WTO to boost global income by $500 billion

Global income will be US$500 billion greater in the year 2005 because of market-opening resulting from Uruguay Round. This new assessment by GATT economists was cited by Director-General Peter Sutherland in calling for a speedy ratification of the World Trade Organization (WTO) agreements at a press conference on 3 October during the annual meeting of the International Monetary Fund and the World Bank in Madrid.

Mr. Sutherland said that the new estimate is much higher than the preliminary figure of $235 billion released by the GATT Secretariat earlier this year and similar figures by the World Bank and the OECD because it takes into account the effects of economies of scale and improved conditions of competition. He said that even the new estimate is low because it misses "other lasting effects related to higher investment, accelerated growth and a healthier climate for global research and development and new product development."

Developing countries' trade to expand by 14%

"Trade growth estimates are also impressive," said the Director-General as GATT expects the merchandise trade volume in industrialized countries to be 7 to 8% above what it would have been without the Round. "Developing countries are expected to secure an even greater expansion in trade, with our most conservative estimates showing a 14% rise," he said. (Note: GATT's analysis of the impact of the Uruguay Round will be featured in the next Focus.)

Mr. Sutherland pointed out that the impact of other parts of the Round cannot be quantified. These include the Services and Intellectual Property Agreements, and the major strengthening of multilateral trade rules, procedures and institutions. "Most experts believe that the income and trade

WTO Implementation Conference will be held on 8 December

T he Implementation Conference for the World Trade Organization (WTO) will be held on 8 December 1994. The purpose of the Conference is to formally establish the date of entry into force of the WTO, and to consider and approve the draft report of the Preparatory Committee to the WTO.

The Conference will start with a meeting of the Preparatory Committee at senior officials level. It will be followed immediately by a Special Session of the Contracting Parties, which will act upon the PrepCom's recommendations falling within their jurisdiction. These would include transitional arrangements concerning GATT 1947, including the Tokyo Round Agreements, and the WTO.

The decision on the date, the format and the proposed agenda of the Conference was made at a meeting of the PrepCom on 25 October (see previous meeting on page 2).

The PrepCom Chairman, Mr. Peter Sutherland, again underlined the need for the timely ratification of the WTO Agreement to ensure that "the WTO begins its life with the maximum possible number of governments actually participating as functioning members from Day One." He said that he was continuing efforts to bring home the urgency of ratification to governments. The positive feedback from all his contacts has led to "a growing confidence

Continued on page 8

Continued on page 5

124th GATT member: Slovenia joined the GATT on 30 October, and has started negotiating entry into the WTO. Above, Minister for Economic Relations and Development Davorin Kracun signs his country's Protocol of Accession. At right is Mr. Hector Millan, secretary of the Working Party on Slovenia. (Photo by Mrs. Beatrix Stampfli)
WTO ratification gathering momentum

1 January 1995 target date of WTO looking more definite

The target date of 1 January 1995 of entry into force of the World Trade Organization (WTO), as agreed in Marrakesh, is looking increasingly definite. This was the general sentiment of participants at the meeting of the WTO Preparatory Committee for the World Trade Organization (WTO) on 22 September after hearing an encouraging assessment by the Chairman, Mr. Peter Sutherland, and assurances from the major trading countries that they would be able to complete the ratification process in time.

Mr. Sutherland said that he was in regular contact with all the governments concerned, including recently writing to trade ministers, to urge that the WTO agreement be ratified as quickly as possible, and preferably in time for the WTO Implementation Conference scheduled for early December.

The PrepCom heard reports by its various Sub-Committees:

BUDGET, FINANCE AND ADMINISTRATION The Chairman of the Sub-Committee, Ambassador András Szepesi, noted that after dealing in July with key issues such as the choice of the WTO seat and assessment of contributions to the new organization (see previous Focus), members faced another heavy workload in the autumn.

INSTITUTIONAL, PROCEDURAL AND LEGAL MATTERS Ambassador K. Kesavapany, Chairman of the Sub-Committee, said members have accorded priority to the following issues: developing arrangements with other international organizations with which the WTO Agreement envisaged close cooperation; the composition of the Textiles Monitoring Body; transitional arrangements; and terms of reference and rules of procedure for WTO bodies.

TRADE IN SERVICES Ambassador Manhusen, Chairman of the Sub-Committee, reported that work was proceeding in the three negotiating groups (movement of natural persons, maritime transport services and basic telecommunications).

TRADE AND ENVIRONMENT The Sub-Committee reported that at its third meeting held in September, it focused on "the relationship between the provisions of the multilateral trading system and: (a) charges and taxes for environmental purposes; (b) requirements for environmental purposes relating to products, including standards and technical regulations, packaging, labelling and recycling." Delegations also discussed arrangements for relations with inter-governmental and non-governmental organizations (NGOs) and most of them seemed favourable to the idea of exploring possible ways and means to satisfy NGO demands for increasing interaction, transparency and openness in the Sub-Committee's work. The Chairman would consult informally on this as well as on other issues.

Sutherland points to challenges ahead

Our biggest challenge is to ensure the credibility of the World Trade Organization (WTO) is established as quickly as possible. It will not happen automatically," says Peter Sutherland, GATT Director-General, in his introduction to GATT Activities 1993, published in mid-September.

Mr. Sutherland adds that all WTO members "will need to live up to their responsibilities if the system is not merely to be born but to develop and thrive. I prefer to take the optimistic view that they will do exactly that."

The Director-General refers to 1993 as a momentous year for trade because it was the year in which governments throughout the world accepted their responsibility to bring the seven-year-old Uruguay Round to a successful conclusion.

GATT Activities 1993 reports on every aspect of GATT's work during 1993 and early 1994 and contains a detailed description of events leading up to the conclusion of the Uruguay Round. It covers the many disputes brought to the GATT for resolution, developments in regional trade agreements and arrangements and the work on new accessions. GATT Activities is available from the GATT Secretariat, SwF 20.- per copy.
The GATT Council, at what was probably its penultimate regular meeting on 4 October, settled a dispute between the United States and nine tobacco exporting countries, established a panel to examine Venezuela’s complaint against new US standards on gasoline, and adopted reports of working parties that examined, respectively, the Fourth Lomé Convention and the Customs Union between the Czech and the Slovak Republics. Looking forward to the establishment of the World Trade Organization (WTO) at the beginning of next year, the Council approved a modest supplementary budget for 1994 and decided to push forward consultations on making GATT more accessible to the public through a revision of rules on derestriction of documents.

**US MEASURES ON TOBACCO**

This case involved the largest number of complainants ever to jointly challenge a trade measure under the GATT dispute-settlement system. And it was settled relatively quickly as the Council adopted the panel report at its first consideration (see box).

The panel, but it would not object to the US adopting certain fundamental GATT principles, such as the illegality of quantitative restrictions on imports and equal treatment for domestic and imported products in the internal market.

The American Center for Law and Justice reported that bilateral consultations had failed, Venezuela requested the establishment of a panel to examine new US standards for reformulated and conventional gasoline. It said that this measure, adopted by the US Environmental Protection Agency (EPA) in December 1993, would mean a loss of some US$150 million to Venezuelan exporters, who shipped a total of $478 million worth of gasoline to the United States last year. Venezuela added that the US measure also threatened a $1-billion investment programme for its gasoline refining industry.

The Venezuelan Trade Minister, Dr. Alberto Poletto, told the Council that while his country supported measures on the modification of its concessions on tobacco under Article XXVIII. It added that as part of the Uruguay Round legislation submitted to Congress, President Clinton was seeking authority to remove the domestic marketing assessment and to alter the budget deficit assessment to conform to the panel’s findings.

The Council adopted the panel report.

**US GASOLINE STANDARDS**

Reporting that bilateral consultations had failed, Venezuela requested the establishment of a panel to examine new US standards for reformulated and conventional gasoline. It said that this measure, adopted by the US Environmental Protection Agency (EPA) in December 1993, would mean a loss of some US$150 million to Venezuelan exporters, who shipped a total of $478 million worth of gasoline to the United States last year. Venezuela added that the US measure also threatened a $1-billion investment programme for its gasoline refining industry.

The Venezuelan Trade Minister, Dr. Alberto Poletto, told the Council that while his country supported measures...
Easier public access to GATT documents?

The United States welcomed progress being made in consultations regarding its proposal for facilitating the derestriction of most GATT documents. Noting that WTO procedures would be based on those practised in GATT, it urged that a decision be taken before the establishment of the new organization.

In presenting a draft Decision, the United States observed that under the current system, almost all GATT documents were issued as restricted documents, regardless of whether their contents needed to be kept confidential. It believed that the rules did not strike a proper balance between the need to protect deliberations by keeping certain information confidential and the need for public awareness and scrutiny of the GATT. Furthermore, the rules appeared to be unnecessary obstacles to scholarly research on the GATT.

Under the US proposal, all GATT documents will be issued as unrestricted except those falling under either of the following categories: working documents, documents related to modification or withdrawal of concessions, and submissions by members which have requested that they be issued as restricted documents. To facilitate the derestriction of existing documents, the Secretariat will be asked to list all restricted GATT documents issued up to an agreed date, and in the future, to periodically list all newly derestricted as well as restricted documents.

Austria supported improving the derestriction rules as paving the way for more transparency in the WTO. Switzerland said it was in favour of an "open-door" policy for GATT as this would help lay to rest the myth that there was a "curtain of secrecy around the organization. Japan agreed with the US on the need to strike a proper balance between confidentiality and public awareness. The EC and Canada supported greater transparency in GATT but emphasized their objections to the leaking of confidential documents.

The Council agreed that Ambassador András Szepesi, Chairman of the Contracting Parties, continue with his consultations on the US proposal.

One important administrative decision taken by the Council for the WTO was the approval of a supplementary GATT budget of SwF3.7 million, to be used mainly for additional posts in the GATT/WTO Secretariat.
countries, particularly the least-developed among them.

Canada and the United States suggested to the EC that the best way to bring the matter to a close was to secure a GATT waiver for the Convention.

The Council adopted the report.

**BOP CONSULTATIONS** Mr. Peter Witt (Germany), Chairman of the Committee on Balance-of-Payments Restrictions, reported on consultations held on 26-27 July with the Slovak Republic regarding the country’s imposition of a temporary surcharge on imports (currently 10 per cent of customs value of imports). Welcoming recent signs of improvement in Slovakia’s economic performance, the Committee encouraged the country to adhere to its declared intention to eliminate the surcharge by the end of 1994.

**OTHER MATTERS** Guatemala, speaking also on behalf of Ecuador, Honduras, Mexico and Panama, drew attention to the Machala (Ecuador) Declaration of Latin-American banana exporting countries, issued on 22 September, which called for a constructive dialogue with ACP countries aimed at finding a lasting solution to problems of trade in bananas. It said that the EC measures on bananas had resulted in some $200 million losses to Latin-American banana producers and had led to a drop in banana prices. Urging again the adoption of the two panel reports on the EC import regime on bananas, Guatemala called on the EC to respect its GATT obligations. The Chairman noted that the positions of members on the issue had not changed.

- The Council granted the request by the European Bank for Reconstruction and Development (EBRD) for observer status.
- Argentina said its Article XXIII:1 consultations with the EC regarding the Community’s measures on imports of lemons was moving forward in a constructive manner.
- The EC, Australia and Switzerland asked Japan and the United States to provide full information on the bilateral trade agreements they had announced in Washington on 1 October.
- Mexico reported that it had concluded a free-trade agreement with Bolivia.

**WTO** *(Continued from page 1)*

The Council welcomed the following new representatives to GATT:

- Ambassador Lode Willems (Belgium), Ambassador Nestor Osorio Londoño (Colombia), Mr. Stuart Harbinston (Hong Kong), Ambassador Gunnar S. Gunnarsson (Iceland), Ambassador Michael Bartolo (Malta) and Mr. Peter Brno (Slovak Republic).

The former representative of Hong Kong to GATT, Mr. Joseph W.P. Wong, was one busy and effective diplomat. He chaired the tobacco panel and the working parties on Lomé IV and the Customs Union of the Czech and Slovak Republics - and their reports were all adopted by the Council at the meeting.

- Switzerland, Hong Kong and the ASEAN welcomed Mexico’s modification on a regulation requiring certificates of origin for certain imports (see previous Focus).

**Developing and transitional economies**

In his address to the Development Committee of the IMF and the World Bank on the same day, Mr. Sutherland said that one of the most important outcomes of the Uruguay Round for developing and transition economies is "the substantial strengthening of the rules-based multilateral trading system and its extension to new areas of activity."

Developing and transition economies, he said, will benefit from the elimination of "grey area measures" such as voluntary export restraints and tighter disciplines on the use of anti-dumping measures. The improved dispute-settlement mechanism will enforce "concepts, principles and rules that ensure fair and equitable treatment for all - large and small, rich and poor". He added that these countries will also benefit from improved opportunities resulting from placing the services sector squarely within the multilateral framework.

Similarly, the Agreement on Trade-Related Aspects of Intellectual Property Rights offers potential benefits by creating a framework which is conducive to technology transfer and foreign investments.

On market access, Mr. Sutherland pointed out that the developed countries have cut by 40 per cent duties on their imports of industrial goods from developing countries - lowering their trade weighted tariff on industrial imports at 3.9 per cent. A further stimulus to the manufactured exports of developing countries will come from the very substantial reduction in tariff escalation for many products in the major markets as a result of the Uruguay Round tariff cuts. Mr. Sutherland stressed that in the area of textiles and clothing, the phase-out of the Multifibre Arrangement is of "even greater significance than the reduction in tariffs."

In agriculture, Mr. Sutherland said "multilateral disciplines on trade-distorting practices are expected to stabilize world food markets in the coming decades, providing potential trade opportunities for developing countries and reducing fluctuations in import bills."

He noted that the WTO Committee on Agriculture will monitor a Ministerial Decision for protecting the interest of net-food importing countries. "The long-term effect of the reform will certainly be positive for all as the resources are reallocated to efficient farming and other activities," he added.

The Director-General also noted that developing countries benefit from greater flexibility in the implementation of the Uruguay Round results. Thus, developing countries have been required to bind fewer tariffs than developed countries, open fewer service sectors and have a longer time-frame for the implementation of TRIPS obligations.
A tradition of open markets

Trade regime adhered closely to GATT objectives

The following are excerpts from the Chairman’s concluding remarks after the Council’s first review of Macau’s trade regime on 27-28 September:

Council members praised the openness and transparency of Macau’s trade and industrial policy regimes which adhered very closely to basic GATT objectives. There was only minimal government intervention in the economy, imports entered free of tariffs and quantitative measures, exports were not subsidized, and investment and currency flows were unrestricted. Since its succession to GATT in 1991, Macau had worked consistently towards a successful conclusion of the Uruguay Round. Recent initiatives, including the replacement of automatic import licensing by declaration requirements, were aimed to accelerate customs procedures and remove any existing administrative red tape. To encourage sectoral diversification, the Government had enacted various incentive schemes which were open to all economic operators, irrespective of sector or nationality.

New challenges

Members highlighted Macau’s encouraging economic performance over the past two decades, recently supported by strong growth in the Pearl River Delta region. However, the Territory’s strong reliance on two sectors, clothing and gambling-related tourism, entailed a certain amount of vulnerability. Since attempts towards industrial diversification had produced few lasting results in the past, questions were raised as to the direction and scope of modernization and diversification policies. In this context, several delegations pinpointed new adjustment pressures which might result from the phasing-out of the MFA and felt that MFA restraints might to some extent have benefited Macau, as shown by relatively poor performance in non-restrained markets. It was also felt that the current system of allocating export quotas, based on past performance, implied some economic inefficiencies.

Information was sought on whether and how the transfer of Macau to Chinese sovereignty in 1999 would affect its legislative framework and policy orientation.

The representative of Macau underlined that, with new competitive pressures on manufacturing, Government policy focused on facilitating restructuring, including a gradual shift towards services.

Acknowledging adjustment problems that might result from the phasing-out of the MFA, the representative of Macau was confident that the Territory’s identity as a textile and clothing producer would remain intact. Positive factors included proximity to, and intensive economic links with, Hong Kong and China, and Macau’s continued status as an open and free market after 1999. However, in major destinations its exporters would face stiffening competition from low-priced suppliers with, in certain cases, better access conditions. It was therefore imperative for Macau’s industry to raise productivity levels and upgrade its operations. Recent reforms in the quota allocation system were aimed at speeding up procedures and creating more flexibility in quota utilization. Effective preventive measures had been taken to combat trans-shipment fraud.

Referring to the transition to Chinese sovereignty, she noted the main elements of the Sino-Portuguese Joint Declaration as presented in the Government and Secretariat reports. Main responsibility for policy formulation and implementation in areas such as industry and trade would remain with the Government of Macau, represented by the Chief Executive. The main objective of the transition process was to ensure continuity; decree-laws in trade-related areas issued by the Governor before 1999 would remain in force, and the role of the private sector in the policy formulation process would be fully preserved.

Trade policy after the Round.

Given Macau’s record as a free trader, several Council members wondered why it had not agreed to bind more than 20% of its tariffs in the Uruguay Round. Clarification was sought on the potential impact of the Round on Macau’s expanding services sectors and deregulation initiatives in transport and telecommunications. In the area of intellectual property protection, several members took interest in the current provisions for enforcement and forthcoming changes in Macau’s basic legislation.

The representative of Macau replied that, as an outward-oriented economy, Macau was vulnerable to fluctuations in the world economy. The strengthened rules for international trade resulting from the Uruguay Round were therefore of particular importance. Macau would ensure ratification before January 1995.

The level of tariff bindings was consistent with Macau’s open-market tradition and with the Articles of GATT, which expressly provided that duty-free treatment should, in principle, be recognized as a concession equivalent to the reduction of high duties.

Legislation was in draft on both the substantive and enforcement aspects of intellectual property protection, and would be published in 1995.

General observations.

Macau’s economic progress relies both on external impulses, including the present rapid economic growth of the Pearl River Delta region, and the authorities’ continued commitment to free-trade principles. The Territory’s open-market tradition, combined with a stable and predictable business environment and an impressive capacity for structural adjustment, holds out much promise for the future. Strengthened external links should help to ensure Macau’s continued attraction for international investors and traders. In order to bear fruit in a small and open economy, however, such initiatives need to be accompanied by positive co-operation within the international trading system, including swift ratification and implementation of the Uruguay Round agreements.
An economic success story

Uruguay Round results to create 32,000 new jobs

The following are excerpts from the Chairman's concluding remarks after the Councils' second review of Hong Kong's trade regime on 5-6 October.

Council members considered Hong Kong as an exemplary case of an open, market-driven economy founded on the most-favoured-nation principle. Trade flows were allowed, *grosso modo*, to enter and exit free of tariffs, quantitative restrictions or administrative controls, apart from very few health and security exceptions and measures applied under the MFA or for intellectual property protection. Hong Kong had made significant contributions to the Uruguay Round process and furthered a successful conclusion. Owing to its extraordinary economic flexibility and capacity for swift adjustment, Hong Kong had reached the per capita income level of an advanced industrial economy.

Members appreciated that the Territory's liberal trade regime was underpinned by minimum government intervention in the domestic economy. There was no evidence of significant subsidy programmes, restrictive procurement practices or similar forms of government interference. The regulatory framework was streamlined and transparent.

The representative of Hong Kong emphasized the main elements behind Hong Kong's economic success, namely free trade and fair markets, a stable currency and a sound financial system, low and predictable taxes, and fiscal prudence.

An open, rule-based trading system was the best guarantee for continued trade and economic expansion. It was thus in Hong Kong's self-interest to promptly and faithfully implement the Uruguay Round outcome. The change of sovereignty in 1997 would not require any major trade policy modifications and she anticipated only terminological changes to legislation.

**Economic relationship and cooperation with neighbouring China.** Council members emphasized the rapid change in trading patterns that resulted from Hong Kong's intensive trade and investment links with southern China, in particular, re-exports had grown much faster than domestic exports in recent years. Members referred to the potentially positive impact on Hong Kong of China's growing integration into the multilateral system and its prospective WTO membership, but also highlighted the risk of adverse side-effects for Hong Kong from other countries' trade actions on China's exports.

The representative of Hong Kong underlined the importance of economic and trade links with China in encouraging structural change in favour of services. Hong Kong's relationship with China was one of mutual interdependence. Hong Kong's status as a separate customs territory was the basis for its contracting party status in the GATT and would remain so under the WTO. Hong Kong was fully committed towards combatting illegal trans-shipment and other malpractices; additional measures had been taken in recent years to intensify control and enforcement. China's resumption of GATT membership should bring considerable economic benefits to Hong Kong.

**Trade policy after the Round.** A number of Council members expressed the view that Hong Kong's commitment to bind only 34% of its tariffs in the Uruguay Round - albeit at zero - was not commensurate with its levels of income and trade. Further questions revolved around Hong Kong's future government procurement régime, given its abstinence from the new GATT Code: any intentions to upgrade its schedule of commitments in the services area, for example through easing restrictions on the movement of natural persons; and the enforcement of existing legislation on intellectual property protection and Hong Kong's future implementation of the Agreement on Trade-Related Aspects of Intellectual Property Rights.

The representative of Hong Kong noted that full implementation of the Uruguay Round Agreement might increase exports by HK$85 billion and GDP by HK$14 billion, creating some 32,000 jobs. Though the phasing-out of the MFA could have a negative impact on the sector in the short-term, the resulting removal of economic distortions should have substantial long-term benefits. The tariff bindings offered by Hong Kong in the Uruguay Round were comprehensive and generous, given the lack of reciprocal concessions by major trading partners. They had left Hong Kong little negotiating leverage for the future. Though Hong Kong had actively participated in the negotiations on government procurement, it had not signed the new Agreement because of the reciprocity and sectoral non-application provisions that had been introduced by other participants. Hong Kong would continue to operate an open, transparent and non-discriminatory procurement system.

Hong Kong had comprehensive legislation to protect patents, trademarks, copyright and a layout design of integrated circuits. Thorough legislative changes would be made to incorporate Hong Kong's obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights and to modernize existing provisions.

**General observations.** Hong Kong's rapid economic ascent testifies to the benefits that a small territory, constituted of natural resources, can reap from the free operation of market forces. Rapid structural adjustment, an outward-looking business community, institutional stability, and the authorities' unfettered commitment to an open, rule-based trading system has helped shape and propel one of the world's most successful economies. Hong Kong's basic growth factors have been revitalized recently by China's economic boom and the Territory's growing role as a business centre for Southern China. With the positive outcome of the Uruguay Round, the stage appears set for Hong Kong's continued expansion within a strengthened multilateral system.
WTO Conference
(Continued from page 1)

that 1 January 1995 will be date of entry into force of the WTO," and the conviction that "all participating governments are committed to this date and that its formal confirmation at the Conference will be quick and smooth".

ACCESSIONS The PrepCom established a working party to consider Sudan’s request for accession into the WTO. The PrepCom has requested the Working Party on Slovenia, which had completed the GATT accession process, to examine aspects of the trade regime relevant to WTO. Work is also continuing on the accession of Ecuador and Mongolia to GATT 1947, and subsequently, to the WTO.

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

BUDGET, FINANCE AND ADMINISTRATION The Chairman of the Sub-Committee, Ambassador András Szepesi, reported that the first negotiating session with the Swiss authorities on a WTO headquarters agreement took place on 18–19 October. It covered the proposed donation of the Centre William Rappard and the building of a new conference room. Regarding facilities to be provided to delegations of least-developed countries, a small working group had been established to discuss various issues. He said the next sessions will pursue discussions on facilities and tackle the issue of privileges and immunities as well as other aspects of living conditions. The Sub-Committee will monitor and report on developments in this area as well as on the external management review of GATT.

INSTITUTIONAL, PROCEDURAL AND INSTITUTIONAL MATTERS Ambassador K. Kesavapany, Chairman of the Sub-Committee, reported an agreement on the terms of reference of the following WTO Committees: Agriculture, Balance of Payments and Budget, Finance and Administration. He said that following a proposal by the European Community, work has begun on the possible terms of reference for a WTO Market Access Committee. Work is well-advanced on the draft rules of procedure for the WTO Ministerial Conference and the General Council. Regarding transitional arrangements, he intended to intensify bilateral and plurilateral contacts in the weeks ahead in view of the importance of the matter.

SERVICES The Chairman of the Sub-Committee, Ambassador Cristy Manhusen, reported on the four negotiating groups on trade in services. On the Negotiating Group on Maritime Transport Services, the number of participants has risen to 37 and discussions is focusing on a draft schedule of maritime transport services. Several members of the Negotiating Group on Movement of Natural Persons have indicated their intention to hold a round of bilateral negotiations before the end of October. The Interim Group on Financial Services held its first meeting on 12 October with many participants stressing the objective of continuing negotiations on a multilateral, MFN-based agreement. The number of governments participating in the Negotiating Group on Basic Telecommunications was now 24; the Group was discussing responses to a questionnaire on regulatory issues and market structure in this area.

TRADE AND ENVIRONMENT Ambassador Luiz Felipe Lampreia, Chairman of the Sub-Committee, said that he is consulting on the following issues: exports of domestically-prohibited goods, observer status for inter-governmental organizations, and arrangements for relations with non-governmental organizations. At its next meeting, the Sub-Committee will focus on the relationship between the provisions of the multilateral trading system and trade measures for environmental purposes, including those pursuant to multilateral environmental agreements.

Special GATT course for Russia and Ukraine

GATT’s efforts to assist countries undertaking economic reform took a further step on 17 October with the opening of the a special training course in Geneva for trade officials from the Russian Federation and the Ukraine.

Funded largely by the United States, the five-week course involves 24 officials from the two countries. The aim is to familiarize the participants with the multilateral trading system and with the new World Trade Organization (WTO) Agreement. Special emphasis will be placed on the trade policy issues of particular interest to economies in transition.

The course is in addition to the regular courses organized by GATT for officials from developing countries and special courses, funded for the most part by Switzerland, for Central and Eastern Europe and states of the ex-USSR.

GATT FOCUS

Newsletter published 10 times a year in English, French and Spanish by the Information and Media Relations Division of GATT.

Centre William Rappard, 154 rue de Lausanne, 1211 Geneva 21, Switzerland. Tel. 739 51 11 Fax: 7395458

ISSN 0256-0119