

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MTN/3E/W/15

8 July 1974

Special Distribution

TASKS WHICH GROUP 3(e) IS TO CARRY OUT IN CONJUNCTION WITH OTHER GROUPS

Note by the Secretariat

1. At its meeting held on 2 to 4 April 1974 Group 3(e) agreed to address itself at its next meeting to the tasks which it is to carry out in conjunction with other Groups, and that the secretariat would inform the Group of the relevant results reached in the other groups concerned so as to enable it to consider or review them, as necessary (MTN/3E/3, paragraph 8). In cases where agriculture is specifically referred to or where the record of the discussion is relatively brief, the present note reproduces the relevant parts of the Notes prepared by the secretariat which have been issued up to 1 July 1974. In other cases the present note is generally confined to indicating the references to the documents of the Groups concerned. A supplementary written or oral report will, if necessary, be presented by the secretariat on the relevant results of subsequent meetings of these other Groups.

The relevant documents of Groups 3(a), 3(b) and 3(f) are listed in the annex to this note.

Base date, base rates, etc. and base year or years for the collection of statistics

2. Items 5 and 6 of the Programme of Work (MTN/2) provide for the following work to be undertaken by Groups 3(a) and (e) in conjunction with each other:

- "5. Determination of the customs tariffs to be considered for negotiation:
base date, base rates (bound or effectively applied) etc. (Chapters 1-99 BTN).
- "6. Determination of the base year or years for the collection of statistics
to be used in the negotiations (Chapters 1-99 BTN)."

3. As regards items 5 and 6 of the Programme of Work the relevant sections of the secretariat notes on the two meetings of Group 3(a) which have been held up to the end of June 1974 are as follows:

- (a) Meeting of 11 to 14 March 1974: Note by the Secretariat, MTN/3A/2, paragraphs 12 to 14, of which paragraph 12 is reproduced below:

"12. The Group decided that it should proceed to a discussion of items 5 and 6 at its next meeting. Group 3(e) would be informed of the results of the discussion through the report of the meeting."

- (b) Meeting of 14 to 16 May 1974: Note by the Secretariat, MTN/3A/3, paragraphs 2 to 21, of which parts of paragraphs 3 and 6 and paragraph 10 are reproduced below:

- "3. There was a consensus in the Group that it would be premature at the present stage to take any decision as to the base date/base rate to be selected for the negotiation and that the discussion in no way prejudiced the positions governments might wish to take at a future date
- "6. The discussion then proceeded on the basis of two working papers presented by the United States delegation (documents MTN/3A/W/1 and 6). The essence of the United States proposal was that a tariff data bank should be established on the basis of submissions by governments of detailed information on their various tariff rates,, The information should preferably be in the form of magnetic tapes. They should be based on rates as of 1 January 1974, and should be up-dated on a continuous basis. Among other things, these data would facilitate the consideration of the base date/base rate question.....
- "10. Some delegations said that the file should show import charges other than normal duties such as surcharges and should also flag with an appropriate symbol items subject to variable levies. Some other delegations were of the view that the question of variable levies was a matter to be taken up in Group 3(e). Some other delegations stated that matters relating to the collection of data of this type fell within the responsibility of Group 3(a) with subsequent review by Group 3(e) of recommendations as they related to agricultural products."

Unit of account

4. Item 7 of the Programme of Work (MTN/2) provides for the following work to be undertaken by Groups 3(a) and 3(e) in conjunction with each other:

"7. Determination of the unit of account to be used in the negotiation (Chapters 1 to 99 BTN)."

5. As regards item 7 the relevant sections of the secretariat note on the two meetings of Groups 3(a) are:

(a) Meeting of 11 to 14 March 1974: Note by the Secretariat, MTN/3A/2, paragraph 15

(b) Meeting of 14 to 16 May 1974: Note by the Secretariat, MTN/3A/3, paragraphs 25 to 28, of which paragraph 28 is reproduced below:

"28. Delegations generally agreed that at the present stage the task was limited to the subject of statistical compilations for the negotiations. Some delegations believed that the question of the unit of reference was not an urgent one. Conversions on the basis of prevailing market rates, for the time periods in question, would given the inherent imperfections of any possible unit of account, provide a less distorted picture of actual trade flows. These delegations therefore felt that it was not necessary at this point to take any decision in the matter, and that factual experience should be the guide to a future choice of a reference unit to express trade on a common basis. Meanwhile, in the view of these delegations, it was not necessary to diverge from current practice of other international organizations."

Work to be undertaken by Groups 3(b) and 3(e)

6. In respect of countervailing duties, packaging and labelling and import documentation, the Programme of Work provides for certain work to be carried out by Groups 3(b) and 3(e) in conjunction with each other, or for the study by Group 3(e) of the applicability of that work to agricultural products. In this connexion, it was agreed by Group 3(b), in discussing the organization of its work at its meeting in March this year, that the procedure to be followed in this regard should be examined at the sessions devoted to these items (MTN/3B/7, paragraph 23 refers).

Countervailing duties

7. Item 10 of the Programme of Work provides for the continuation by Group 3(b) of the study "of a possible code regarding countervailing duties (General Aspects)" and item 11 of the Programme of Work provides for a study by Group 3(e) of the applicability to agricultural products of the code referred to in item 10. Group 3(b) met on 28-29 May 1974, inter alia, to discuss countervailing duties. A Note by the Secretariat on the meeting is contained in document MTN/3B/19.

Packaging and labelling

8. Item 12 of the Programme of Work (MTN/2) provides for the "beginning of the work relating to packaging and labelling (General Aspects)" by Group 3(b) and item 13 provides for the study by Group 3(e) of the work referred to in item 12.

9. At its first meeting Group 3(b) 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. Group 3(b) has since met at technical level on 7-8 May and 18-19 June 1974 to consider these questions and secretariat notes on the meetings are contained in document MTN/3B/7 and MTN/3B/12.

Import documentation

10. Item 14 of the Programme of Work (MTN/2) provides for the following work to be undertaken by Groups 3(b) and (e) in conjunction with each other:

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

11. Group 3(b) took up this task at its March meeting and held two meetings at technical level on this subject, on 9-10 May and on 20-21 June 1974. Details of the discussion are contained in notes by the secretariat (MTN/3B/7, paragraphs 19-21 and MTN/3B/11).

Work which Group 3(f) has proposed for consideration by Group 3(e)

12. (a) Group 3(f) - Meeting of April 1974, MTN/3F/3, paragraphs 4 and 7:

"4. Further work on vegetable oilseeds, oils and oil-cake was discussed. It was noted, inter alia, that trade in tropical vegetable oilseeds, oils and oil-cakes was influenced by, and in turn influenced, the trade in temperate vegetable oilseeds, oils and oil-cakes. In view of this inter-relationship, the Group, while reiterating its competence in respect of tropical products, agreed that the material provided by the secretariat in MTN/3F/W/3 and addendum 6, together with a summary of the comments and observations made by members, should be transmitted to Group 3(e) for consideration when the question of vegetable oilseeds, oils and oil-cake was being examined in that body on a global basis. The Group requested Group 3(e) to give priority to this matter having regard to the interests of developing countries in the sector and the special and priority treatment being accorded tropical products in the Multilateral Trade Negotiations. The Group agreed that thereafter it would pursue the discussion on particular aspects of tropical oilseeds, oils and oil-cakes in the light of the documentation and views of Group 3(e)."

"7. Certain members referred to the competence of other groups in respect of some products listed in the documentation. It was stated by a number of delegations that because rice, sugar and sugar products (ex 17.02 and 17.03) and tobacco were also significantly produced in the temperate zone, these items could more appropriately be taken up in Group 3(e), which would be studying them in detail. There was general agreement, however, to request other groups to send to Group 3(f) for its consideration in due course the results of the discussions and the information collected on these products so that the Group could pursue the discussion on the products falling within its competence."

(b) Group 3(f) - Points made by members at the meeting of April 1974, MTN/3F/3/Add.1:

- (i) Section A, General Observations, paragraphs 9 and 10;
- (ii) Section B, Specific Points, Certain Vegetable Oilseeds, Oils and Oilcake, paragraphs 32 to 40.

ANNEX

List of Documents of Groups 3(a), 3(b) and 3(f) Relating to Work
to be Carried Out in Conjunction with Group 3(a)

A. Base date, base rates etc. (MTN/2, items 5 and 6)

- (i) MTN/3A/1 "Group 3(a) - Consideration of technical work to be undertaken" - Note by the secretariat.
- (ii) MTN/3A/W/1 "United States note on tariff rate information and the base date/base rate question in the trade negotiations."
- (iii) MTN/3A/2,
paragraphs 12 to 14 "Group 3(a) - Meeting of March 1974" - Note by the secretariat.
- (iv) MTN/3A/W/6 "Explanatory note by the United States on the United States Proposal for a tariff rate information file on applied rates."
- (v) MTN/3A/3,
Part A,
paragraphs 2 to 17,
Part B,
paragraphs 18 to 21 "Group 3(a) - Meeting of May 1974" - Note by the secretariat.

B. Unit of account (MTN/2, item 7)

- (i) MTN/3A/2,
paragraph 15
- (ii) MTN/3A/W/3 "Note by European Communities on determination of the unit of account to be used in the Multilateral Trade Negotiations."
- (iii) MTN/3A/W/5 "Statistical practices in presenting trade data in periods of exchange rate instability" - Technical Note by the secretariat.
- (iv) MTN/3A/3
Part D,
paragraphs 25 to 28

C. Countervailing duties (MTN/2, items 10 and 11)

- (i) MTN/3B/7,
paragraph 23 "Group 3(b) - Meeting of March 1974" -
Note by the secretariat.
- (ii) MTN/3B/10,
Part D,
paragraphs 15 to 18 "Group 3(b), Subsidies and countervailing duties
(Tasks 9 and 10)", Background Note by the
secretariat.
- (iii) MTN/3B/W/3 "Working paper presented by the Brazilian
delegation on differentiated treatment in the
field of subsidies and countervailing duties."
- (iv) MTN/3B/W/6 "Group 3(b) - Countervailing duties, memorandum by
the Canadian delegation."
- (v) MTN/3B/19 "Group 3(b) - Meeting of May 1974" - Note by the
secretariat.

D. Packaging and labelling (MTN/2, items 12 and 13)

- (i) MTN/3B/6,
paragraphs 18 to 20 "Group 3(b) - Consideration of technical work to
be undertaken."
- (ii) MTN/3B/7,
paragraph 18
- (iii) MTN/3B/12 "Group 3(b) - Packaging and labelling" - Note by
the secretariat.
- (iv) MTN/3B/17 "Note by the secretariat on the work of other
organizations."

E. Import documentation (MTN/2, item 14)

- (i) MTN/3B/6,
paragraphs 21 to 24
- (ii) MTN/3B/7,
paragraphs 19 to 21 and 23
- (iii) MTN/3B/8 "Group 3(b) - Import documentation (Task 14 of
MTN/2)" - Note by the secretariat.

(iv) MTN/3B/11

"Group 3(b) - Import documentation" - Note by the secretariat on the meeting of May 1974.

(v) MTN/3B/13

"Note by the secretariat on information required by countries for customs entry purposes."

(vi) MTN/3B/14

"Note by the secretariat on the work being carried out by other international organizations."

F. Group 3(f)

(i) MTN/3F/W/3

"Group 3(f) - Background information on certain tropical products" - Note by the secretariat.

(ii) MTN/3F/W/3/Add.6

"Group 3(f) - Background information on certain tropical products, certain vegetable oilseeds, oils and oilcake" - Note by the secretariat.

(iii) MTN/3F/3,
paragraphs 4 and 7

"Group 3(f) - Meeting of April 1974"

(iv) MTN/3F/3/Add.1

"Group 3(f) - Points made by members at the meeting of April 1974" - Note by the secretariat.