I. Introduction

1. Under the procedures agreed by the Ministers at their meeting in May 1963, the Trade Negotiations Committee was set up to perform certain functions in connexion with the forthcoming trade negotiations. These functions were as follows:

   (a) to elaborate a trade negotiating plan in the light of the principles in paragraphs A 1-8 of the Resolution (MIN(63)9) adopted by Ministers on 21 May 1963, with a view to reaching agreement on the details of the plan of tariff reductions referred to in paragraph A 4 of the Resolution by 1 August 1963, and to completing the remainder of the task by the date of the beginning of the twenty-first session of the CONTRACTING PARTIES;

   (b) to supervise the conduct of the trade negotiations.

The present membership of the Committee is set out in document TN.64/4/Rev.1.

2. In elaborating the trade negotiating plan the Committee was required (MIN(63)9) to deal, inter alia, with the following issues and special situations:

   (a) The depth of the tariff reductions, and the rules for exceptions.

   (b) The criteria for determining significant disparities in tariff levels and the special rules applicable for tariff reductions in these cases.

   (c) The problem for certain countries with a very low average level of tariffs or with a special economic or trade structure such that equal linear tariff reductions may not provide an adequate balance of advantages.
(d) The rules to govern, and the methods to be employed in, the creation of acceptable conditions of access to world markets for agricultural products in furtherance of a significant development and expansion of world trade in such products. Since cereals and meats are amongst the commodities for which general arrangements may be required, the Special Groups on Cereals and Meat were to convene at early dates to negotiate appropriate arrangements. For similar reasons a special group on dairy products was also to be established.

(e) The rules to govern and the methods to be employed in the treatment of non-tariff barriers, including *inter alia* discriminatory treatment applied to products of certain countries and the means of assuring that the value of tariff reductions will not be impaired or nullified by non-tariff barriers. Consideration was also to be given to the possible need to review the application of certain provisions of the General Agreement, in particular Articles XIX and XXVIII, or the procedures thereunder, with a view to maintaining, to the largest extent possible, trade liberalization and the stability of tariff concessions.

3. The ministerial Resolution (MIN(63)9) had envisaged that the Committee would appoint subsidiary bodies to assist it in its work. The following subsidiary bodies were set up by the Committee at its first meeting on 27 June 1963 (TN.64/SR.1):

(a) **Sub-Committee on the Tariff Negotiating Plan**

(Membership and terms of reference - TN.64/1.)

(b) **Committee on Agriculture**

(Membership and terms of reference - TN.64/2/Rev.1.)

(c) **Sub-Committee on Non-Tariff Barriers and other Special Problems**

(Membership and terms of reference - TN.64/3/Rev.1.)

(d) **Sub-Committee on the Less-Developed Countries**

(Membership and terms of reference - TN.64/10.)

4. There follow below reports on the work done by the above subsidiary bodies.