

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG14/W/25

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Special Distribution

Group of Negotiations on Goods (GATT)

Negotiating Group on Functioning
of the GATT System

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PROPOSAL BY THE NORDIC COUNTRIES

The following communication has been received from the Nordic countries with the request that it be circulated to members of the Group.

On several occasions the Nordic countries have stated in the Negotiating Group that a decision to enhance trade policy surveillance within GATT, along the lines discussed in the Group, would be an important part of the endeavours to give to GATT an identity of its own in assisting the contracting parties in their trade policy creation. An essential element in this process is the creation of procedures conducive to a meaningful surveillance. In the communication from the Nordic countries contained in document MTN.GNG/NG14/W/17 detailed suggestions have been put forward regarding the new surveillance mechanism i.a. a proposal to designate examiners based on the following considerations:

1. The exchange of views in the review body (Council in special session) must not conclude in just taking note of the reports before the review body.
2. It is important to involve all contracting parties in the discussions in the review body and to create favourable conditions for ensuring that all contracting parties feel the same responsibility for successful accomplishment of the surveillance.
3. The discussions in the review body must be staged in such a manner that they are not left to those contracting parties with administrative capacity to digest the background material and to formulate questions and comments; a system of burden-sharing must be envisaged.
4. It is necessary to secure independence and professionalism.

In the light of the discussions which have taken place in the Negotiating Group since the Nordic communication was circulated, the thinking of the Nordic countries has evolved regarding the practical modalities for the examiners. With reference to the Nordic statement at the last meeting of the Negotiating Group, it is proposed as follows:

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1. To designate for each review 2-3 examiners (discussants); they are designated in a personal capacity and not as a representative of a contracting party.
2. The examiners will not be involved in the process preceding the discussions in the review body.
3. The task of the examiner is to penetrate the background material in more detail than it would be possible for the average participant, in order to make detailed and relevant comments and questions.
4. The examiners will lead off the discussions in the review body. That would not, however, exclude any contracting party to make comments or pose questions.
5. In order to avoid lengthy and fruitless procedural arguments as to the selection of examiners, the best method would be to entrust the Secretariat with the selection from a roster of governmental representatives proposed by the contracting parties.