

# WORLD TRADE ORGANIZATION

RESTRICTED

**S/NGBT/14**

29 March 1996

(96-1226)

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## **Negotiating Group on Basic Telecommunications**

### REPORT ON THE MEETING OF 22 MARCH 1996

1. The Negotiating Group on Basic Telecommunications held its fourteenth meeting on 22 March 1996. The agenda for the meeting was contained in airgram WTO/AIR/294 of 12 March 1996.
2. Regarding requests for participation and observer status, the Chairman announced that Peru had taken the decision to join the negotiations as full participant. As a result, the number of full participants in the negotiations now stood at thirty-seven<sup>1</sup>. The number of participants with observer status was now twenty-six<sup>2</sup>. Approval was requested and obtained for observer status of one regional organization, the Regional Technical Commission for Telecommunications. The Chairman thanked the delegations for their decisions and encouraged governments participating as observers to consider joining in the negotiations as full participants as soon as possible.
3. Under the agenda item on the introduction of draft offers, the Chairman announced that the Dominican Republic had submitted a draft offer. This brought the total number of draft offers submitted by participants thus far to twenty-four.<sup>3</sup> Furthermore, Venezuela, Switzerland and Japan had submitted revisions to their draft offers, bringing the number of revised offers to seven. Australia indicated its intention to present an improved offer shortly. The Chairman, thanked the delegations who were preparing draft offers as well as those who expressed their intention to provide improved offers and encouraged other governments to do the same.
4. The Chairman invited delegations to comment on the progress of bilateral negotiations held during the week. A number of participants recognized that positive improvements had been achieved in terms of new and improved offers being submitted in addition to the promises to provide improved offers. Some participants, however, expressed disappointment on the absolute quantity and quality of offers tabled so far. Participants agreed upon the need to expand participation, to maintain the negotiating timetable, to obtain improvements in offers, and to produce an outcome that had MFN as its central foundation. Many participants made an urgent appeal to major trading partners to submit improved revised offers. One representative noted that the uncertainty on the regulatory principles should not hold delegations back from submitting offers and called for an intensification of combined efforts in order to accelerate the negotiation process. The Group expressed concern on the amount of work yet

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<sup>1</sup>Argentina, Australia, Barbados, Brazil, Canada, Chile, Colombia, Cuba, Cyprus, the Czech Republic, Dominican Republic, Ecuador, Egypt, the European Communities and their Member States (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom), Hong Kong, Hungary, Iceland, India, Israel, Japan, Korea, Mauritius, Mexico, Morocco, New Zealand, Norway, Peru, the Philippines, Poland, Singapore, Slovak Republic, Switzerland, Thailand, Tunisia, Turkey, the United States and Venezuela.

<sup>2</sup> Bolivia, Bulgaria, Brunei Darussalam, the Republic of China, Chinese Taipei, Côte d'Ivoire, Costa Rica, El Salvador, Guatemala, Honduras, Indonesia, Jamaica, Latvia, Madagascar, Malaysia, Myanmar, Nicaragua, Pakistan, Panama, Romania, Russian Federation, Slovenia, South Africa, Trinidad & Tobago, United Arab Emirates, and Uruguay.

<sup>3</sup> Australia, Brazil, Canada, Chile, Czech Republic, Dominican Republic, the European Communities and its Member States, Hong Kong, Hungary, Israel, Japan, Korea, Mauritius, Mexico, New Zealand, Norway, the Philippines, Poland, Singapore, Slovak Republic, Switzerland, Turkey, the United States and Venezuela.

to be completed to reach a successful outcome within the specified timetable. Nevertheless, participants' hopes were raised due to the optimism demonstrated in the apparent determination to advance the negotiations. This mood was reflected in the representatives' endorsement of the Director General's exhortation made in a session preceding this meeting urging participants to conclude the negotiations successfully by the agreed April deadline. The Chairman noted that the time had come for the Group to build momentum in the negotiations in terms of increasing the level of participation and encouraging submission of outstanding, new and revised offers as soon as possible.

5. Under the agenda item on outstanding technical and conceptual issues, the Secretariat reported on the informal meetings on regulatory issues held during the month of February and March. The Secretariat said that as a result of the drafting exercises, the reference paper was relatively clear of bracketed text and left few issues unresolved, though on some unbracketed points certain delegations had said that consultation with capitals would be necessary. The revised version of the paper was therefore transmitted to the negotiating group, it being understood that it remained without commitment. In discussion of the reference paper the point was made that it had no legal status and was to be used as a guideline for the scheduling of additional commitments. The observation was also made that there would be no binding commitment arising from the paper "per se"; only that which was explicitly inscribed in the schedule of commitments would be of a legally binding nature. Delegations also noted that in its present form the paper was incomplete and was subject to consultation with capitals. Further discussion to clarify some of the concepts in the paper would be useful. It was also stated that regulatory principles of this nature should take into account the different stages of liberalization and that the varied nature of the regulatory systems and structures of each country required that a flexible and gradual approach should be adopted. A number of participants indicated their intention to use the paper as the basis for the additional commitments they would be undertaking. The Chairman concluded that the paper would retain its present status as a non-paper, to be used as a guideline for the scheduling of commitments. It would have no legal status and would be the subject of further multilateral discussion if it was deemed necessary to clarify the issues still left unresolved. Nonetheless, given the extreme pressure of time to complete the negotiations, he requested delegations to do their best to reflect the principles it contained in scheduling their commitments.

6. Under the agenda item on the review of participants' responses to the questionnaire on basic telecommunications, the Chairman announced that no new responses had been received since the last meeting.

7. In discussion of future work, the Group agreed on a revised timetable for the completion of the negotiations as well as the two draft agendas for the April meetings circulated before the meeting. The Chairman announced that the next formal NGBT meeting was scheduled for 17 April preceded by an informal meeting on 15 April. Issues to be discussed in these sessions include the drafting of the Protocol as well as the drafting of a Decision by the Council to adopt the Protocol. It was also agreed that the deadline for the submission of schedules would be 25 April.