

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG10/21

19 July 1990

Special Distribution

Group of Negotiations on Goods (GATT)
Negotiating Group on Subsidies
and Countervailing Measures

MEETING OF 12-13 JULY 1990

Note by the Secretariat

1. The Group met on 12-13 July 1990 under the Chairmanship of Mr. Michael D. Cartland (Hong Kong). The Group discussed issues related to the informal paper submitted by the Chairman.
2. In addition to issues already covered or to be covered by the Chairman's paper, the following were proposed for further inclusion:
 - (a) treatment of measures taken in the context of transforming non-market economies into market economies;
 - (b) transitional period for existing subsidy programmes;
 - (c) definition of industry in the case of processed agricultural products;
 - (d) different level of obligations for sub-federal programmes in federal states.
3. The proposals in (c) and (d) above, while supported by some delegations, were opposed by other participants.
4. The Chairman proposed that he would send the informal paper prepared by him on his own responsibility to the Group of Negotiations on Goods and that he would inform the GNG that the paper has been the basis of intensive negotiations in the Group. He would also indicate that he would revise the paper at an appropriate time in the light of the proposals and views which had been and which might still be put forward by participants during these negotiations. The Group agreed with this procedure.
5. The date of the next meeting of the Group will be communicated at the GNG level.