1. TN.64/NTE/22 sets out proposals for the first meetings of a number of Groups which were set up at the 15 June meeting of the Sub-Committee on Non-Tariff Barriers.

2. At the last meeting of the Trade Negotiations Committee on 2 July, it was agreed that the Group on Customs Valuation should be re-entitled the Group on Assessment of Duties, and that this Group should deal, among other things, with the paper submitted by the United Kingdom delegation on the United States system of assessment on imported bottled spirits.

3. As they indicated at the last meeting of the Trade Negotiations Committee, the delegations of the United States and the European Economic Community have submitted papers on certain non-tariff barriers which will be circulated as quickly as possible.

4. The papers which have been submitted by the European Economic Community (relating to duty assessment on spirits, government procurement and customs valuation) fall, I think, appropriately into the fields covered by the Groups already set up. This is, however, not true of the two papers (on non-tariff barriers affecting the import of United States coal, and automobile road taxes) submitted by the United States delegation. I accordingly propose to set up two further Groups to which these papers could be submitted, one on Quantitative Restrictions and related problems and one on Internal Taxation.

5. Based on the information in the United States papers, I propose the following membership for the first Group:

Canada
European Economic Community
Japan
Spain
United Kingdom
United States

and the following for the second:

Austria
European Economic Community
United States
6. Other delegations wishing to be represented on these Groups should inform me accordingly.

7. In setting up further Groups, with very broad terms of reference, I should like to reiterate that it should not follow that any problem raised by an individual delegation falling within the terms of reference of a particular Group should necessarily be referred to and dealt with in that Group. Where, for example, particular restrictions are of interest only to two countries it would normally be preferable for the initial negotiation, at any rate, to take place on a bilateral basis rather than in a Group. One of the first points which the various Groups will no doubt consider in examining the various papers submitted to them is the question of the procedure for discussing the points raised in these papers, and in particular whether they are appropriate for group discussion in the first instance.

8. It seems to be desirable that all the Groups we have now established should have their first meeting before the summer recess, and I accordingly propose to convene their first meetings on the following dates:

<table>
<thead>
<tr>
<th>Group</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group on Assessment of Duties</td>
<td>15 July</td>
</tr>
<tr>
<td>Group on Administrative and Technical Regulations</td>
<td>16 July</td>
</tr>
<tr>
<td>Group on Government Procurement Policies¹</td>
<td>17 July</td>
</tr>
<tr>
<td>Group on State Trading</td>
<td>20 July</td>
</tr>
<tr>
<td>Group on Quantitative Restrictions</td>
<td>21 July</td>
</tr>
<tr>
<td>Group on Internal Taxes</td>
<td>22 July</td>
</tr>
</tbody>
</table>

9. In each case the meetings would be held in the ILO and start at 10.30 in the morning.

¹Proposals will be circulated as to the membership of the Group when the paper by the United States delegation is received.