

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MTN/3B/7
12 March 1974

Special Distribution

Multilateral Trade Negotiations

GROUP 3(b) - MEETING OF MARCH 1974

Note by the Secretariat

1. Group 3(b), established by the Trade Negotiations Committee on 7 February 1974, held its first meeting from 4 to 7 March 1974. It was recognized that all the subjects of the Work Programme which fall under the jurisdiction of the Group should be given equal weight but for practical reasons discussion of points 9 and 10 would be postponed to a later date.

Task 2. Bringing up to date and completing the documentation and basic data with respect to non-tariff measures assembled in the context of the programme of work adopted by the CONTRACTING PARTIES in 1967 (Industrial Products, Chapters 25-79 BTN)

(a) Inventory of Non-Tariff Measures

2. The Group had before it the revised Inventory of Non-Tariff Measures (MTN/3B/1 to 5).

3. The Group agreed that the Inventory should be open-ended, i.e. that participants should be free throughout the negotiations to request the inclusion of new notifications or the amendment or deletion of existing notifications, in order to make the Inventory as useful as possible in the negotiations. It was stressed that notifications should contain sufficient detail to make the nature of the problem clear. The Group further agreed that the procedure used in the past should continue to be followed. This procedure provided that the Inventory be based on notifications by countries affected by the measure. When notifications were received the secretariat contacted the participant taking the measure with a view to establishing the accuracy of the notification and obtaining any comments that it wished to make. These comments would then be included on the same page as the notification itself. When a difference of opinion existed as to whether a notification should be included in the Inventory, the notification was included together with a note that such a difference of opinion existed.

4. The Group agreed that, in addition, delegations should, where necessary, discuss individual notifications bilaterally and communicate the result of the discussions to the secretariat for appropriate modification of the Inventory (see also paragraph 24).

5. It was further agreed that, while an item-by-item examination of the Inventory should not be necessary, there should be the possibility of discussing certain aspects of the revised Inventory in the Group itself. The Group agreed that 25-28 June should

be set aside for an examination of problems raised by new or modified notifications of multilateral interest. It was agreed that delegations should inform the secretariat in advance of the problems contained in notifications that they want considered in the Group. The Group also agreed to examine the categories used in the Inventory as set out in the annex to MTN/3B/6 with a view to seeing whether these were still appropriate. It was agreed that thereafter the Group might also consider revising the illustrative list of non-tariff measures (L/3298, page 8).

6. It was agreed that all non-tariff measures adversely affecting exports from developing countries should be the object of statistical and analytical work in this field. In this respect delegations from developing countries drew attention to the fact that it was sometimes difficult for their authorities to identify these with precision. It was agreed that the secretariat should give every possible assistance to these countries with the aim of a more precise identification of specific non-tariff measures affecting trade in products of interest to them, and should take into account any further information available within the secretariat or elsewhere in connexion with the identification of additional non-tariff measures for possible inclusion in the Inventory.

7. Some delegations suggested that, to the extent practicable, the Inventory should contain an indication of those problems which would be solved by the ad referendum solutions suggested in the fields of valuation (COM.IND/W/64), licensing (COM.IND/W/82 and Corr.1) and standards (COM.IND/W/108 and Corr.1). It was agreed to revert to this matter at a later meeting.

8. The Group agreed that further copies of document MTN/3B/1 to 5 should be produced so that each participant in the negotiations had three more copies.

(b) Documentation of Joint Working Group

9. The Group took note of the fact that the Joint Working Group documentation (COM.IND/W/97/COM.AG/W/92) was being revised in accordance with the Council's decision of June 1971.

10. The Group agreed that this would provide a useful complement to the Inventory of Non-Tariff Measures.

11. The Group discussed the advisability of excluding restrictions notified under the Arrangement Regarding International Trade in Textiles from the revised document because these would be covered in other documentation but reached no conclusion. The Group agreed to revert to this matter at a later meeting.

12. The Group agreed that the indicative list of items of particular export interest to developing countries contained in Annex IV of the document should be revised so as to establish a comprehensive list of all items of export interest to developing countries which are subject to quantitative restrictions. It was also agreed that for this purpose the secretariat would take into account requests from delegations for the inclusion of additional items as well as further

information available within the secretariat or elsewhere and would assist the developing countries in the identification of additional items for inclusion.

13. It was noted that the document at present covered eighteen developed countries. A suggestion was discussed that information on restrictions maintained by other developed countries should also be included in the revised document. It was agreed to revert to this matter at a later stage.

(c) Special documentation concerning non-tariff measures affecting trade of developing countries

14. It was noted that the secretariat had already prepared for developing countries a background note analyzing the impact of non-tariff measures on their trade (COM.TD/W/182) and analytical papers on standards (COM.TD/W/191) valuation (COM.TD/W/195) and Health and Sanitary Regulations (COM.TD/W/190). It was agreed that the secretariat should, wherever necessary, amplify and update these notes in the light of the Tokyo Declaration and, in the first instance, identify, where feasible, non-tariff measures affecting the products included in the GSP. It was agreed that similar papers should be prepared on other non-tariff measures as and when feasible, to bring out the problems facing developing countries and ways in which these problems might be solved.

15. The Group agreed that the document giving information on quantitative import restrictions on products of interest to developing countries (COM.TD/W/203) should be kept continuously up to date on the basis of all information available to the secretariat.

Task 8. Continuation of the study already begun on quantitative restrictions, including import prohibitions and export restrictions (Industrial Products, Chapters 25-99)

16. The Group noted that the position reached in previous discussions in the GATT on quantitative restrictions including embargoes and export restraints was reflected in Spec(73)17. It was suggested that it would be difficult to take the examination of the two proposals set out in that document any further without entering into negotiations proper, and at any rate it was necessary to have the up-to-date information prepared for the Joint Working Group in order to proceed further. It was also suggested that possible alternative solutions, including a discussion of quantitative restrictions on imports of a safeguarding nature and export restraints in the context of safeguards, should be conducted in Group 3(d), bearing in mind the question of differential treatment for developing countries and the question of discriminatory quantitative restrictions. The Group agreed that, as a first step, the secretariat should prepare a document synthesizing the various suggestions that had been made, in the GATT and elsewhere, as to the way in which differential treatment might be accorded to the trade of developing countries.

17. There was discussion of the desirability of additional data on export restrictions and information on the GATT provisions relevant to these. In view of the complexities of the issues including the question of its competence the Group agreed that some time was needed for reflexion and agreed to revert to the matter.

Task 12. Beginning of the work relating to packaging and labelling
(General Aspects)

18. The Group agreed that, as a first step, a discussion should be held to clarify the problem which packaging and labelling requirements create for international trade and to examine what other organizations were doing in this area. The Group agreed that the next step would be to consider the extent to which these problems were covered by the proposed GATT instrument for preventing technical barriers to trade (COM.IND/W/108 and Corr.1) or whether a separate instrument should be drawn up to deal with these problems.

Task 14. Continuation of the study relating to import documentation
(Chapters 1-99)

19. The Group agreed that work done in the Economic Commission for Europe and the Customs Co-operation Council was valuable and requested the secretariat to continue to provide progress reports on that work. It agreed, however, that this did not replace the need for work in the Group.

20. The Group agreed that it should review the notifications relating to import documentation which were contained in the Inventory with a view to determining which areas or specific problems should be dealt with in the Group.

21. The Group agreed that the question of the simplification and harmonization of import documentation should be studied. It was agreed that special attention should be given to the needs and requirements of developing countries in this regard. It was further agreed that in the course of the work account should be taken of the work of other organizations, as well as of suggestions made earlier in the GATT, especially Annexes D and E of COM.IND/W/79. The first, important, task of the Group would be to discuss the type of information which was basically necessary for the clearance of imported products with a view to formulating, at a later stage, general principles in this regard.

Organization of the work

22. After discussing whether or not to establish a number of sub-groups, the Group agreed that in the first instance it should meet at technical level to take up certain of the tasks assigned to it.

23. The Group agreed to the following calendar for a first round of meetings at technical level.

7-8 May	Task 12 of the Programme of Work (MTN/2)	Packaging and Labelling
9-10 May	Task 14 of the Programme of Work	Import documentation
28 May	Task 8 of the Programme of Work	Quantitative restrictions including import prohibitions and export restrictions
29-31 May	Tasks 9 and 10 of the Programme of Work	Export subsidies and countervailing duties
25-28 June	Inventory of non-tariff measures	
	Other tasks as necessary	

It was agreed that at each session of the Group it would be open to it to decide on further meetings on the items under discussion. It was noted that, in the case of certain items, the work was to be done in conjunction with Group 3(e) and it was agreed that the procedure to be followed in this regard should be examined at the sessions devoted to these items.

24. It was agreed that prior to the session dealing with the Inventory of non-tariff measures, delegations might first meet bilaterally to discuss problems raised by notifications, with the assistance of the secretariat when requested. It was further agreed that delegations which intended to raise such problems at the June meeting should inform the secretariat of these well in advance of the meeting in order to permit the secretariat to circulate this information to members of the Group.