Governments asked to conclude WTO ratification urgently

Sutherland stresses leadership roles of EC, Japan and US

Warning that delays in the entry into force of the World Trade Organization (WTO) and the Uruguay Round results will "cost real people everywhere real money," GATT Director-General Peter Sutherland has called on governments to inject a sense of urgency in the ratification process. He also pointed out that the world expects the major trading powers - the European Communities, Japan and the United States - to be "in the forefront when it comes to turning the commitments negotiated in the Round into a working reality".

Mr. Sutherland made the call in an address to the annual Villa d'Este Conference of business leaders in Cernobbio, Italy on 1 September. Commending the contribution of the private sector to the success of the Uruguay Round, Mr. Sutherland stressed that its support in pushing the ratification of the results "is every bit as vital now, when the benefits of that outcome are so close."

26 out of 125 have ratified

Twenty-six countries have so far ratified the Round results, meaning that 99 more participants, including most of the largest trading nations, still had to do so, Mr. Sutherland pointed out. He stressed that a substantial number of countries - especially the major developed and developing trading nations - must have ratified the results by the time of the Implementation Conference in order for the WTO to become operational on 1 January 1995 as had been agreed in Marrakesh.

Mr. Sutherland stressed that "no country wants to see the worth of the commitments eroded by delay," adding "Continued on page 4"

Wishing for more: GATT Director-General Peter Sutherland leafs through the instrument of ratification deposited by Mexico's Ambassador Alejandro de la Peña on 31 August. Congratulating Mexico for its speedy ratification of the WTO Agreement, he urged other countries to follow without delay. GATT has received ratification instruments from four other countries: Bahrain, Malaysia, Sri Lanka and Tanzania.

Geneva chosen as WTO seat

Implementation Conference set for 6 December

Geneva will remain the capital of the multilateral trading system. The Preparatory Committee for the WTO approved, on 22 July, a recommendation by the Sub-Committee on Budget, Finance and Administration that, subject to the conclusion of a headquarters agreement, Geneva be chosen as the site of the World Trade Organization. At the same time, members agreed on an intensive schedule of meetings after the summer break, which would culminate in the holding of an Implementation Conference tentatively set for 6-15 December 1994.

The choice between Bonn and Geneva as the WTO site had been the subject of intensive consultations in the Sub-Committee since 12 June when the German

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and Swiss authorities put forward the candidacies of their respective cities.

The Sub-Committee Chairman, Ambassador Andras Szepesi, reported that the competitive situation had contributed in the improvement of the original offers. He said that a great majority of members considered the two to be largely comparable in terms of physical facilities, treatment, privileges and immunities. What apparently tilted the decision in Geneva's favour was that it was host to international organizations with which the WTO was expected to establish a close working relationship, and the concern that the transition from GATT to the WTO should be as smooth and secure as possible.

In thanking members that had supported Bonn, Germany stressed that it had offered to host the WTO out of its commitment to the multilateral system and to the WTO. It had not opposed the consensus because it wished the transition from GATT to the WTO should be as smooth as possible.

Switzerland thanked members for the trust they had shown, adding that it would make certain that the WTO staff and delegations benefitted from the best possible working conditions.

Speaking on behalf of developing countries, Malaysia said that it had been “a difficult choice between two good things, between two good friends.” It said that “the final choice was not a case of rejection but rather one of preference, which, in the final analysis, had been dictated by practical considerations.”

The PrepCom Chairman, Mr. Peter Sutherland, thanked the German authorities for what he described as a generous offer that clearly had reflected the strong support of Germany for the multilateral trading system.

Implementation Conference

The PrepCom agreed an intensive work programme culminating in the holding of the Implementation Conference in early December. The Conference would establish the date of entry into force of the WTO, and also convene the first meeting of the General Council as well as set its provisional agenda.

Mr. Sutherland recalled that the Final Act of the Uruguay Round had stipulated the holding of the Implementation Conference “not later than 1994”. He suggested 6-15 December 1994 as the target date for the Conference, stressing that “any slippage beyond this point would
Ratification status of the Marrakesh Agreement establishing the WTO
(15 September 1994)

Participants who have signed and ratified (26):

- Austria*
- Bahrain**
- Barbados
- Belize
- Central African Republic
- Dominican Republic
- Gabon
- Germany*
- Greece*
- Guinea Bissau
- Guyana
- Kuwait
- Malaysia**
- Mali
- Mauritania
- Mauritius
- Mexico**
- Morocco
- Namibia
- Qatar
- Sri Lanka**
- Suriname
- Tanzania**
- Uganda
- United Kingdom*
- Zambia

*Domestic process completed.
**Have deposited ratification instrument.

Participants who have signed subject to ratification (81):

Algeria, Angola, Antigua and Barbuda, Argentina, Bangladesh, Belgium, Benin, Bolivia, Brazil, Brunei Darussalam, Burkina Faso, Cameroon, Canada, Chile, China, Colombia, Congo, Costa Rica, Côte d'Ivoire, Cuba, Cyprus, Czech Rep., Denmark, Egypt, El Salvador, European Communities, Fiji, Finland, France, Ghana, Grenada, Guatemala, Honduras, Hong Kong, Hungary, Iceland, Indonesia, Ireland, Israel, Italy, Jamaica, Kenya, Liechtenstein, Luxembourg, Macau, Madagascar, Malawi, Malaysia, Malta, Mozambique, Myanmar, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Saint Lucia, Senegal, Singapore, Slovak Rep., South Africa, Spain, Sweden, Switzerland, Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, United Arab Emirates, Uruguay, Venezuela, Zaire, Zimbabwe.

Participants who have not signed (18):

Australia, Botswana, Burundi, Chad, Dominica, Gambia, Haiti, India, Japan, Rep. of Korea, Lesotho, Maldives, Rwanda, Saint Kitts & Nevis, Saint Vincent & the Grenadines, Sierra Leone, Swaziland, United States.

make it impossible to ensure entry into force of the WTO by 1 January 1995, a date to which all participants in the Uruguay Round are firmly committed.

As the Implementation Conference would need to also consider specific arrangements for GATT 1947 after the establishment of the WTO, the Chairman suggested that the Conference should be Preparatory Committee meeting at Senior Officials level on the occasion of a Special Session of the Contracting Parties.

Mr Sutherland said the target date for the Conference meant that work from September by the PrepCom and its Sub-Committees should be "a phase of greater urgency", and that the ratification processes in capitals should be completed as soon as possible after the summer break and, in any case, before the Conference.

Accessions

The PrepCom, responding to a request by Croatia to accede to the WTO, asked the GATT Working Party on the Accession of Croatia to examine that country's accession request on its behalf and to report to the PrepCom.

Mr Sutherland noted that the PrepCom had started work on the verification and approval of additional draft schedules in goods. In this regard, the draft schedules of Bangladesh, Benin, Congo, Mauritania and Niger provisionally attached to the Marrakesh Protocol might be deemed to be verified subject to certain additional statements or explanations being provided and being duly reflected in the final schedules.

The PrepCom heard the following reports from its various Sub-Committees:

Institutional, Procedural and Legal Matters

The Chairman of the Sub-Committee, Ambassador K. Kesavapany (Singapore), reported that members had considered that there was no need to formulate a generic terms of reference to cover all WTO agreements, and that, except for one or two instances, such as in the Agriculture Agreement, there was no need to undertake any further work on their terms of reference.

Ambassador Kesavapany reported that contact groups on Agriculture; Intellectual Property Rights; and Anti-Dumping, Subsidies and Safeguards had been working on additional arrangements that would be required to ensure the implementation of the various agreements as soon as the WTO was established. The Sub-Committee would also consider the terms of reference currently being drafted by the GATT Committees on Balance-of-Payments Restrictions; Budget, Finance and Administration; and Trade and Development, for their counterpart bodies in the WTO.

Services

The Chairman of the Sub-Committee on Services, Ambassador Christer Manhusen (Sweden) reported that at its second meeting held on 15 July, the Sub-Committee continued informal discussions on the scope of the General Agreement on Trade in Services (GATS).

Regarding basic telecommunications, he reported that 22 delegations so far had announced their intention to participate in the negotiations. The Negotiating Group met for the second time on 11 July, and was proceeding work on substantial and technical issues on the basis of documents prepared by the Secretariat.

The Negotiating Group on Maritime Transport Services held its second meeting on 13 July. Thirty-four delegations have announced their intention to participate in the negotiations.

Trade and Environment

The Sub-Committee on Trade and Environment reported that further meetings would focus on specific elements of the work programme set out in the Marrakesh Ministerial Decision:

In September: item 3 (the relationship between the provisions of the multilateral trading system and: charges and taxes for environmental purposes; and requirements for environmental purposes relating to products, including standards and technical regulations, packaging, labeling and recycling); in October: item 1 (the relationship between the provisions of the multilateral trading system and trade measures for environmental purposes, including those pursuant to multilateral environmental agreements); and in November: item 6 (the effect of environmental measures on market access, especially in relation to developing countries, in particular to the least developed among them, and environmental benefits of removing trade restrictions and distortions).
Ratification

(Continued from page 3)

that "the world must not be kept waiting to realize the economic, social and political benefits of the Uruguay Round results."

Mr. Sutherland said that he would immediately initiate consultations with the participants on the issue of ratification to enable the Preparatory Committee for the WTO, at its next meeting on 22 September, to review the overall situation and the specific state of the ratification process of each of the participants who have not yet ratified. "I trust that this will help turn the contagion of delay into a shared sense of urgency, one which will be acted upon," he said.

The following are excerpts from Mr. Sutherland's address:

When governments signed the Uruguay Round Final Act at Marrakesh in April this year they did so on the clear understanding that all would do their utmost to ensure that the Round's results could enter into force, and the new World Trade Organization come into being, on 1 January 1995. Meeting this agreed target date was seen as crucial, not just for the credibility of the implementation process but particularly for the value of the commitments which were exchanged in the negotiation and the benefits they will bring to the world economy. No country - least of all those who have already made unilateral initiatives to liberalize their trading nations - could also be serious for the US economy if it is missed, the risks of a long delay are serious, and the consequences of missing this crucial one-year target will bring a renewed sense of urgency to the participants on the issue of ratification to the Round into a working reality.

The Uruguay Round has from first to last been a multilateral undertaking, for whose outcome all participants have shared the responsibility. Ensuring its entry into force is also a shared responsibility, and it is essential that no participant feel that their own ratification can wait on that of others. Nonetheless it is undeniable that much of the world expects the major actors on the international trade and economic stage to be in the forefront when it comes to turning the commitments negotiated in the Round into a working reality. They - in particular the US, the EU and Japan - have a primary responsibility to act in a timely way.

No grounds for complacency

For these reasons the progress of ratification in the European Union, Japan and the United States is particularly important. I have to say that, on the facts as we know them, there is no grounds for complacency concerning the state of the process in any of the three.

"Until the WTO Agreement is ratified and implemented it is little more than an uncashced cheque..."

procedures for acceptance. This means that 99 countries have still to do so - and this number includes most of the largest trading nations.

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What the deal is worth

Let me remind anyone who is tempted to think that implementation of the Round's results could be delayed at little cost what this deal is worth to the world.

- It is the biggest trade-liberalizing package in history. It cuts tariffs by more than a third, removes non-tariff barriers, and greatly improves the competitive environment. For trade in goods alone its global value by 2002 is estimated at $755 billion in extra trade annually. And more trade means more growth, more investment and more jobs.

- It extends and reinforces the GATT principles - such as non-discrimination - which have proved their worth in a 13-fold expansion of world merchandise trade over 45 years, through agreed multilateral rules in the new growth areas: trade in services, trade in intellectual property rights. These new

Continued on page 7
Vietnam granted observer status
Second tuna panel rules against US embargo

The GATT is continuing efforts to integrate economies in transition into the multilateral trading system. On 20 July, the Council granted observer status to Vietnam with many members expressing the hope that the decision would further encourage economic reforms. The Council also agreed to recommend to the contracting parties the accession of Slovenia to the General Agreement.

Stressing its commitment to begin the preparatory process required for accession to GATT, Vietnam said that its economic reforms, began in 1986, have succeeded. The GDP growth rate was expected to reach 8-9 per cent this year; market opening had led to an annual export growth rate of 20 per cent, covering a broad range of new as well as traditional partners; and the volume of foreign investments now exceeded $7 billion.

Brunei Darussalam, speaking on behalf of the ASEAN countries, encouraged Vietnam to accede to GATT and the WTO. New Zealand and Australia noted that the country was pushing forward a substantial economic reform programme. Japan and the European Community supported the fuller integration of Vietnam into the multilateral trading system. The Republic of Korea said observership would play a positive role in the promotion of trade between Vietnam and the Asian-Pacific region, and with other countries. Cuba noted that the Vietnam had been an observer at Sessions of the Contracting Parties for many years, and believed that the extension of this participation to the GATT Council would facilitate a future decision on accession.

Slovenia set to accede

The Council, after receiving a positive report from the Working Party on the Accession of Slovenia, approved the terms of the Slovenia’s accession to the GATT and agreed to submit a draft Decision on the country’s membership to a vote by the contracting parties through postal ballot.

Ambassador Miguel J. Berthet (Uruguay) presented the report of the Working Party, established in July 1992, on behalf of its chairman, Ambassador Julio Lacarte-Muró. In the Working Party, Slovenia agreed a number of commitments, including a general tariff binding of 27 per cent on industrial and agricultural products; conforming with the outcome of the Uruguay Round market access negotiations concerning agriculture; elimination within three years of import surcharges on beverages, cigarettes and used cars; and the removal of quantitative restrictions on imports. The Working Party concluded that Slovenia be invited to accede to the GATT.

Slovenia emphasized that its accession to the GATT was an important step in its process of economic restructuring toward a full-pledged market economy. It fully accepted GATT obligations and intended to fulfill fully the specific commitments mentioned in the report of the Working
Second tuna panel presents report

The panel that had examined a complaint by the EC and the Netherlands (on behalf of the Netherlands Antilles) against US import prohibitions on tuna and tuna products imposed under the US Marine Mammal Protection Act presented its report. This is the second panel that had examined the US measures; the adoption of the report of the first panel, which had examined Mexico’s complaint, has not been pursued.

At issue was the US Marine Mammal Protection Act of 1972 which prohibits imports into the United States of tuna harvested through methods that killed dolphins. “Intermediary” countries are not allowed to export tuna products to the United States unless they certify that they do not import tuna from countries subject to the primary US embargo.

In its concluding observations, the panel noted that the issue in the dispute was not the validity of the US environmental objectives to protect dolphins but whether, in the pursuit of its environmental objectives, the United States could impose trade embargoes to secure changes in the policies which other GATT members pursued within their own territories.

Thus, the panel had to resolve whether GATT members, by agreeing under Article XX (general exceptions) to give each other the right to take trade measures necessary to protect the health and life of plants, animals and persons or aimed at the conservation of exhaustible natural resources, had also agreed to accord each other the right to impose trade embargoes for such purposes. After examining this issue in the light of the recognized methods of interpretation, it had found that none of them lent any support to the view that such an agreement was reflected in Article XX.

The panel concluded that the United States import prohibitions on tuna and tuna products from primary and interme- diary nations, as contained in the Marine Mammal Protection Act, did not meet the requirements of the Note to Article III (national treatment provisions also apply to laws and regulations enforced at the time or point of importation), were contrary to Article XI.1 (against prohibitions or restrictions on imports and exports other than duties, taxes or other charges) and were not covered by exceptions in Article XX. It recommended that the Contracting Parties request the United States to bring the measures in question into conformity with GATT obligations.

The EC, in urging the adoption of the panel report, stressed that like many countries it shared in general US concerns in the area of environmental protection. What it disagreed with were the measures chosen by the United States to implement environmental objectives, which were embargoes aimed at forcing other countries to modify their own environmental policies. The Community hoped that work in the Sub-Committee on Trade and Environment would lead to multilateral cooperation that would prevent similar disputes from being raised in GATT.

Mexico recalled that it had not pursued the adoption of the first tuna panel report because it had opted to seek a negotiated solution. It said that as a result of conservation measures that were in place long before the US embargo, its fishing fleets had cut down dolphin mortality rates to 0.01 per cent in 1993. In the meantime, the US embargo, by decreasing the earnings of Mexican fishermen, had made it more difficult to undertake technological improvements to lower further the rate of dolphin mortality. Mexico supported the adoption of the second tuna panel report, and added that it was considering placing third party submissions to the panel report at the agenda of the next Council meeting for adoption.

Among the countries that supported adoption of the report were those who made third party submissions to the panel: Australia, Canada, Costa Rica, Japan, New Zealand, Thailand and Venezuela.

The United States requested the Council Chairman to consult on the holding of an open, public meeting to discuss the panel report, where representatives of environmental organizations could present their views on the issues involved in the dispute. It said that the issues arising from the panel report were also of interest to the environmental and business communities as well as to the public at large. The United States said that with the public now more interested in trade issues, moves for greater openness such as the holding of the public meeting would impart greater credibility to the GATT system.

Many Council members expressed serious reservations about the US proposal. The EC stressed that such a change in procedure would launch “an unimaginable process”. India commented that it would be wrong to assume that approaches that worked at the village or state level would also be appropriate in an intergovernmental body such as the GATT Council.

The Council agreed to revert to the panel report at its next meeting, scheduled for 4-5 October.

Enlargement of the EC

The EC said it would formally notify to GATT the accession of Austria, Finland, Norway and Sweden to the European Community after the ratification of the accession agreements by each of the countries concerned, which was expected to be completed in November. As it had done in the past, it would submit all information required for examination in a working party, which could then proceed with the work in an expeditious manner.

The United States, Australia and the ASEAN countries urged the EC to provide the necessary information so that work on examining the enlargement could start as soon as possible.

Brazil said that textiles was one area of concern with respect to the EC enlargement. In this regard, it drew attention to a communiqué recently issued by the International Textiles and Clothing Bureau, which had urged the Community to ensure increased market access and to improve potential for trade expansion after the EC enlargement.

Mexico’s certificates of origin

Under “Other Business,” Austria expressed concern over a Mexican measure that would, from September 1994, require obligatory certificates of origin for about 300 import items subject to anti-dumping action in Mexico. It said traders would find it difficult to provide the required detailed information. Austria said this measure could constitute an unjustified barrier to trade, and recalled that GATT Article VIII emphasized the need for minimizing import and export documentation requirements.

Mexico maintained that the measure was a legitimate GATT defence against the substantial inflow of goods into the country from importers who used third markets to evade payments of anti-dumping and countervailing duties.

Panel reports on bananas

Guatemala, speaking also on behalf of Ecuador, Honduras, Mexico and Panama, again urged the adoption of two panel reports concerning EC’s import regimes on bananas. It said that the EC had continued to apply restrictions found by the panel to be inconsistent with the GATT, and that recent EC actions had contributed to banana prices sinking to unprecedented levels in other markets. Guatemala reiterated a proposal for a dialogue on this
issue, without preconditions, among interested parties.

The EC confirmed its willingness, as expressed in previous meetings, to find a mutually-satisfactory solution to this issue.

The Chairman noted that positions of delegations regarding the panel reports had remained unchanged. The Council agreed to revert to this matter at the next meeting.

Central European Free-Trade Agreement

The Council established a working party to examine, in the light of the relevant GATT provisions, the Central European Free-Trade Agreement. The signatories - the Czech Republic, Hungary, Poland and the Slovak Republic - had notified this Agreement at the June Council meeting (see previous Focus).

Under "Other Business," the EC reported the signing of free-trade agreements between the Community and Estonia, Latvia and Lithuania. It said that these agreements, covering basically all trade between the parties, would be notified to GATT members in the near future.

BOP consultations with Israel, Poland and Tunisia

The Chairman of the Committee on Balance-of-Payments Restrictions, Mr. Peter Witt (Germany), reported on recent consultations held with Israel, Tunisia, and Poland.

On 20 June, the Committee concluded its 1993 consultations with Israel following the country's announcement that despite experiencing a higher current account deficit last year, it had decided to eliminate all remaining import restrictions maintained for balance-of-payments purposes by 1 September 1995. At the same meeting, Israel reported that it had signed an Economic Agreement with the PLO providing for unlimited free circulation of industrial and agricultural goods between the two parties, with the exception of a few agricultural products.

Also on 20 June, the Committee commended Tunisia for the substantial further steps it had taken in the process of liberalization of its trade and payments regime. Subject to a notification by the country by end-September 1994 of the list of items still subject to restrictions for balance-of-payments purposes, the Committee agreed that Tunisia should be deemed to have fulfilled its 1994 obligations under GATT Article XVIII.

On 27-28 June, the Committee consulted with Poland regarding a surcharge on imports taken for balance-of-payments purposes under GATT Article XII. Members noted that Poland's economic situation had improved significantly but that external and fiscal balances remained fragile. The Committee expressed disappointment that the country's import surcharge would not be eliminated by the end of 1994 as originally planned. Noting Poland's new commitment to reduce the surcharge to 5 per cent in 1995, to 3 per cent in 1996, and to eliminate it by the end of 1996, the Committee considered that a more rapid phase-out could be possible given the current prospects for a faster recovery of the Polish economy.

Ratification

(Continued from page 4)

agreements are the key to continuing expansion, improved access to markets, security of investment and growing employment in these burgeoning sectors.

- By improving the export opportunities for developing countries, which include the fastest-growing economies in the world, it also improves prospects for exporters in developed countries. Demand for imports in the "tiger" economies of Asia, plus Latin America and the economies in transition, is the key to the industrialized countries' hopes of turning the current fragile recovery into sustainable growth.

WTO enhances sovereignty

And by setting up the WTO to bring together all of these new commitments under a single institutional and legal roof, it sets up a framework to ensure that trade-led growth can be both maintained and widely shared. The WTO is in no way an assault on any country's sovereignty. If anything it enhances it by providing a more effective dispute settlement mechanism through which countries can ensure that their rights are respected and by providing a permanent forum for adapting the international trade policy agenda to the real needs of trading nations. Effective exercise of sovereignty is indissoluble from the rule of law in international relations and this is what the WTO reinforces.

The Uruguay Round package is not something which has been dictated from on high or sprung on an unsuspecting world. It is the product of seven years of hard negotiation by over a hundred countries. The result they achieved cannot hope to please every interest group equally, but the participating governments have left no doubt either in Marrakesh or since that globally - which is how it must be seen - this package is a huge plus for the world economy.

Uncashed cheque

Until the WTO Agreement is ratified and implemented, however, it is little more than an uncashed cheque. It is surely unthinkable that legislators anywhere would tolerate any delay in cashing that hard-earned cheque, or that public opinion would permit them to.

Any delay in the entry into force of the WTO and the agreements in encompass will cost real people everywhere real money. It could not help but encourage protectionists everywhere to regroup and renew the pressure on political leaders to pander to the sort of stratagems for defying reality whose ruinous effect on prosperity and international stability is amply displayed in recent history. It is therefore in all seriousness that I consider ratification and implementation of this Agreement to be one of the top international economic - and political - priorities. I urge all participating countries who have not yet ratified to give it a correspondingly high priority in their legislative agendas.

For my part, I will continue to do everything I can to assist participants and facilitate their ratification processes. In the coming days, I will initiate a systematic multilateral process of consultation and review on this issue in the interests of all participants and of the multilateral system as a whole. My intention is that at its meeting on 22 September the Preparatory Committee should be in a position to review the overall situation and the specific state of the ratification process in respect of each of the participants who have not yet ratified. I trust that this will help turn the contagion of delay into a shared sense of urgency, one which will be acted upon. In addition, I will maintain and intensify direct contacts with key participants whenever it is necessary or useful to do so; and of course the full resources of the GATT Secretariat are available to assist in any way that may be appropriate.

I urge you and other private sector leaders around the world also to make the most of every opportunity to push for prompt ratification in your countries. Your support made a vital contribution to securing a successful outcome of the negotiations. It is every bit as vital now, when the benefits of that outcome are so close. To delay their implementation is to devalue them. Don't let it happen."
WTO budget guidelines adopted, small staff increase for 1994 approved

As part of preparations for the WTO, the Sub-Committee on Budget, Finance and Administration agreed, on 4 August, guidelines for the assessment of contributions to the WTO budget, the addition of some new posts in 1994 and the holding of an external management review of the GATT/WTO Secretariat.

The Sub-Committee adopted a decision, developed in a working group chaired by Mr. Pierre Gosselin (chairman of the GATT Committee on Budget, Finance and Administration), regarding guidelines for the assessment of contributions to the WTO budget. Under this decision, the assessment of contributions by members to the WTO budget, in principle, should reflect shares in international trade in goods, services and intellectual property. However, given the fact that data with regard to services and intellectual property still required further study, the calculation of the 1995 WTO contributions would follow existing GATT practice. (The contracting parties’ contributions to the GATT budget reflect their respective shares in world trade in goods.) The aim is for the principle of WTO contributions to be reflected in the 1996 budget.

The net increase to the GATT staff in 1994 will be 21 new posts as two existing positions would be cancelled. Immediately after the decision of the Sub-Committee, the GATT Personnel Division circulated the vacancy notices for the new posts. The deadline for submission of applications was 19 September 1994.

Management review
The Sub-Committee agreed that the staffing requirements for 1995 would be considered after the completion of the external management review of the GATT/WTO Secretariat. Deloitte and Touche SA are to conduct this review and submit a draft report on 15 November, and a final report on 15 December 1994.

The management review will cover organizational structure, staffing requirements and resource allocation of the Secretariat. It will take into account the new functions assigned to the Secretariat as a result of the Uruguay Round agreements and the establishment of the WTO as well as the interests of members in limiting budgetary increases associated with the creation of the new organization.

GATT trade course
The 78th GATT trade policy course, in English, was inaugurated on 29 August. Twenty-five officials from as many developing countries are participating in the course, which will end on 2 December.

Since the programme began in 1955, 1,365 officials from 123 developing countries and ten regional organizations have participated in the trade policy courses. The GATT Secretariat regularly organizes trade courses in English, French and Spanish.

Members of the GATT Secretariat gather for a photo session after the conclusion of the Uruguay Round negotiations; some new posts have been established in preparation for the establishment of the WTO at the beginning of 1995. (Photo by Financial Times)