

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
MTN/3C/W/2
8 October 1974
Special Distribution

Multilateral Trade Negotiations

Original: English

GROUP 3(c) - SECTOR APPROACH

Questions Relating to the Examination of the Sector Technique

Statement by the Delegation of the United States

Paragraph 3(c) of the Tokyo Declaration of Ministers states that the negotiations should include an examination of the possibilities for the sectoral approach in liberalizing barriers to trade as a complementary technique. Consistent with this mandate, the United States favours consideration of the questions below relating to this approach. Consideration of questions of this nature should be the first step in the examination of the sectors approach by Group 3(c).

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1. What are the purposes that sector negotiations can serve? For example, one goal of sector negotiations might be equivalence of access to markets at levels of protection lower than those presently prevailing.
 2. Should sectoral negotiations be favoured as a technique to be used in circumstances under which general negotiating techniques fall short of resolving basic issues, as well as when the delegations believe that prospects are favourable for liberalization beyond the general formulae for tariffs and NTBs?
 3. Can sector negotiations be effectively used when it is agreed that general tariff and NTB formulae will be applied to a particular sector, but it is also necessary to find solutions in a co-ordinated way for special problems that remain in that sector not accommodated by the general formulae?
 4. An aim stated in paragraph 2 of the Tokyo Declaration is that of securing additional benefits for the trade of developing countries. What rôle can the sector approach, as a complementary technique, perform in securing these benefits compared to the general formulae?

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5. How would reciprocity be dealt with in the context of sector negotiations, recognizing the goal in the Tokyo Declaration of "overall reciprocity" in the negotiations?
6. What should determine the product coverage of each sector negotiation? What are the problems of including or excluding product substitutes and/or related products at other stages of processing?
7. How should participation by various countries in each sector negotiation be determined? Should a mathematical formula based on a country's production, consumption, trade share or volume of trade be agreed upon to determine "interested" parties or should all countries expressing an interest be included?
8. What would be the appropriate timing of the initiation of sector negotiations in relation to the overall negotiations, in particular, to the negotiations under the general formulae?
9. Should the results of sector negotiations apply only to participants both as regards rights as well as obligations or should the results apply to all participants in the MTN? Can sector negotiations be effectively undertaken without the participation of countries which have major trading interest in the selected sector?
10. What degree of flexibility in staging concessions under the sector approach should be permitted both with regard to staging differences among participants and staging different than general formulae staging?