The following are the main changes discussed during the meeting of 5 July 1973.

4. Insert the following before the last sentence: The developing countries stated that within any negotiating approach that might be adopted, both in the tariff and in the non-tariff areas, it would be necessary to accord special treatment to the developing countries.

5. Add the following at end of paragraph: Within each technique, special provision might be made for preferential treatment for developing countries.

6. Add the following at end of paragraph: Some delegations stressed the danger of assuming that benefits under the Generalized System of Preferences would necessarily be eroded by reductions in most-favoured-nation tariffs.

10. Add a new penultimate sentence. Some delegations pointed out that one advantage of the tariff elimination technique would be to eliminate trade diverting effects of regional arrangements.

12. Replace by the following: Some delegations suggested that a possible technique for reaching the objective of duty-free trade might be what was referred to as the "tadpole approach", a technique for progressive elimination of tariffs through staged operations which entailed dividing the tariff schedule into duty/rate intervals - wider intervals for higher tariffs and narrower for lower tariffs, reducing all rates within each interval to the lower limit of that interval in the first stage, reducing the standardized rates to the lower limit of the next lower interval, in the second stage this reduction being continually operated in stages until all duties were reduced to zero.
15(a). Some delegations from developing countries stressed the need for some flexibility in the working hypothesis in the application of the rate of reduction for products of interested developing countries, so that the rate of reduction could be less than the general rule when there was an established trade flow under the Generalized System of Preferences, and above the general rule when products were not included in the Generalized System of Preferences or when this was necessary to reduce tariff escalation.

18. **Insert the following after third sentence:** For instance, if a floor were established for the reduction of rates, this same floor could serve as a ceiling for increases in rates.

Add at end: These delegations said that the question whether the preferential rates distort trade was an open one.

19(a). Developing countries pointed out that in the selection of techniques for tariff harmonization, account will have to be taken of the special needs of the developing countries and in particular the need to preserve the preferential margin under the Generalized System of Preferences and the need to eliminate tariff escalation.

22(a). Some developing countries suggested that for their products the "normative" rate would, whenever possible, be higher than the highest preferential rate for the product in question in the Generalized System of Preferences; a more sophisticated alternative would be to set the "normative" rate at such a level as to apply uniformly the highest preferential margin.

30. Add the following sentence: Some delegations felt that some item-by-item elements would be desirable.

37. The Committee agreed to revert to the last two sentences of the paragraph.

43. After third sentence (line 11) add the following: With regard to product standards, the Committee recommended that national administrations should
examine (a) the outstanding issues with a view to finding mutually-acceptable solutions to them at the appropriate time, and (b) the implications arising from the acceptance of the instrument. Some delegations expressed the hope that it would be possible, if reciprocity were obtained, to implement these solutions prior to the conclusion of the multilateral trade negotiations. Add at end of paragraph: One delegation from a developing country referred to the proposals which he had made concerning export subsidies in the Committee on Trade and Development.

45(c). Second sentence to read: It was suggested that general principles might be drawn up if it did not prove possible to resolve all of the individual problems listed in the Inventory during the prospective negotiations. These principles might be used to guide countries' actions and to serve as a framework for further negotiations of specific non-tariff measures.

45(e). Some developing countries stressed that it would be necessary to devise special measures in the case of each of the non-tariff barriers dealt with, in order to provide additional benefits to developing countries.

58. Change 11th line to read as follows: setting of time-limits and time schedules, modalities of the safeguard measures, and multilateral surveillance of the use of the clause. Delete last sentence.

58(a). Some delegations said that a balance must be struck between the interests of importers and those of exporters. A system should be created which would give sufficient protection against imports causing market disruption while not affecting other imports, and which provided adequate stability of concessions. These delegations said that the discussions should cover all the various elements, including the definition of injury, the imports to which action should apply, the scope and duration of action, the burden of proof, the procedure in urgent cases, consultations and international surveillance. Finally, consideration should also be given to the suggestion for the use of a panel procedure.