

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG9/9

25 November 1988

Special Distribution

Group of Negotiations on Goods (GATT)

Negotiating Group on Safeguards

MEETING OF 14 NOVEMBER 1988

Note by the Secretariat

1. The Negotiating Group met on 14 November 1988 to consider the Chairman's report to the Group of Negotiations on Goods for the Ministerial mid-term review of the Uruguay Round.
2. The representative of India said that the Chairman's report should reflect appropriately the strong views expressed in the Group in favour of (i) establishing non-discrimination and temporariness as the key principles which should govern a future comprehensive understanding on safeguards; and (ii) declaring grey-area measures with selective application as measures proscribed by GATT. He proposed a text on these issues for inclusion in Part II of the report. Several delegations supported the Indian proposal. Many others objected to it because the Group had not attempted to draw any final conclusion from the discussions on specific elements as it was apparent that, because of the interrelationships between them, substantive agreement could not be reached on individual elements in isolation. Some objected to the Indian proposal because the examination of the issues dealt with in it had not yet been completed. Some delegations supported the substance of the proposal, but not the proposal itself because there was not enough time for a full debate on the issues raised before the report had to be submitted. One of these delegations said that it would certainly raise the same issues in the Group of Negotiations on Goods and the Trade Negotiations Committee.
3. The representative of Switzerland expressed disappointment at the lack of substantive progress in the negotiations and said that the contents of the Chairman's draft report was not satisfactory to his authorities. For Switzerland, strengthening of the rules was very important. It would therefore like to insist that Ministers in Montreal should take a firm and clear commitment to settle adequately and exhaustively the question of safeguards which was central to the entire Uruguay Round.
4. The Chairman referred to the decision of the Group made during its meeting held on 26 and 28 September 1988 authorizing him, with the assistance of the secretariat and in consultation with delegations, to

start in 1989 to draw up elements for inclusion in a draft text of a comprehensive agreement as a basis for negotiations. He proposed, and the Negotiating Group agreed, that "the Group should pursue work on a draft text of a comprehensive agreement detailing the elements as expeditiously as possible. In this regard, participants should put forward proposals, if any, urgently, preferably before the meeting of the Negotiating Group in March 1989"; and that "the Group should begin negotiations on the basis of the Chairman's text by June 1989".

5. The Negotiating Group also agreed that these decisions would be included in the Chairman's report to the Group of Negotiations on Goods. The Chairman said that he would take into consideration the points made at this meeting in this final report to the Group of Negotiations on Goods.