

GENERAL AGREEMENT ON TARIFFS AND TRADE

Preparatory Committee

Original: English/Spanish

ROLLBACK

Submission by Uruguay

The following communication, dated 14 April 1986, has been received from the delegation of Uruguay with the request that it be circulated to members of the Preparatory Committee.

1. At the meeting of the Preparatory Committee held on 27 and 28 January 1986, the Uruguayan delegation made a statement on standstill and rollback. In the light of an earlier invitation by the Chairman for delegations to submit informal proposals on subjects discussed, at the end of that meeting the delegation of Uruguay handed to the secretariat a text containing the main points made by Uruguay in the Preparatory Committee.

2. The Uruguayan position may be summarized as follows:

I. As a requisite for the proposed new round, and considering that it is not appropriate to enter into negotiations while measures inconsistent with the GATT are being applied, the contracting parties which apply such measures hereby undertake to eliminate them.

II. The rollback shall be carried out as follows:

(a) On the date of the proposed Ministerial Declaration, for the list of measures appearing in an annex to that Declaration and which represent a substantial portion of the measures to be included in the rollback; and

(b) According to a fixed-date gradual programme to be agreed by the negotiating committee for the remaining measures, which shall be phased out over a period not exceeding three years or the duration of the first phase of the negotiations, whichever is the shorter. This will cover all restrictive measures applied on imports from developing contracting parties, inconsistent with the General Agreement on Tariffs and Trade or based on waivers from GATT obligations granted by the CONTRACTING PARTIES under Article XXV.

III. Transparency and Surveillance

- (a) The commitment on rollback shall be governed by rules which shall ensure its absolute transparency and close surveillance.
- (b) Therefore [the Council] [the Negotiating Committee of the new round] is entrusted with the permanent surveillance of and compliance with this commitment. For that purpose it shall rely on the information supplied by the contracting parties, as well as on the documentation made available to it by the secretariat, which besides the notifications received from each contracting party shall use any other source in order to provide the participating countries with the widest information available.

3. Uruguay considers that the negative experience acquired on earlier occasions and the lack of meaningful results (the most recent example being paragraph 7(i) of the 1982 Ministerial Declaration) indicate that it will be neither sufficient nor acceptable simply to give general undertakings on rollback prior to the proposed new round of multilateral trade negotiations. It is necessary for contracting parties to demonstrate their goodwill by implementing clear and concrete rollback measures, applying to lists of products which are of real interest to exporting countries. To leave the selection and nature of, and timetable for, the implementation of rollback measures to the discretion of importers is simply to reiterate the 1982 Ministerial Decision, whose ineffectiveness is generally recognised.

4. Therefore, the Uruguayan delegation proposes that a first stage of rollback be accepted as a prior condition for beginning the proposed new round of multilateral trade negotiations, and that as far as developing countries are concerned, the starting point should be the Annex to document NTM/W/4/Rev.3 entitled "Products of Current or Potential Trade Interest to Developing Countries", it being understood that the Annex would be revised and updated as necessary and that current measures applied by importing countries would be indicated against each tariff line. The current measures applied would be the starting point for the rollback and would serve the same purpose with respect to a standstill undertaking.

5. The use of a tabulation of this nature will avoid any confusion between measures adopted unilaterally by importing countries, which are not always related to products of interest to exporters, and those liberalization measures which effectively exert a positive influence on trade flows.

6. It is proposed that these arrangements apply to all countries undertaking a rollback commitment, in order to ensure the full implementation and monitoring of the commitment.