1. At recent meetings, the Committee on Trade and Development has undertaken a review of points of interest in the multilateral trade negotiations, having as background, secretariat notes on developments in the negotiations. This note summarizes developments in the negotiations, as at the end of March, which have taken place since the November 1975 meeting of the Committee.

Trade Negotiations Committee

2. In December 1975, the Trade Negotiations Committee met to review developments in the various negotiating groups and to chart the course for the coming months. Many delegations in referring to areas where progress had been made, also noted that in certain other areas progress had been too slow. Delegations from developing countries stressed that progress had been inadequate on the establishment of special procedures and on the question of additional benefits which are both covered in the Tokyo Declaration.

3. The Committee noted a number of suggestions and proposals that negotiations should be undertaken at an appropriate time on a number of matters not at present being dealt with in the existing groups and sub-groups, including a proposal that work should be initiated in terms of paragraphs 9 and 5 of the Tokyo Declaration on improvements in the international framework for the conduct of world trade, particularly in relation to the trade of developing countries.

4. With regard to the future programme for the negotiations, there was general support for the aim that an agreement on tropical products should be reached in 1976. Solid and substantial progress was also expected in 1976 in the following areas: agreement on the major elements of a tariff negotiating plan; an agreed approach to negotiations on subsidies and countervailing duties; a substantially agreed draft standards code; an agreed procedure for achieving meaningful liberalization of quantitative restrictions; an agreed basis for the negotiations in the area of...
customs matters; progress in the Sub-Groups on Cereals, Meat and Dairy Products and on other agricultural products; agreement on the basic concepts that should be negotiated on in the area of safeguards; substantial agreement on the role and use of the sector approach; and progress in achieving special and differential treatment for developing countries in the various areas of the negotiations. As regards the duration of the negotiations, it was proposed that 1977 should be considered as the goal for completing the negotiations.

Group "Agriculture"

5. At its meeting in December 1975, the Group "Agriculture" established a notification and consultation procedure with respect to tariff and non-tariff measures affecting agricultural products (other than those covered by the existing Sub-Groups) of interest to the participants. It has been agreed that in this process priority will be given to the problems affecting the trade of developing countries and their particular interests in the negotiations. The secretariat has been asked to assist delegations of developing countries in the preparation of relevant documentation.

Sub-Group "Grains"

6. The Sub-Group met in January 1976 when it undertook an examination of the documentation on international trade in grains. The Sub-Group agreed that it would continue, and aim to conclude at its next session, the examination and analysis of export and import measures maintained by countries which had not been examined at that session. It continued the discussion on various elements contained in proposals with regard to the three interrelated categories of topics which had been identified earlier (stabilization of prices and markets, trade liberalization and the objectives concerning developing countries). Apart from permitting a better understanding of the proposals and views of others, the discussions brought out a number of issues which require further reflection and clarification. The Sub-Group decided that informal discussions among its members be held on these issues in the period before its next meeting. It agreed that at its next meeting it would, benefiting from the results of the informal discussions, continue the examination of proposals that have been made or may be made with regard to the three interrelated categories of topics. The Sub-Group might also address itself to other topics covered by the documentation before it.

Sub-Group "Meat"

7. The Sub-Group on Meat held its third session in February. It continued with the analysis of the specific characteristics, of the structure and the problems of the world meat trade, including the direct or indirect impact of trade barriers and trade distorting practices. The Sub-Group also discussed various elements contained
in proposals made with regard to topics identified at its first meeting (expansion and greater liberalization of trade, stable and secure trading conditions, proposals for special and differential treatment for developing countries, and forms of international co-operation and its mechanisms) and agreed to continue this discussion at its next meeting. For this purpose the Sub-Group agreed that, on the basis of the proposals that have been made or may be made, it would continue to study the elements which might, inter alia, be the subject of possible multilateral treatment, as well as the elements which might not be the subject of such treatment, account being taken in either case of the interrelationship of the commitments which might be undertaken. The discussion brought out a number of issues which required further reflection and clarification. The Sub-Group decided that informal discussions could be held on these issues among its members, with the assistance of the secretariat if requested, in the period before its next meeting.

Sub-Group "Dairy Products"

8. The Sub-Group on Dairy Products also met in February. It continued with the analysis begun at its October 1975 meeting of the problems of world trade in dairy products, including the direct or indirect impact of trade barriers and trade-distorting practices, taking into account the wide diversity and interchangeability of products derived from milk. It agreed that it would be open to the Sub-Group to revert at a later stage to this analysis. The Sub-Group considered various elements contained in the proposals concerning the categories of questions agreed on at its first meeting - competition in international markets, special and differential treatment for developing countries, and forms of international co-operation and its mechanisms. It was agreed to continue this consideration at the Sub-Group's next meeting and to deal with and examine in a systematic and orderly way any proposals which have been made or might be made. The discussion brought out a number of other matters which called for reflection and clarification at the next meeting of the Sub-Group on Dairy Products. The Sub-Group decided that its members might consider these questions in informal discussions, with the assistance of the secretariat if requested, before its next meeting.

Group "Tropical Products"

9. The Group "Tropical Products" held its fourth meeting in February to carry forward the negotiations on tropical products in accordance with the Guidelines agreed at its initial meeting and the decisions taken at the second and third meetings. The Group conducted a review of the consultations on the request lists for concessions which had taken place since the previous meeting of the Group. It agreed on a procedure for the circulation of initial offers and the format for this purpose. The Group agreed to meet again in June 1976 to take up points relating to initial offers and to revert to other matters covered by the Guidelines.
Sub-Group "Technical Barriers to Trade"

10. The Sub-Group met from 27 January to 6 February. It examined the specific drafting suggestions made by delegations regarding the Proposed Code of Conduct for Preventing Technical Barriers to Trade and agreed on a number of amendments to the text of the proposed code and on those proposals which should be retained for further consideration. The Sub-Group examined the applicability to the Proposed Code of the definitions drawn up by the United Nations Economic Commission for Europe and the International Organization for Standardization. It agreed that the ECE/ISO terms could be used in the Proposed Code but that in a number of cases the ECE/ISO definitions would need to be modified for the purpose of the Code. There was agreement on the substance of these modifications. The Sub-Group also discussed the problem of marks of origin and after having invited proposals as to how this issue should be dealt with in the negotiations agreed to take it up again at an appropriate time.

Sub-Group "Customs Matters"

11. The Sub-Group met in March 1976 to continue the discussion on the main elements of possible new international rules or principles on customs valuation. There was general agreement that judicial and administrative review procedures should be included as an important element in possible new international rules and principles on customs valuation. There was also agreement that all valuation laws, regulations and administration rulings of general application should be published and made easily accessible to the public, in accordance with Article X:1 of the General Agreement. The Sub-Group had a preliminary exchange of views on a number of other elements - precise and fair handling of non-arm's length transactions, neutrality of valuation systems, consistency with commercial practices, simplicity and precision - and agreed to revert to them at a later date. The Sub-Group agreed that the secretariat prepare a working paper, in consultation with delegations, containing a checklist of issues raised and of possible elements that may be included in any new set of international rules or principles on customs valuation to be adopted in the context of the multilateral trade negotiations. This document would constitute a basis for bilateral consultations and for further discussions in the Sub-Group.

12. The Sub-Group also discussed certain aspects of import documentation, consular formalities and fees and customs procedures and agreed to revert to these subjects at its next meeting.

Group "Tariffs"

13. The Group met in March 1976 when it discussed a tariff-cutting proposal formally submitted by one delegation. Some other delegations provided additional explanations and clarifications concerning the proposals and hypotheses they had
presented earlier on a tariff-cutting formula. The Group considered further the question of special procedures for negotiations between developed and developing countries as well as differentiated and more favourable treatment for developing countries in this area of the negotiations in the light of specific suggestions made by some delegations. It was agreed that the tariff-cutting formulae put forward at the present meeting as well as the proposals, hypotheses and suggestions which had been put forward earlier should remain before the Group.

14. On the question of base rates/base date regarding unbound duties, the Group noted that bilateral consultations were going on and agreed to revert to this question at its next meeting.

15. Among other matters, the Group agreed to revert, at its next meeting, to the question of the basis for assessing reciprocity in the tariff negotiations and, at an appropriate time, to the question relating to the link between negotiations on tariffs and negotiations on particular non-tariff measures. It was noted that the secretariat would proceed as expeditiously as possible with providing assistance to developing countries in connexion with the evaluation of the implications of different tariff-cutting formulae for developing country exports. The Group also agreed that the secretariat should consult with interested members of the Group on what might be done in the way of analysis of the effects of different tariff-cutting formulae on the tariffs facing the exports of developing countries taken as a group and report back to the Group at its next meeting.

Sub-Group "Quantitative Restrictions"

16. At its meeting in March 1976, the Sub-Group "Quantitative Restrictions" reviewed developments under the consultation procedures agreed to earlier by the Sub-Group. There was widespread support for the view that the consultations should be kept open and accelerated and that delegations participating in such consultations should provide the secretariat with summary notes of the discussions. The Sub-Group also had an initial discussion on additional procedures for bilateral and/or plurilateral negotiations in this area and the possibility of working out a general formula or formulae of automatic application for negotiations on quantitative restrictions. In the light of comments and suggestions made by delegations, the Sub-Group agreed to revert at its next meeting to the question of differential treatment for developing countries and special procedures for negotiations between developed and developing countries. Other points taken up included the importance of having an accurate and complete data base on quantitative restrictions and a proposal for a review of the GATT provisions relating to the use of quantitative restrictions from the point of view of the interests of developing countries. The Sub-Group agreed to come back to these points at its next meeting.
17. The Sub-Group also agreed to continue the discussion on import licensing procedures at its next meeting taking into account any further suggestions which delegations might transmit on this matter.