GENERAL AGREEMENT ON TARIFFS AND TRADE

MTN/INF/38 17 July 1978 Special Distribution

Multilateral Trade Negotiations

Original: English

ON CURRENT STATUS OF TOKYO ROUND NEGOTIATIONS 14 JULY 1978

- 1. Developing countries have seen the Statement by some major trading nations on 13 July 1978.
- 2. Developing countries were not consulted on the Framework of understanding on the Tokyo Round issued under a Statement by some major trading nations on 13 July 1978. A complete and balanced assessment on the current status of the Tokyo Round negotiations can only be made with the full participation of all countries involved.
- 3. The Statement by some major trading nations does not adequately reflect certain issues of major concern to developing countries and has emitted others, such as:
 - tropical products
 - the principle that safeguard actions should not discriminate against developing countries
 - the right of developing countries to use subsidies in their industrial development policies
 - improvement of Article XVIII (Government Assistance to Economic Development) in the context of the future trading system
 - elimination of Quantitative Restrictions affecting the trade of developing countries in products of major interest to them.
- 4. Furthermore, the Statement by some major trading partners does not accurately reflect the present state of negotiations on certain key issues, such as, in agriculture, wheat, meat, dairy and other products. The present status of the current negotiations causes deep concern as regards the most important interests in international trade of the developing countries. Offers on tariff and non-tariff measures are far from the objectives outlined in the Tokyo Declaration.

- 5. The authors of the joint Statement, while acknowledging that there are uncertainties with regard to offers in important sectors, refer to the need for reaching reciprocal balance among themselves. The developing countries seriously apprehend that some sectors of great importance to them, including textiles and other products, may be left out or receive poor treatment in the process.
- 6. A number of important texts referred to in the Statement by some major trading partners as a basis for finalization of negotiations in different areas were prepared without an opportunity for active participation by developing countries, and thus contain elements which may seriously affect trading interests of developing countries. Consequently, future agreement in such areas will require full participation of developing countries.
- 7. The developing countries must express their apprehension that the balance sheet of negotiations could be negative both in substantive and normative areas. They stress that in the remaining months the negotiations must be conducted with more regard for the important principles of transparency and full participation by all participants.
- 8. On their part, the developing countries will continue to make all the necessary efforts to assure the successful conclusion of the Multilateral Trade Negotiations in the shortest possible time, for attainment of the objectives of the Tokyo Declaration.