

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED
MTN.GNG/W/7
5 December 1986
Special Distribution

Group of Negotiations on Goods (GATT)

Original: Spanish

COMMUNICATION FROM CHILE

The Director-General has received the following communication dated 5 December 1986, from the delegation of Chile with the request that it be circulated to the members of the Group of Negotiations on Goods.

SURVEILLANCE MECHANISM AND STANDSTILL

A. Standstill

The surveillance mechanism must be simple, expeditious and timely. To that end, slow and complex procedures must be avoided. In addition, the procedures must have the maximum immediate impact on public opinion.

On the basis of these considerations, the following is proposed:

- (i) Any contracting party may address a communication to the Director-General of GATT concerning a measure that is being applied by another contracting party or whose application is under consideration or examination by the government concerned (including the legislature).
- (ii) The Director-General of GATT shall forthwith circulate that communication to all contracting parties, as a document of the Trade Negotiations Committee (TNC).
- (iii) The GATT secretariat may likewise inform the TNC of other measures or proposed measures which have not been the subject of a notification, on the basis of information available to it.
- (iv) Periodically (each three months), the secretariat shall make an analysis of measures submitted for consideration by the surveillance mechanism, inter alia drawing attention to the disciplines or obligations under the General Agreement or the Tokyo Round agreements which are relevant to the measure under consideration, (but without giving any finding as to its conformity), and likewise its impact on trade.

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- (v) The TNC shall meet every three months, or as necessary, to examine measures which have been notified by governments or reported by the secretariat on the basis of the examination carried out.
- (vi) On the basis of the examination and conclusions of the TNC, its chairman shall prepare a factual document for non-restricted distribution.
- (vii) All documents and notifications regarding standstill surveillance shall have unrestricted distribution, i.e. they shall be public.

B. Rollback

Fulfilment of this commitment requires positive actions by governments, and in a first phase information must be assembled on the measures concerned so that a rollback plan can then be elaborated. To this end, the following is proposed:

- (i) That the co-Chairmen of the TNC, Enrique Iglesias and Arthur Dunkel, appoint a group of nine high-level experts, who may be non-governmental officials, to present a rollback programme in May 1987 at the latest.
- (ii) The Group of High-Level Experts would elaborate this plan on the basis of information furnished by the GATT secretariat and the contracting parties. To this end, the information must be presented by 30 March 1987 at the latest.
- (iii) The Group of High-Level Experts would determine which notified measures are to be included in the plan. In its report it would also identify measures which it has excluded from the plan, indicating the reasons for its decision.
- (iv) The TNC would examine the Group's report in July 1987, in order to approve and implement it.
- (v) The TNC would elaborate procedures for monitoring implementation of the rollback plan.
- (vi) The members of the Group of Experts would act in a personal capacity.
- (vii) Documentation regarding rollback would have limited distribution and would be subject to the customary GATT procedures.