures would be established for the negotiation of commitments dealing with the reduction of trade barriers</li><li>- the general agreement on services should be completed by negotiations aimed at the removal of barriers in individual service industries</li><li>- priority should be given to developing a multilateral agreement on international information flows</li></ul>

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<sup>1</sup>United States views on services are set out in greater detail in L/5838.

III. SUBSTANTIVE ISSUESM. Investment/High Technology

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24 DEVELOPING COUNTRIES  
L/5818      See "Services"

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EEC  
L/5835      - the EEC is prepared to consider other issues, especially those agreed upon in the Ministerial Declaration

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JAPAN  
L/5833      - Japan attaches considerable importance to the issue of trade in high technology; before entering on the negotiation stage further intensive study will be necessary

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NEW ZEALAND  
L/5831      See "Services"

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USA      - the US seeks to establish effective disciplines over such L/5846 trade-distortive measures as local content and export performance requirement

          - with respect to international investment, a process leading to multilateral discipline over practices that distort or restrict international investment flows, including barriers to investment and other discriminatory measures should be initiated

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IV. RELATIONSHIP WITH THE MONETARY AND FINANCIAL AREA

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AUSTRALIA L/5842	- developments in respect of international monetary matters should not be regarded as a precondition for progress on the new round
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AUSTRIA L/5849	- careful consideration should be given to parallel initiatives aiming at addressing the monetary and financial problems in competent international fora;  - within the GATT framework it might be useful to examine the effects of exchange rate fluctuations and other developments in the field of monetary and financial policy on the functioning of a liberal trading system
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CANADA L/5834	- improvement in functioning of the monetary system should not be a pre-condition for the trade negotiations nor should this be pursued within the GATT
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24 DEVELOPING COUNTRIES L/5818	- solutions to imbalances whose origin lies in the monetary and financial areas cannot be found in trade negotiations; determined and concerted action is therefore required in the monetary and financial fields  - LDCs also seek agreement on the following commitments before new negotiations can be launched:  (a) to start a parallel process to review and reform the international monetary and financial system to be conducted in appropriate fora and to be agreed upon by all interested countries  (b) to examine in depth in GATT all the effects of exchange rate fluctuations on international trade
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EEC L/5835	- the functioning of the monetary system is not an area of direct responsibility for the GATT; results in this area should be sought in parallel with results in the trade field
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NEW ZEALAND L/5831	- the progress and results of a new round should not be dependent on the evolution of measures in the financial sphere
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