Note by the Secretariat

1. The Working Party held its third meeting on 16 and 17 July 1968. This note on the meeting has been prepared by the secretariat for the convenience of delegations.

2. The Working Party noted that discussion on point 1(a), concerning the relevant provisions of the General Agreement, had not been closed and that delegations reserved the right to revert to this item.

3. At its last meeting the Working Party had agreed on the documentation to be used as a basis for discussion of point 1(b) (L/3039, page 4). The Working Party discussed the way in which the examination of the documentation on point 1(b) of its terms of reference should be conducted. It was suggested, inter alia, that a list of questions might be drawn up to serve as a basis for a country-by-country examination of the practices of contracting parties in relation to border tax adjustments.

4. The Working Party instructed a technical group, consisting of representatives from the European Communities, Japan, Sweden, the United Kingdom and the United States assisted by a representative of the Organisation for Economic Co-operation and Development, to examine the possibility of drawing up such a list.

5. The technical group examined a draft prepared by the United States delegation (Spec(68)79). Some representatives took part in the work in their personal capacities. The revised list of questions resulting from the work of the group incorporates comments and suggestions made in the group. It has been circulated, still as a United States delegation paper, as Spec(68)79/Rev.1.

6. The technical group also recommended that the Working Party adopt the OECD definition of border tax adjustments as set out in paragraph 115 of the OECD Fact-Finding Report.
7. The Working Party agreed that the revised list of questions (Spec(68)79/Rev.1) should be circulated to all members for comment. The technical group should meet again on Monday, 7 October with a view to reaching agreement on the list of questions, taking into account the comments received. The Working Party agreed to hold its next meeting starting on Tuesday, 8 October. Its first task at that meeting would be to examine the list of questions submitted to it by the technical group and to decide on how this should be used.