

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee

INFORMAL MEETING OF HEADS OF DELEGATION

9 March 1994

Statement by the Chairman

Introduction

I thought it would be useful to meet today to survey where we now stand on the verification of market access schedules given the significance of these schedules for the documentation that will be submitted for Ministerial signature at Marrakesh on 15 April. In addition, I believe it would be helpful to exchange views on a number of other issues pertinent to the preparations for the Marrakesh Ministerial Meeting.

Market Access

First of all, let me set out the present situation regarding the market access draft final schedules. As you are aware, the verification process is well under way and set to conclude on 21 March. By conclusion, I mean that the process of delegations exchanging comments on each others schedules and dealing with them through bilateral or plurilateral means will end on that date. This will provide delegations with a 4-day period in which to finalize and submit their verified schedules or to submit adjustments to reflect the outcome of the verification exercise to the Secretariat for further processing in preparation for Marrakesh. There is no scope for slippage in this time schedule if we are to ensure against any major risks in terms of planning for the Ministerial Meeting.

As from 4 March, the Secretariat has organized a series of informal plurilateral meetings with a view to facilitating and accelerating the verification process. These meetings are chaired by Mr. Hoda and the working procedures he has laid down are well known and, I understand, acceptable to your delegations. Without going over all the ground again, I will only remind you that verification is, and has to be, essentially a bilateral process. The Secretariat, and multilateral exchanges of views, can help to complement and supplement bilateral efforts, not substitute for it. In the final analysis, it is up to you, the delegations, to ensure that the concessions negotiated are correctly reflected in the schedules of your trading partners and the technical defects in them are eliminated.

Discussions in the plurilateral meetings have tended, so far, to be constructive. There have been very specific exchanges of information focusing on the rectifications needed in individual schedules. What is even more encouraging is that all the delegations concerned have expressed their intention

to pursue bilateral contacts on the points of substance raised with a view to resolving them in their final schedules. I can only urge you to give this work your top priority; we have 12 days to wrap up this exercise.

There is one impediment that has emerged in regard to the verification process. It is that three major trading participants have submitted their draft final schedules in a form which is not verifiable and their trading partners are encountering serious difficulties in evaluating these draft final schedules. It is disappointing that these participants to whom others look for leadership should first delay submission and, when they do, their schedules have this serious deficiency which puts their trading partners under further pressure within already difficult time constraints. While we must wait for these gaps to be filled in a day or two, as promised by these participants, in the meantime the Secretariat is willing to provide to participants the draft final schedules in question in the standard data base format of the Integrated Data Base.

As of today, the situation in regard to 98 Uruguay Round participants is clear. Apart from the least-developed countries for which special arrangements apply, 55 schedules representing 66 countries have been circulated and 8 are in the pipeline. 31 schedules have been plurilaterally reviewed so far. We expect all schedules to have been reviewed at least once by 16 March. Further meetings will be held to enable schedules, where necessary, to be reviewed twice. We intend to finish this work by 21 March and conclude the verification process in a "rounding off" session by the afternoon of that date.

The single most serious concern continues to be the fact that 20 participants have not yet submitted their schedules within the deadline required of them. This number includes certain trading nations whose schedules are anxiously awaited by their trading partners. I cannot emphasize more strongly the need for all schedules to be submitted without any further delay. In fact, we have clearly pointed out that it is not possible to guarantee that schedules submitted after 11 March can be reviewed, verified and finalized in time for the Marrakesh meeting. The very serious implications this has for founding membership of the WTO for countries who fall into this category are so well known as not to need elaboration.

Legal Rectification Process

I am glad to inform participants that the legal rectification process of the Final Act has proceeded smoothly and is now nearing completion. The initial work was done by the Secretariat, taking into account also the proposals received from the delegations. A transparency exercise was carried out and the participants have had the opportunity to make comments. Some points had remained outstanding but informal consultations held later have resulted in their being resolved. A revised draft of the complete text will be circulated to participants on Friday, 11 March and a meeting will be held next week to enable delegations to check that the points made during the transparency exercise have been accurately reflected and to approve proposals on resolution of outstanding issues. I will ask Heads of Delegations in due course to give their approval to the rectified text.

There are two points on which delegations have made observations during the legal rectification exercise to which I would like to draw your attention. When the Final Act was agreed on 15 December 1993 it reflected the view of the participants that the WTO Agreement should enter into force as early as possible and not later than 1 July 1995. Since then, support for entry into force on 1 January 1995 has gathered momentum. In light of this, the point has been made whether reference to the date of 1 July 1995 gives the right message. I would like delegations to consider whether they can agree therefore to change this date to 1 January 1995. It would be necessary, however, to retain some

flexibility just in case it is not feasible to have the WTO Agreement enter into force by that date. I would suggest, therefore, that we might redraft paragraph 3 of the Final Act as follows:

"The representatives agree on the desirability of acceptance of the WTO Agreement by all participants in the Uruguay Round of Multilateral Trade Negotiations (hereinafter referred to as "participants") with a view to its entry into force by 1 January 1995, or as early as possible thereafter. Not later than autumn 1994, Ministers will meet, in accordance with the final paragraph of the Punta del Este Ministerial Declaration, to decide on the international implementation of the results, including the timing of their entry into force."

There is one other aspect which deserves your consideration. The World Tourism Organization has drawn our attention to the fact that the acronym WTO has been accepted in 1971 for the World Tourism Organization by 120 governments who have ratified the statutes of the World Tourism Organization. It has also stated that the acronym has also been registered with WIPO pursuant to Article 6ter(3)(b) of the Paris Convention for the Protection of Industrial Property. The World Tourism Organization has therefore proposed that, while the name World Trade Organization need not be changed, consideration might be given to the possibility of using another acronym. I think that we have a responsibility to address this situation given that both organizations have overlapping membership, and I would appreciate guidance from delegations on how they consider this issue might be resolved. Perhaps the US delegation, which proposed the name World Trade Organization, could indicate whether it has reached any conclusions on this matter.

Administrative Preparations for the Marrakesh Ministerial Meeting

Signatures at Marrakesh

A number of delegations have sought clarification on what exactly their Ministers will sign at Marrakesh. The position as I see it is as follows. All participants will no doubt wish to sign the Final Act — in doing so, they will be confirming at Ministerial level the substance of the commitments already agreed to when the gavel came down on 15 December, including the textual rectifications resulting from the legal drafting process and the attached schedules and lists related to market access on goods and services.

As regards the WTO Agreement it seems desirable to facilitate those delegations who wish and are in a position at Marrakesh to ratify the agreement by signature. In addition, a number of delegations have indicated their desire to sign the agreement subject to subsequent ratification following completion of domestic approval procedures. Although such signatures will not have international legal effect until an instrument of ratification is deposited subsequently, the participants concerned have indicated that such signature by their Government would be in accordance with their usual practice and would facilitate their domestic approval procedure. Accordingly, it seems desirable that delegations who wish to sign either definitively or subject to subsequent ratification should be free to do so.

In addition, while strictly speaking not part of the Uruguay Round, the new Annex IV plurilateral agreements, negotiated in parallel with the Uruguay Round, will have to be signed separately by those governments who wish to accede to these agreements. I have in mind the Agreements and the Arrangements on Government Procurement and Civil Aircraft, Dairy and Bovine Meat.

Marrakesh speakers' list

Those who have not yet inscribed their Minister on the speakers' list should do so as soon as possible. As of today we have 65 inscriptions. In this connection, I would remind you to note carefully that Ministers should be asked to adhere to the 5-minute time limit for individual statements.

Observers

The following organizations have been invited to attend the Marrakesh Ministerial meetings as observers: (a) organizations that have regularly attended the TNC such as the United Nations, UNCTAD, and the IMF and the World Bank; and (b) organizations that have contributed to the work of other TNC bodies, such as WIPO, UNESCO, the International Organization for Standardisation (ISO), the International Electrotechnical Commission (IEC) and the Customs Cooperation Council (CCC).

At our meeting on 22 January I also mentioned the desirability of inviting certain regional intergovernmental organizations as observers to the Marrakesh meeting. Such observers would not, in principle, speak unless sufficient time is available but could, if they wished, circulate written statements for inclusion in the record. The organizations I had in mind were regional economic intergovernmental organizations which have demonstrated a continuing interest in the Uruguay Round either through their observer status at GATT CONTRACTING PARTIES' sessions or meetings of the Council, or which have made useful technical contributions to the discussions among the participants throughout the negotiations. For this group of organizations, the Secretariat has so far adopted an attitude of responding favourably to requests to attend rather than taking an initiative of sending invitations to all possible organizations that appeared to meet the criteria. On this basis, the Inter-American Development Bank (IDB), the European Free-Trade Association (EFTA), the Latin American Economic System (SELA), the International Textiles and Clothing Bureau (ITCB) and the Arab Monetary Fund are being invited in response to their request or expressed interest. We have also invited the International Trade Centre (ITC) in view of our connection with that Organization.

In order to keep a certain balance between regions, I believe we should take the initiative of inviting the regional UN Commissions and regional development banks, namely the Economic Commissions for Africa (ECA), for Europe (ECE), for Latin America and the Caribbean (ECLAC), and the Economic and Social Commissions for Asia and the Pacific (ESCAP) and for Western Asia (ESCWA). As the Inter-American Development Bank (IDB) has already been invited, we would also invite the African and Asian Development Banks.

Accordingly, unless I hear to the contrary from you at this meeting, I will take it that my suggestion meets with your approval. As the Marrakesh meeting is approaching very fast, those invited as observers will need some lead time to prepare themselves.

Organizational aspects

The Secretariat Task Force that I have appointed to prepare the Marrakesh Ministerial Meeting is working in close cooperation with its Moroccan counterpart, "La Commission nationale d'organisation".

The Moroccan Commission is taking the necessary steps to ensure that adequate facilities will be made available to the Delegations and the Secretariat to guarantee a smooth running of the Meeting. For a gathering of this size which has to be organized in a very short period of time, some minor logistical problems may be unavoidable, but I am confident that if any issues do arise every effort will be made by the Host Government to solve them.

Shortly we expect to issue the detailed programme of the meeting indicating the arrangements for the opening and signing ceremonies.

If you need any additional information I suggest that you contact Mr. Chabert of the Secretariat who will either give you direct assistance or, in order to deal with a specific matter, give you the name of the person to be contacted either in the "Commission nationale d'organisation" in Morocco or in the Secretariat.

Uruguay Round Participants

Since the formal TNC meeting on 15 December 1993, Grenada and the United Arab Emirates have become GATT contracting parties. TNC membership has therefore increased to 119. I will avail of the opportunity to welcome formally all the newcomers at a suitable occasion in the near future.

Derestriction of Uruguay Round documents

At our meeting on 9 February last, I mentioned that we should consider derestricting certain Uruguay Round documentation. There has been no comment or objection to that suggestion. I propose therefore to draft some language for your consideration at a later meeting. The documents which might be derestricted could include general Secretariat background notes prepared over the seven years of negotiations, as well as Minutes of the meetings of the various Negotiating Groups, and possibly other working papers in the W/... series which do not contain details of individual country positions or proposals. I believe that if we were to derestrict these documents, it would be widely welcomed and be of particular interest to the academic community and private organizations that follow the work of the GATT.

Next Meeting of Heads of Delegation

I intend to convene another meeting of this group next week on Thursday, 17 March at 3 p.m. to consider other important preparatory work for the Marrakesh Ministerial meeting. This meeting will concentrate on the texts of the Ministerial decisions on which Mr. Lavorel has held extensive consultations. We will also need to resume consideration of whether a short celebratory Marrakesh Ministerial Declaration might be appropriate. I will also want to consult closely with delegations and, in due course, take up with Heads of Delegation the administrative and budgetary consequences of the conclusion of the Round and of the creation of a new organization. In order to prepare that discussion I intend to have extensive contacts with delegations and the "bureau" of GATT office holders. In this context, my intention is to ask Ministers to address certain issues of principle that need to be considered leaving consideration of detail and implementation to the normal budget process following the Ministerial meeting.