

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Special Distribution

Multilateral Trade Negotiations

SUMMARY OF THE STATUS OF THE MULTILATERAL TRADE NEGOTIATIONS

Note by the Secretariat

As we approach the end of the year and the date set for tabling of offers in certain areas, and the start of negotiations on outstanding key issues in general codes, other arrangements, etc., the secretariat believes it might be useful to note, in a brief compass, and on its own responsibility, the present status of the Multilateral Trade Negotiations.

The purpose of the note is to provide a concise overview of where the negotiations now stand, to draw the attention of delegations to various documents which are under active consideration or are the subject of consultations between some or all of the delegations, and to invite comments or other proposals.

As must be expected in a negotiation as complex and as far-reaching as this, the status of the work in hand at this moment differs as among the various elements under negotiation, some having a considerably wider degree of support than others. Indeed, even in those cases where a broad consensus seems to be emerging, there still remain a number of most difficult issues to be resolved. It is clear that the possibility remains of additional proposals being put forward in all areas. It would seem, however, that the full range of issues under negotiation is now on the table, and that there are good grounds for expecting 1978 to be the decisive year for the MTN.

The Tokyo Declaration recognizes the importance of the application of differential measures to developing countries in ways which will provide special and more favourable treatment in areas where this is feasible and appropriate. Considerable attention has been given to the precise ways in which special and differential treatment could be provided. Specific provisions to this end have still to be worked out in different areas of the negotiations.

Agriculture. A request and offer procedure for agricultural products has been agreed. Request and indicative lists have been tabled by most delegations and offers are scheduled to be submitted by the week beginning 15 January. In addition, the delegations have begun the examination of the applicability to agricultural products of the draft code on technical barriers.

Grains. Several discussions have been held on various elements contained in proposals regarding grains that have been made with regard to the three inter-related areas of topics related to the objective of stabilization of prices and markets; topics related to the objective of expansion and ever greater liberalization of trade; and topics related to the objectives concerning developing countries, including the objective of differential treatment, taking into account the interests of importing and exporting developing countries. However, work on grains has been held up in recent months while awaiting the results of the discussion in the International Wheat Council. It has been agreed that at the appropriate time the Sub-Group on Grains would consider how best to integrate into its work any results of the work going on within the framework of the International Wheat Council.

Dairy Products. At the request of the delegations, the secretariat has prepared, on its own responsibility and in the light of the discussions, a text bringing together and presenting in the most precise terms possible, the various provisions contained in the proposals and the considerations expressed in the discussion to date on those proposals. The document will be issued shortly as MTN/DP/W/27/Rev.1.

With a view to the furtherance of the negotiations, it has been agreed to consider this document as a working hypothesis.

Meat. At the request of the delegations, the secretariat has prepared, on its own responsibility and in the light of the discussions, a text bringing together and presenting in the most precise terms possible, the various provisions contained in the proposals and the considerations expressed in the discussion to date on those proposals. The document will be issued shortly as MTN/ME/W/24/Rev.1.

With a view to the furtherance of the negotiations, it has been agreed to consider this document as a working hypothesis.

Government Procurement. Delegations dealing with government procurement have identified the issues which could be taken up for negotiation in this area and have undertaken a detailed examination of these issues as well as possible approaches for negotiations. The delegations now have before them an integrated draft text (MTN/NTM/W/133) putting together the draft provisions which have so far been submitted on the subject and have agreed to focus their attention on the elements in this text at the next meeting of the Sub-Group on Government Procurement.

Sectors. Delegations have examined the sector approach as a "complementary technique" for the negotiations. Some delegations have stressed the possibilities offered by this approach for attacking at one time the whole range of obstacles affecting trade in certain product groups. Other delegations have considered that clarification of developments in other areas of the negotiations is needed before this approach is pursued further. The possibility of using this approach remains open. The secretariat has been advised that a delegation will be submitting shortly a working hypothesis for negotiation in certain sectors.

Customs Matters. A draft valuation code (document MTN/NTM/W/122) was formally submitted in November 1977. A number of delegations have agreed to examine this draft code in detail as a possible basis for future negotiations on customs valuation.

Quantitative Restrictions. Delegations have explored the possibility of working out a general formula or formulae of automatic application. Several proposals and suggestions made by delegations in the past remain on the table for future discussion. It should also be noted that a number of countries have submitted request and indicative lists related to import restrictions and similar measures under the procedures for the negotiation of non-tariff measures agreed upon in July 1977.

Licensing. Two draft texts on import licensing procedures covering respectively "Automatic Licensing" and "Licensing to Administer Import Restrictions" have been the basis for work over the last meetings. Following a request by delegations, the secretariat has in MTN/NTM/W/127 established a document containing the latest version of these two draft texts and it was understood that these texts would serve as a starting point for further negotiations and discussions.

Technical Barriers to Trade. A number of meetings have been devoted to a detailed examination of a Draft Code of Conduct for Preventing Technical Barriers to Trade. Following the meeting in September, a revised text taking into account the negotiations that took place at that time has been circulated in MTN/NTM/W/119. Work on this subject is already advanced, and negotiations and consultations are continuing between delegations on its constituent elements.

Non-Tariff Measures. Following the decision taken in July 1977 concerning general procedures as well as special procedures for negotiations between developed and developing countries on non-tariff measures, a great number of delegations have tabled request and indicative lists concerning specific non-tariff measures maintained by other countries. Under the general procedures, delegations to which requests have been addressed are scheduled to submit offers by the week beginning 15 January 1978.

Tropical Products. Some concessions and contributions on tropical products have already been implemented by most developed countries. Consultations and negotiations between one developed country and interested developing countries aimed at implementation of that country's offer are continuing. Certain requests for concessions which have not been fully met have been resubmitted in the Groups "Agriculture" and "Non-Tariff Measures" in accordance with agreed procedures. A review of overall progress achieved in the negotiations on tropical products with a view to examining what further action might be required in this field will be held in due course.

Framework. Discussions on five groupings of issues relating to proposals for improvement in the international framework for the conduct of world trade have taken place. These discussions have helped to prepare the ground for negotiations aimed at finding mutually acceptable solutions to the issues raised, having regard to developments in other areas of the negotiations.

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Tariffs; Safeguards; Subsidies and Countervail

Agreement has not yet been reached on a tariff negotiating plan. No draft text concerning the multilateral safeguard system has yet been submitted; and efforts aiming at the establishment of an agreed framework for negotiations on subsidies and countervail are under way.

However, in each of these three areas, many discussions have taken place between various delegations in recent weeks. At the request of certain delegations, and in an effort to inform other delegations of some of the ideas and proposals being discussed by some of them, there are circulated three papers prepared by these delegations entitled, respectively:

"Abbreviated Description of Working Hypothesis for Tariff Reductions"*;

"Safeguard Hypothesis"**;

"Subsidies/Countervailing Duties, Outline of an Approach".***

The secretariat stands ready to transmit, in a like fashion, any other similar papers, as well as views and comments of other delegations on these three papers. It is understood that the absence of comments does not imply agreement with these three papers.

* MTN/INF/11

** MTN/INF/12

*** MTN/INF/13