

MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND

RESTRICTED

MTN.GNG/NG3/14  
5 December 1989

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Group of Negotiations on Goods (GATT)

Negotiating Group on Natural  
Resource-Based Products

NEGOTIATING GROUP ON NATURAL RESOURCE-BASED PRODUCTS

Meeting of 6 November 1989

Note by the Secretariat

1. The Group, chaired by Mr. L. Duthie (Australia), met on 6 November 1989.
2. The Group adopted the agenda set out in the convening airgram (GATT/AIR/2864).

Agenda Item A: Examination of submissions by delegations, including submissions of relevant trade and barrier data in Natural Resource-Based Products, according to the decision of ministers at the mid-term meeting (MTN.TNC/11) and to paragraphs 1 and 2 of the arrangements for continuation of negotiations adopted by the Group on 29 September 1989 (NG3/12).

3. Since the last meeting in September the Group received a submission from the United States. Introducing the submission, the United States representative reaffirmed his country's position with regard to the rôle of NG3.

4. In the United States view "NG3 can function most effectively as a complementary negotiating group to the negotiations being carried out in several other groups". The coverage of NG3 with respect to products and trade-distorting measures and practices of both importing and exporting countries should be as broad as possible. The United States considers, however, that issues involving agricultural products including fish and forestry products would be best handled by NG5 with certain forestry products covered within NG1 and NG2. With respect to tariffs and NTMs on natural resource-based products, the United States intends to follow a request-offer approach. The United States had already presented its preliminary requests to these groups and also made comprehensive proposals to NG5, NG7 and NG10 where measures on natural resource-based products were covered. Early in 1990, NG3 should conduct a full review of negotiations affecting natural resource-based products to determine whether complementary negotiations were necessary in NG3 to achieve the negotiating objective of this Group.

5. A number of delegations favouring a horizontal approach in negotiations of natural resource-based products welcomed the United States submission. Several of them referring to the Canadian proposal presented at the meeting in September considered that trade liberalization required a multilateral and across-the-board approach encompassing all products. One representative stressed that there was a synergism between various elements and one part could not stand separate from the others. The work of NG3 should proceed on parallel tracks with other groups. Another representative in agreement with the United States submission, underlined that his country also favoured negotiations on fish and forestry products in NG5 and considered that negotiations on natural resource-based products should be limited to the three areas already examined. Another delegation speaking also on behalf of several countries opposed the inclusion of these products in the negotiating group on agriculture and maintained that fish and forestry products should be covered by a formula approach in access groups.

6. Some other delegations continued to defend their position on a "vertical" approach to negotiations on natural resource-based products. They did not agree that the rôle of NG3 should be complementary. In their view a generic approach could not fully satisfy the negotiating mandate of the Group. They also maintained that the negotiations on fisheries and forestry should take place in NG3. Referring to the lack of submissions to NG3, a representative of a group of countries invited other delegations, particularly developing countries which had a major interest in natural resource-based products, to put forward their submissions.

**Agenda Item B: Arrangements for the continuation of negotiations**

7. The Chairman recalled the arrangements for continuation of negotiations adopted by NG3 on 29 September 1989 (GNG/NG3/12). According to these arrangements, participants were invited without prejudice to their positions on the issues outstanding before the Group, to make any further notifications that they may wish on relevant trade and trade barrier data affecting natural resource-based products or to make cross-reference notifications of those presented to other groups by 30 November 1989. Several delegations informed the Group of their intention to present a notification by that date.

8. The Group agreed to hold its next meeting on 12 and 13 December 1989.