

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MTN/NTM/64

13 March 1979

Special Distribution

Multilateral Trade Negotiations

Group "Non-Tariff Measures"

Sub-Group "Customs Matters"

MEETING OF MARCH 1979

Note by the Chairman

1. The Sub-Group met on 6 March 1979. It invited the Secretary-General of UNCTAD or his representative to attend this meeting of the Sub-Group. It also invited a representative of the Customs Co-operation Council to attend this meeting of the Sub-Group in an expert capacity.
2. The Sub-Group had before it MTN/NTM/W/223 containing the text of the draft Agreement on Implementation of Article VII of the General Agreement as well as a number of documents containing proposals for amendments to the draft Agreement. Those circulated since the last meeting of the Sub-Group were: MTN/NTM/W/215 and 218 by the delegation of India, MTN/INF/46 by the delegation of Spain and MTN/NTM/W/222 by several developing countries.
3. The Sub-Group heard statements and explanations from several delegations. A number of points were raised on MTN/NTM/W/223. Delegations from several developing countries pointed out that the final text of the Agreement on Implementation of Article VII of the General Agreement should result from a consensus and be approved by the Trade Negotiations Committee. In order for developing countries to accept this Agreement, it should incorporate the elements contained in MTN/NTM/W/222 which constituted a minimum requirement of those delegations. In their view the present version circulated in MTN/NTM/W/223 was biased in favour of related traders and gave preferences to importers over customs authorities. It was also emphasized that a ten-year period would be necessary for developing countries before they could fully apply the Agreement. These delegations requested that further plurilateral negotiations be undertaken as soon as possible in order to arrive at a generally acceptable text.
4. Some of those delegations which submitted MTN/NTM/W/223 expressed the view that this document was a compromise reached as a result of long negotiations and, therefore, could not fully satisfy any delegation. The document was neutral as between related and unrelated traders. Many problems raised by developing countries were taken into consideration and had, in their view, been adequately

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dealt with. If some specific problems related to concrete difficulties still existed they could be further examined. These delegations agreed that further consultations were necessary to clarify and explain certain points which in many cases were probably the subject of misunderstanding.

5. One delegation proposed that Article 22 of the draft Agreement (as contained in MTN/NTM/W/223) should begin with the following phrase: "This Agreement, after being adopted by the Trade Negotiations Committee, shall be open for signature ...".

6. The Sub-Group agreed that consultations should continue amongst all interested delegations.

7. The date of the next meeting of the Sub-Group will be fixed by the Chairman in consultation with delegations.