GENERAL AGREEMENT ON TARIFFS AND TRADE

<u>RESTRICTED</u> MTN/NTM/W/4

17 April 1975 Special Distribution

Multilateral Trade Negotiations

Group "Non-tariff Measures"

NEGOTIATIONS ON NON-TARIFF MEASURES NOT DEALT WITH MULTILATERALLY

Note by the Secretariat

1. At its meeting of 4-7 March 1975 the Group agreed that the secretariat prepare a paper setting out the points made in its discussion on procedures for negotiations on non-tariff measures not dealt with multilaterally and the procedures used in previous item-by-item GATT negotiations (MTN/NTM/1, paragraph 8).

2. Among the points made in the discussion were:

(a) The Inventory of Non-Tariff Measures should be kept up to date as the negotiations proceed. Notifications should, for instance, be deleted if agreement is reached that no problem exists.

(b) Problems should, wherever possible, be solved bilaterally between the parties concerned.

(c) Procedures should be agreed which would make the process of bilateral negotiations transparent and which would safeguard the interests of third countries.

(d) Irrespective whether a specific category of measure is taken up and considered multilaterally, procedures need to be established for the negotiation of any measure which relates to a particular product if it has not already been eliminated (or its effects acceptably moderated) in accordance with a multi-lateral arrangement.¹

(e) The procedures for the negotiation of product-related or item-related measures referred to in (d) above will need to be synchronized in a practical way with the negotiating plan for the reduction of tariffs and perhaps integrated with it as it will not be possible to assess the benefits of a tariff concession

¹See MTN/NTM/W/1 (Note by the Australian delegation)

until it is clear that such a concession will not be impaired or frustrated by non-tariff obstacles to trade. The view was expressed that this would be a matter for the Trade Negotiations Committee itself.

3. Responding to a request, the acting Chairman said that procedures based on those used in traditional item-by-item negotiations, suitably adapted to the present circumstances, would provide:

(a) The first stage would be the presentation of specific requests, which could be made by any individual participant or group of participants.

(b) As suggested at the meeting, specific requests could be made on an individual measure even though the category to which the measure belonged was being dealt with multilaterally.

(c) The requests would specify

(i) the specific measure which is the subject of the request, and

(ii) the specific action which the country maintaining the measure is requested to take.

(d) This Group would establish a date for the tabling of these specific requests on the understanding that it would be open to participants to make additional requests subsequently.

(e) Copies of these requests would be submitted to the secretariat which would circulate them simultaneously to all participants in the negotiations.

(f) Other participants would be free to join in a request, provided that both the participant who made the request and the participant to which the request is made, agree. If they do not agree, the other participant would be free to pursue its request independently.

(g) This Group would review the status of requests shortly after their circulation with a view, <u>inter alia</u>, to agreeing a date for the tabling of specific offers.

(h) This Group would review progress in the negotiations from time to time and, in particular, progress in the negotiations between developed and developing countries, and take any action that might help to achieve the objectives of the negotiations; and

(i) This Group would report periodically to the Trade Negotiations Committee.

¹See MTN/NTM/W/l (Note by the Australian delegation)

4. Among the points made with regard to the traditional procedures outlined by the Chairman were:

(a) The view was expressed that these procedures appeared appropriate for negotiations on non-tariff measures not dealt with multilaterally, and would take care of most of the considerations raised in the discussion, e.g. the need for transparency and the safeguarding of the interests of third countries.

(b) However, some delegations felt that further reflection was required on this matter. It was suggested that the traditional procedures outlined by the Chairman appeared to be rather formal and bilateral discussions supporting multilateral negotiations might not be based on formal requests. It was also suggested that the traditional procedures were used for tariff negotiations and might not be suitable for negotiations on non-tariff measures.