

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Trade Negotiations Committee

TRADE NEGOTIATIONS COMMITTEE

Twenty-Ninth Meeting: 31 August 1993

1. The Trade Negotiations Committee (TNC) held its twenty-ninth meeting at official level under the Chairmanship of Mr. Peter D. Sutherland.
2. The Chairman said that the present meeting was taking place immediately before the short but most important period, in the long history of the Uruguay Round, namely the period between now and the 15 December target date. He believed that all participants accepted that they were now in the concluding phase and that this meeting formally opened the last stretch of the negotiations that were so crucially important to the economic welfare of their peoples. Since taking on his post, he had become strongly convinced that global economic recovery and development and new employment creation depended to a large extent on a successful conclusion of the Uruguay Round. The eventual costs of failure, however, could be appallingly high. No country, even the strongest, could readily bear the self-inflicted wounds that would flow therefrom. If one failed, one would not stand still, but would most certainly slip back. Indeed, failure to reach agreement by year-end would undermine the multilateral trading system with unpredictable economic, political and, even security consequences. Mushrooming trade disputes and deep antagonisms between regional blocs would foreshadow serious damage to the world economy. The process of economic recovery in the industrialized countries would not only be impeded but could well be reversed. Disarray in the world trading system could seriously disrupt the economic reforms and liberalization programmes in the numerous developing countries which had launched such processes and expected the world economy to significantly contribute to their success. The full dimensions of all these consequences would become apparent only after a failure of the Round would occur.
3. While in this process powerful vested interests and lobbies might frequently appeal to Governments – particularly, and often, major ones – to maintain certain short-sighted protectionist positions and to avoid making the offers that were necessary to achieve a substantial and balanced agreement, he would ask the Governments faced with such demands to be prepared, in the interests of all, to face down these vested interests and demonstrate political leadership, and to place the latter above expediency, as the overall benefits of the Round clearly outweighed perceived costs in particular sectors. One had to ensure that such demands did not blur the long-term vision of a more effective and expanded multilateral trading system, bearing in mind the much larger – if sometimes more diffuse – constituencies, whose compelling interests required success. At stake were not just the considerable benefits of the Round to consumers and producers but the very effectiveness and future of the multilateral trading rules that had underpinned global economic development and cooperation in the latter part of this century. All negotiators had a particularly heavy responsibility in the coming weeks to begin to negotiate in a flexible manner so as to respond to the crucial economic interests of all peoples.

4. He recalled that at the TNC meeting on 28 July, the participants had agreed on an intensive work programme for the autumn, especially in the areas of market access and services, with the clear objective of concluding the Round before the end of 1993, when it would end one way or another. He had at that meeting urged delegations to use the August period to prepare carefully in capitals and to adjust negotiating positions in order to facilitate the achievement of early, substantial and concrete results in the major outstanding areas. He had also urged Governments to instruct their chief negotiators and teams from capitals to be constantly available in Geneva during the concluding phase of the negotiations. It was on this understanding that he now requested the resumption of negotiations immediately, and in particular to put forward offers, if necessary on a conditional basis, during the following few weeks. He intended to remain in close touch with the delegations and the Chairmen of the existing groups and of any other bodies that might be established. He would constantly monitor progress and seek to deal with blockages, if necessary, directly with individual delegations and Ministers in capitals. There would have to be very intensive work at all levels – bilateral, plurilateral and multilateral – with regular assessments of progress. He, naturally, would be willing to play a mediating rôle should it be advisable.

5. He had been informed that 54 participants out of a total of 116 Uruguay Round participants had so far tabled comprehensive offers in the area of goods. It was disturbing that so many participants had failed to table offers even at this last eleventh hour. He urged the latter to do so immediately. They could not have it both ways, i.e., to favour retention of the system, and now, in September, so close to 15 December, to hold back their offers. However, to table offers was merely the first step; the other, more difficult but equally substantive, was to improve them. While clearly this was a function of the negotiating process, he could already see that all Governments would have to make major efforts to make the ultimate market-access deal substantial and attractive at the multilateral level. This was not a zero-sum gain and required political decisions which were sometimes difficult.

6. Many issues, not merely in the services area but in other texts of the Draft Final Act (DFA), raised a series of trivial and unimportant issues, as well as substantive issues. It was surprising sometimes to note that some of those former issues still remained on the table. In the services area a few issues remained to be resolved, and to dispose of them quickly would add helpful momentum to the overall Round process and provide a signal to the outside world that the Round could be successfully concluded. Negotiators would then be free to concentrate during the remainder of the autumn on completing the negotiation of Schedules. Delegations, therefore, should arrive on 13 September fully prepared to take decisions in order to finalize these texts since he would be asking the Chairman of the services negotiations, as he had announced in July, to produce a revised text of the Framework Agreement and its Annexes by the end of September.

7. The major task of the services negotiators in the autumn would be, therefore, to complete the negotiations on initial commitments and Schedules. The work programme adopted by the informal GNS in July provided for two intensive phases of bilateral negotiations, in September and October. It was clear that, in order to be able to participate effectively in these negotiations, countries had to first put on the table their own initial commitments. As he had observed earlier for the tabling of goods offers, he found it rather disturbing that some 40 participating countries had still not done so. Initial offers, many of which subsequently had been revised, had been tabled covering 73 countries. He urged all participants which had not yet done so to table their initial commitments as soon as possible. The Secretariat was ready to provide – as it had already

done since the July TNC meeting – any technical assistance that might be needed in their preparation.

8. At that meeting, he had specifically indicated that he would be making proposals also on work to flesh out the DFA where substantive negotiations needed to be completed, in particular in the areas of the institutional issues surrounding the proposed Multilateral Trade Organization (MTO) and the Integrated Dispute Settlement System. Following recent consultations with delegations, he now proposed to establish, under his authority as Chairman of the TNC, an Informal Group which would complete the outstanding work in these two areas, and to ask Mr. Julio Lacarte-Muró (Uruguay) to chair its work and to report directly to him. Mr. Lacarte-Muró would be acting under his specific directions with a clearly-defined mandate to conclude his work by the third week of October, a date that would be rigidly adhered to, as one did not have the luxury of continuing beyond deadlines in this process. The Group would be open to all interested participants and all the requirements of transparency would be fully respected. Delegations would no doubt welcome this appointment in view of Mr. Lacarte-Muró's vast and unique experience, particularly in these areas. The latter had informed the Chairman that he would accept this mandate and could launch the Group's work in the week of 20 September.

9. Apart from the MTO and Dispute Settlement, a number of DFA issues – some pertaining to the task of ensuring overall coherence and consistency – remained within and across individual DFA texts. This task was important because of firstly, the need to deal with matters of detail, and secondly, – and this was more delicate – the sometimes thin and blurred line between purely legal changes and alterations which could have a bearing on substance. The Legal Drafting Group (LDG) had been tackling some of these matters and significant progress had been made under Mr. Mathur's Chairmanship. He proposed to keep the LDG on hold until its services were needed on some purely legal drafting issues following the completion of the substantive negotiations by mid-December and prior to signature of the final results by Governments early in 1994.

10. With regard to other significant outstanding DFA issues, including those relating to market access – also of vital importance – he was staying in touch with delegations, and politically, on a daily basis, and would address these issues at the appropriate time, which he thought had to be soon. This, together with the concept of conditional offers where necessary, should ensure that the linkages in the negotiations became a dynamic force for moving the process forward rather than providing an excuse for creating blockages. This was true for negotiations within sectors and globally across sectors. In any event, the Secretariat would wish to engage pro-actively in seeking to assist them in identifying workable solutions to these issues and making representations, if necessary, in capitals. As he had mentioned at the previous meeting, seeking substantial and widespread DFA changes would most definitely not be conducive to a successful conclusion of the Round and all participants would have to exercise the maximum degree of self-restraint and self-discipline in so doing. Indeed, any delegation seeking a change should accept that it had to demonstrate to its partners that the proposed change was a matter of major substance which also had good prospects of attracting multilateral consensus.

11. Another task that had to be completed before the negotiations were concluded was an evaluation of the results in the area of goods in terms of the objectives and the general principles governing negotiations as set out in the Punta del Este Declaration, taking into account all issues of interest to developing countries. He would continue consultations with delegations with a view

to determining the most opportune time for conducting this evaluation. Preliminary work on this particular issue had been initiated within the Secretariat.

12. He thought it useful, also, to clarify what could be expected in the post-December period after the completion of substantive negotiations. He foresaw the need for three processes. Starting in mid-January one would undertake, firstly, to tidy up the text from a legal viewpoint, and secondly, to certify and rectify Schedules and consult with delegations on any final adjustments necessary for purely legal consistency. He proposed to conclude these two processes by mid-March so that there would be sufficient time for printing and circulating the complete Uruguay Round documents prior to formal signing of the agreements at a Ministerial conference in April 1994. While these two technical processes were being undertaken, he intended, thirdly, to consult with delegations on the content of a joint declaration and a future work programme that might accompany the final agreements.

13. As regards the least-developed countries, he said that since their valuable support for the Round and their concerns as to how the technical aspects of the negotiations would affect them, were well-known to all participants, he had initiated consultations on how to achieve the objective in the Punta del Este Declaration of giving special attention to their problems and needs. These consultations would be pursued in the coming weeks and he would remain closely involved therein. While the relevant provisions of that Declaration continued to apply to the current phase of the negotiations, he urged all participants to bear in mind the particular needs of this group of countries. For its part, the Secretariat would continue to provide technical assistance to them as the negotiations moved towards their conclusion.

14. As regards countries currently negotiating their GATT accession, he said that following the meeting on 28 July, he had communicated the Committee's offer to associate the governments concerned with the activities of the Uruguay Round negotiations and had invited them to notify him of their intentions. Since then, seven out of the ten governments concerned had replied to his letter of 4 August. They were Bulgaria, Ecuador, Nepal, Panama, Saudi Arabia, Slovenia and Chinese Taipei. He had been informed that replies from the remaining three governments - Albania, Mongolia and the Russian Federation - were forthcoming. He welcomed, on behalf of the participants, the representatives of these governments who were present.

15. All the representatives that spoke welcomed the Chairman's statement and recalled their earlier agreement with the programme of work which he had outlined at the Committee's meeting on 28 July and agreed with the elaboration thereon at the present meeting, in particular the proposal to establish an Informal Group under the Chairmanship of Mr. Lacarte-Muró to complete the work still required with regard to the MTO and dispute settlement issues. They all recognized that the Round was now in its concluding phase with the date of 15 December as its effective deadline, and vowed their support for and active participation in the intensive negotiations that would have to take place starting immediately after the meeting. Some representatives mentioned that negotiating teams from their capitals were already present, or would be shortly, in Geneva. With regard to substantive DFA issues, the need to exercise maximum self-restraint and discipline in seeking changes was reaffirmed by all of them, as well as the need for consensus to be achieved for any such change and balance to be maintained in the overall results. Some representatives pointed to other DFA issues which remained to be addressed at the earliest opportunity in order to facilitate the overall process and allow the Round to conclude successfully.

16. The representative of the United States said that, for his delegation, the important thing was that all displayed the necessary readiness and determination to work as hard as possible, in order to keep the process moving towards a successful outcome. With regard to the institutional aspects of the MTO, he reminded the participants that for the United States a very important element of that discussion was whether a new organization needed to be created, or, as it had itself suggested, all of the substantive objectives of the negotiations could be achieved without it. If the United States were correct in their assumption, it might then well be undesirable to unnecessarily burden the Round with a politically controversial element. He was not suggesting that that basic question had to be resolved at the outset, since it was clear that questions such as voting procedures and the like would have to be resolved regardless of the forum that would ultimately be decided upon, but he merely hoped that as the institutional questions were being considered, all would keep an open mind on the basic aspect of whether, at the end of the day, the overall interests of achieving both long-term objectives of the multilateral system and the immediate objective of achieving the political result which was necessary to go forward with the Uruguay Round would really lie in creating a new MTO or whether one could achieve those objectives through other devices.

17. The representative of Japan stressed that it was essential and imperative at this juncture that substantial progress be made in the market access negotiations, both in goods and services, in which as many interested parties as possible should participate in order to achieve a successful final package. In this context, he referred to the wide-ranging proposal that the United States, Canada, the European Communities and Japan had jointly presented in July (MTN.TNC/W/113). As regards the substantive DFA issues, Japan reiterated the view that while any amendments to the DFA should be kept to a minimum and that maximum discipline should be exercised, fair resolution should be sought in a fair and balanced manner.

18. The representative of Egypt said that much work remained to be done in order to reach satisfactory results for all countries and, in particular, the developing countries. Egypt would table its market access offer and initial commitments within the proposed time-frame. While welcoming the Chairman's proposal concerning the MTO and dispute settlement, he said that other DFA issues should be addressed and tackled as soon as possible. He thought that the issue raised by the United States regarding the need to create such an MTO could be discussed within the Informal Group's framework. Separately, his delegation fully supported an evaluation, with the Secretariat's assistance and as early as possible, to allow officials in capitals to assess the final shape of the DFA in due time, of the impact of the Round results on the developing countries' interests.

19. The representative of Uruguay said that in order to conclude the Round before the end of the year, certain essential requirements had to be met, which included the respect of the goal set at Punta del Este of ensuring that predictability and discipline was introduced in the agricultural sector with the final aim of achieving its liberalization and bringing its rules within the framework of GATT. This involved both subsidies and border protection. In this respect, the DFA text on agriculture constituted an adequate minimum basis, although it was not fully satisfactory and did not meet all of Uruguay's aspirations. It was therefore concerned by proposals which, if accepted, would in fact considerably weaken the disciplines in the agriculture sector and jeopardize the prompt finalisation of the Round.

20. Another requirement was effective progress in market access, in which the developing countries' interests had to be borne in mind, in particular the need for greater access for those products for which they had a real export capacity. The offers which had been tabled so far did not in fact take these interests into consideration. The developing countries were being asked to contribute to the Round but this could not be done if it went against their interests in those sectors where they were efficient producers. Their interests, particularly in agriculture and textiles, had to be taken into consideration in accordance with the Punta del Este Declaration and the Montreal Mid-Term Review. Special and differential treatment had only been seen so far as a form of greater flexibility in the obligations on the developing countries, and not as that of ensuring greater access for their products on the markets of industrialized countries. The major participants, therefore, should bear this in mind when contemplating DFA changes and take these needs and interests into consideration, as this was the only way in which the Round could be timely completed.

21. The representative of Switzerland recalled that it had already stated its full agreement to use the DFA as its basis for concluding the Round. While it supported most elements therein, there was no consensus on this text, despite the otherwise very broad measure of support for it. Indeed, certain elements had not been negotiated but had resulted from so-called arbitration decisions by the then Chairmen. Certain difficulties also arose with regard to other aspects of the DFA. Switzerland fully agreed with the Chairman that the greatest possible self-restraint and self-discipline had to be exercised with respect to any amendments which might be proposed thereto. In its view, the remaining difficulties had to be tackled as soon as possible, without any prerequisite and in a flexible manner, and should be solved by consensus through negotiations yet to be determined.

22. The representative of Brazil said that apart from the MTO and dispute settlement, other substantive questions raised in the Legal Drafting Group were still outstanding and should be addressed and resolved in an adequate forum expeditiously. While Brazil remained of the opinion that the DFA texts should not be re-opened, lest amendments might unravel the package and upset the balance achieved through negotiations, it had difficulties which it would surely address if a track-four process were to be initiated. Brazil looked forward to fruitful negotiations on market access for both agriculture and industrial products, and insisted at the same time that a successful conclusion of the Round required an early agreement on rules and timely decisions on institutional matters. For Brazil, the strengthening of the multilateral trading system was a priority objective of this Round which could only be achieved if all participants were ready to make a firm commitment to, and abide by, the agreed disciplines, and under no circumstances to resort to unilateral action. A balanced outcome of the negotiations as a whole could only be achieved if meaningful results and clearly-defined commitments were obtained in the three areas of the agricultural negotiations – something which had been repeatedly stressed throughout the Round.

23. The representative of Mexico said that in his delegation's view, the proposed Informal Group on Institutional Issues had a well-defined mandate which should be fairly simple to fulfil in that in dealing with outstanding issues, it would have to respect the aspects which had already been negotiated. As regards possible amendments to the DFA, discipline, obviously, had to be exercised. Mexico agreed with Japan and Switzerland, which had echoed concerns that it had itself already voiced in the past, that any changes had to be made on a balanced and equitable basis. He also stressed the need for maintaining the globality of the negotiations, and hoped that the creation of Mr. Lacarte-Muró's Group would in fact contribute to that aim.

24. The representative of Canada said that, for their part, Canada's negotiators would be working towards enlarging the participation in the Quad's market access package, presented in July, because Canada believed that such a major market access package for both goods and services was essential to facilitate the sacrifices and difficult decisions that would ensure success of the Round negotiations. As regards the suggested work programme on institutional issues, Canada hoped that one would be moving forward in this area from the considerable progress that had already been achieved in the drafting of the relevant DFA texts. Canada had also taken note of the overall suggestion with respect to the introduction of major changes in these and other negotiated DFA texts, that the proponents of such changes would need to demonstrate that they commanded the broad support to carry those changes.

25. The representative of Austria said that his Government had completed its market access offer with the tabling of its concessions on agricultural products two weeks earlier. It had already had, and would continue to have, consultations thereon. As to changes in the DFA, Austria had already expressed its view that strict discipline should be exercised.

26. The representative of Australia said that his delegation joined in the Chairman's call to build the market-access outcome on all three fronts. Further progress had to be made from the platform provided from the Quad's meeting in Tokyo in July. One had to build on and successfully complete the market access negotiations on agriculture which was of critical importance to all the Cairns countries participating in this negotiation. It was specially important that there be no backsliding to any of the aspects of the agriculture package in areas like the rules and export subsidies that had already been agreed to in the negotiations at this particular point in time. Australia also shared the Chairman's view, and supported his call to complete the negotiations on the services framework by the end of September, as well as his proposal on the MTO and dispute settlement issues. With regard to the broader DFA issues, Australia remained committed to a readiness to accept the DFA as tabled at the end of 1991. It therefore shared the Chairman's view that self-restraint should be exercised in making proposals to change the DFA text and that these proposed changes should be subject to strict consensus rule acceptance.

27. The representative of Bangladesh, speaking on behalf of the least-developed countries, said that their countries deeply appreciated the Chairman's statement and comments about their specific special problems. They pledged their support to him and reconfirmed their full confidence in his leadership. They also believed the appointment of Mr. Lacarte-Muró was a very important initiative.

28. The representative of Tanzania said his delegation was grateful for the consultation process which the Chairman had initiated on the specific concerns of the least-developed countries. As participants knew, these countries had drawn attention, including in their January 1992 and January 1993 communications to the TNC, to their numerous concerns in the various areas of negotiations. They were in the process of putting these specific concerns forward again at this particular stage of the negotiations. They hoped that the Chairman's process would lead to an early resolution of the difficult problems that still existed for them in the areas of goods and services. It was their view that the Punta del Este Ministerial Decision, as it related to the question of preferential treatment of the least-developed countries, should be fully translated into concrete action at this critical stage of the negotiations. It was only through this concrete recognition of their problems in initial commitments in services and their general difficulties in

goods that they could be adequately assisted and not be further marginalized in the international trading system.

29. The representative of Korea said that on the previous day Korea had submitted its revised offer in the services negotiations. He recalled that at the previous meeting he had said that from September onwards all the outstanding issues should each be addressed with the same importance and urgency. He stressed, once again, that any change to the important areas of the DFA should be made in a balanced manner and reflect vital interests of the participants. Korea, therefore, looked forward to an early and concrete programme on the outstanding issues – other than market access and institutional issues – which were of critical importance to some participants.

30. The representative of Norway, speaking on behalf of the Nordic countries, said that their countries were now currently filling lacunae in their submissions: Norway had the same day submitted a revised agricultural offer based on the DFA and the Blair House Agreement; Iceland was in the final stages of preparing its agricultural offer; and all the Nordic countries had been working hard to revise and improve their offers in the areas of goods and services with a view to presenting them in accordance with the established time-table. The Nordic participants also believed that amendments to the DFA should be kept to a strict minimum and that any changes in the rules area would be of utmost concern to them. They themselves were prepared to exercise self-restraint, however painfully, in order to achieve a balanced overall result.

31. The representative of Pakistan said that it was common knowledge that some participants had had the opportunity not only to flag their particular concerns in the DFA, but also to present proposals for modification. Pakistan, too, had been hoping for a chance to raise some of its essential minimum concerns which had not been taken into account in the DFA. When the Chairman had announced at the TNC meeting on 28 July that he proposed to start immediate consultations on the organization of work on certain complex areas of the DFA, e.g., the institutional issues, his delegation had been heartened and relieved that such an opportunity might after all arise for Pakistan also. While it agreed, therefore, with the Chairman's proposal to create a special group to take up institutional issues, it was disappointed that the opportunity for Pakistan to set out its fundamental concerns might have to wait yet more, and, naturally, was worried over the prospect of indefinite postponement.

32. As regards textiles, Pakistan had all along tried to express its concerns in respect of the inadequacy of the economic package in the DFA text. It continued to wait for an opportunity to explain them in an open process.

33. The notion of a balanced package raised the question of the evaluation of the results before the formal completion of the negotiations, as foreshadowed in the Punta del Este mandate. Pakistan stood reassured by the Chairman's statement that he would want to consult widely with delegations on this particular aspect, as both here and in the capital, Pakistan continued to evaluate the balance of the DFA. On market access, developing countries like Pakistan had agreed to bind the totality of their tariffs on agricultural products, for which they had had no binding so far, and for which even the most advanced countries either did not accept the concept, or when they did, set tariff equivalents at prohibitive rates. Substantial efforts had been made, and were being made, to table offers to significantly reduce and bind tariffs on non-agricultural products to make initial commitments on services. Pakistan hoped to table its offer on services in the next few days. Against this, the gains from the Round for Pakistan were at best minimal, because the



market-access offers presented as a result of the Tokyo understandings did not provide sufficient opening, let alone clarity, for the products of interest to it.

34. Pakistan's concerns on other specific market-access-related issues, most particularly agricultural ones, were no less insignificant. Agriculture had been the object of an agreement which substantially altered the DFA and created a further imbalance in what was already an insufficient disciplining of distortions in agricultural trade. Further weakening of the disciplines on export subsidies was a cause of concern to Pakistan because, together with the so-called 'peace clause', it essentially implied the dropping of defences. While it had not opposed the concept of comprehensive tariffication and the binding of agricultural tariffs, it asked itself how countries like his could be expected to choose the optimum ceilings for the binding of these tariffs if it did not have confidence in results consisting of weak disciplines on export subsidies. There was also the question of internal support, for which it was by now clear that the reductions to be undertaken by the major industrialized countries would not only be marginal, but also that most of their support might even escape the net altogether. If reductions were to be on the basis of an aggregated AMS, how could developing countries in general, and Pakistan in particular, ensure that support in the developed countries on products of interest to them would also be reduced. If that were not to be the case, then he was afraid the scheme would seem to be inherently flawed.

35. The Chairman reminded delegations of the importance of the rules of engagement, and said he thought the manner in which one proceeded was indicative of a general willingness to move forward in a progressive and positive manner to conclude these negotiations.

36. The representative of Hong Kong said that it subscribed fully to the remarks concerning the risks of seeking substantive changes to the DFA and the responsibility of those who wanted changes to demonstrate that their proposals would attract consensus. In this respect, in improving its offers in both market access and services, Hong Kong had drawn a clear linkage between these offers and any improvements thereto and possible changes to the DFA which might adversely affect its interests, particularly in the rules area. He hoped the Uruguay Round would be concluded on the basis of an ambitious market-access package which would take into account the export interests of all trading partners and, at the same time, that the absolutely minimum DFA changes would improve rather than undermine the multilateral rules and disciplines so essential for world trade order.

37. The representative of India said that since December 1991, and more specifically January 1992, one was now engaged in the so-called global phase of the negotiations. Nevertheless, for the sake of progress and good order, one had had to divide the work into segments and in that context his delegation had accepted the work programme which the Chairman had suggested in July, on which he had now further elaborated by suggesting that an Informal Group be set up to address issues relating to institutional matters, precisely the future shape of a successor organization and the integrated dispute settlement mechanism. It was his understanding that the Group's mandate would be to take up these issues from where they had been left when the exercise in the Legal Drafting Group (LDG) had ended, and that did not include the issue of whether or not one had to have an organization at all since that was an issue which was a part of the DFA text itself. Certain matters needed further elaboration and an attempt had been made in this respect in the context of the LDG. As the latter had not been able to conclude its task, it was now the intention to push these matters as far as possible. His understanding was that the Group's mandate would not be to open a track-four kind of exercise in relation to this particular DFA text

– he expected to be told so if his understanding was not correct. As he had also raised issues of concern to India several times in this particular forum, he was not going to repeat them. In the context of the work programme, however, he wanted an early opportunity to address them in some kind of process. He feared that in the absence of such a process, there might be inevitable and regrettable delays, because his authorities would not be in a position to take decisions unless certain clarifications were available.

38. As regards an assessment of the results of the Round before its conclusion, his delegation gladly noted that the Secretariat had already initiated relevant work and that it was the Chairman's intention to enter into consultations on how to carry out this assessment. He would only suggest that this be done well in time so as to provide for an opportunity to correct the imbalances should that assessment show that there were, indeed, imbalances. The nature of that exercise should not be merely one of analyzing post facto what had happened, but should provide an opportunity for adjusting the results if imbalance was found to exist.

39. The representative of Malaysia, also on behalf of the ASEAN contracting party participants, said that ASEAN thought it was important for them to go back into the history of the Punta del Este Declaration and remind the participants that the evaluation exercise had to be done in good time. He agreed with India that in this assessment exercise, one should have the opportunity and the time to express views and hopefully consider changes. In the evaluation, and throughout the process leading to December, the issue of transparency should be emphasized. There also had to be minimum changes to the DFA. In this respect, he would only echo the appeals by previous speakers for self-restraint and self-discipline. The DFA disciplines and rules, for their part, were the ones that should be the least touched, otherwise the real commercial value of the market-access results to which all had painstakingly contributed – for some real sacrifices had been made – would be of no meaning to the participants. He emphasized that while the ASEAN participants welcomed and agreed with the Chairman's proposed work programme, including the proposed Informal Group, they would also like to see progress, as a matter of urgency, in the areas of agriculture and market access, in particular those areas and markets of great interest to developing countries – textiles was but one of them. They looked forward to very constructive deliberations and a constructive dialogue throughout the remaining stages of the negotiations leading to a final conclusion of the Round.

40. The representative of the European Communities recalled that in July the Community had already agreed to the Chairman's work programme. He now reconfirmed this agreement and suggested that the best way to show this was to start implementing it at once. In August, therefore, the Community had invited a number of delegations to engage immediately in negotiations on market access. He further wanted, through the Chairman, to invite other delegations to join in so as to be able to make progress as quickly as possible. The Community also agreed with the latter's suggestion to set up an Informal Group on dispute settlement and the MTO as described. In this respect, he stressed that for the Community, the principle of strengthening the organization and the multilateral rules was not in the Group's mandate. This was a major subject for the Community, and was essential and indispensable in the overall results of the Uruguay Round.

41. The Chairman thanked all participants for their stated intention to take an active and positive part in the process he had outlined. With regard to the least-developed countries, he hoped that the work which had already been undertaken in regard to their interests would prove to be helpful.

Mr. Seade, the Deputy Director-General dealing with this matter, and himself would continue to be actively engaged in responding to their concerns.

42. Turning to agriculture and textiles – two issues that had come up fairly consistently in the TNC discussion in July – he noted that these had a direct bearing on and were related to market access. On the one hand, one could not and should not use the excuse of textual questions to block making improved offers, however conditional, in agriculture; on the other, one could not wait until the end of the day to finalize the DFA agriculture text. He thought one should have to move this process forward prudently, but expeditiously and forcefully. He asked all those who had referred to textiles and agriculture to move forward in a positive and constructive way immediately in the context of the overall negotiations. It was too easy for everybody to sit back and simply say that they could do nothing until everybody agreed everything that they demanded. All one could do was to exhort everyone to move, because sometimes it appeared that the most demanding were themselves the most reluctant in coming forward with concessions. Hopefully, there would be a real process of engagement in the most immediate weeks, otherwise a real problem would arise very soon, i.e., in October.

43. It was not a matter of hoping, as it had been said, that one would conclude the negotiations in December, because as he understood it, for better or for worse, the negotiations would end in December, with no optional extension period – and nobody had suggested that there should be. One was, therefore, working to a real deadline which implied the end of the negotiations. As to the Informal Group, he had noted India's comments, which would be considered in due course. It was an informal group and one would have to see, as events progressed, how precisely and what precisely it would be discussing; it was to move forward in the areas concerned, hopefully in a constructive and positive spirit.

44. The Committee took note of the statements.