

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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Surveillance Body

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COMMUNICATION FROM NEW ZEALAND

The following communication has been received from the delegation of New Zealand on 30 June 1989 with the request that it be circulated to participants of the Surveillance Body.

Pursuant to the decision of the Trade Negotiations Committee to conduct a substantive evaluation of the implementation of the standstill and rollback commitment at its meeting in July 1989, New Zealand would propose to members of the Surveillance Body that language along the following lines could be incorporated in the Surveillance Body's report to the TNC.

"The Surveillance Body agreed that final substantive evaluation of the rollback commitment would need to await the formal completion of the negotiations. In the light of the work of the Surveillance Body to date, it was envisaged that the rollback commitment could be fulfilled in three, mutually reinforcing, ways:

- (a) through the implementation of individual offers to rollback measures;
- (b) through the implementation of any multilateral agreements, undertakings and understandings reached in the course of the multilateral negotiations which established that certain types of measures, the present GATT status of which was not necessarily agreed, would henceforth be inconsistent with GATT provisions;
- (c) through the phasing out of measures ruled inconsistent with the GATT by panel reports adopted by the CONTRACTING PARTIES.

The Surveillance Body recalled that the rollback commitment required the establishment, no later than the date of the formal completion of the negotiations, of an agreed timeframe by which all such GATT inconsistent measures were to be phased out or brought into conformity.

The Surveillance Body also recalled that the Uruguay Round Declaration had envisaged a progressive implementation of the rollback commitment.

In that respect, they noted with appreciation the statements of a number of delegations concerning recent unilateral steps to reduce barriers to trade. In several cases these included the removal of measures ruled inconsistent with the GATT by panel reports adopted by the CONTRACTING PARTIES as well as other measures which may not have been GATT consistent. Further steps in this direction would serve to strengthen the commitment to a progressive implementation of the rollback undertaking.

The Surveillance Body recommended that the TNC endorse these conclusions and invite the Surveillance Body to prepare a further and more detailed evaluation, by December 1989, of the extent to which the rollback commitment was being progressively implemented, thereby contributing to the establishment of the agreed timeframes for phasing out GATT inconsistent measures."