NEGOTIATING GROUP ON NATURAL RESOURCE-BASED PRODUCTS

Meeting of 21 March 1990

Note by the Secretariat

1. The Group, chaired by Mr. L. Duthie (Australia), met on 21 March 1990.

2. The Group adopted the agenda set out in the convening telex No. 128 and agreed to take item B first.

Agenda Item B(i)

Determination of further action of NG3 to meet its negotiating objective as reflected in paragraph 4 of NG3/12.

3. The Chairman proposed for adoption draft procedures for the negotiations in NG3 contained in the document NG3/W/34 which was the result of intensive consultations by members of the Group.

4. The representative of the EEC informed the Group that concerning the question of product coverage and in view of the interest shown by several participants in energy resources, the Community was prepared to examine the possibility of negotiating problems concerning trade in all forms of energy products. This would be on the understanding that these negotiations should take place in NG3 only. The Community was confident that the announcement of its decision would encourage all participants to react constructively to other questions raised in the Group in order that the tasks bestowed upon it in Punta del Este and in Montreal could be achieved. On that basis, the Community agreed to the proposal of procedures for the future negotiations in NG3.

5. The representative of Peru speaking also on behalf of Chile recalled the objective of negotiations of natural resource-based products as decided by the Ministers in Punta del Este. In their view, the procedures for negotiations presented for adoption should be circumscribed to the mandate and the competence of GATT. The offers and requests submitted by Peru and Chile in the Negotiating Groups on Tariffs and Non-Tariff Measures by 15 March included natural resource-based products. Both delegations felt that the objective of the negotiation in natural resource-based products could be achieved through the negotiations in those Groups if all participants made an effort in this direction.
6. The representative of Mexico, sharing preoccupations expressed by Chile and Peru expressed the wish, before the adoption of procedures, to clarify the position of his country toward negotiations in NG3. In Mexico's view, the fact that the participants could present proposals on any product or measure which they consider relevant for the negotiation did not mean that the Group as such had accepted that those products or measures were within the competence of the Negotiating Group. On the basis of the negotiating plans the only areas for which consensus existed were fisheries, forestry and non-ferrous metals and minerals. With respect to measures, the Ministerial Declaration of Punta del Este included only tariff and non-tariff measures and tariff escalation. In the light of the Decision by Ministers at the Mid-Term Review, namely paragraph 1(d), the inclusion of any other specific area or measure into the negotiation required prior agreement by the Group.

7. After the adoption of the procedures for negotiations, the representatives of Australia and the United States welcomed the EEC decision to extend product coverage. They noted, however, that this not precluded that the work of other groups would also be relevant to negotiations on these issues.

Agenda Item B(ii)

Establishment of a calendar for NG3 work in 1990 as reflected in paragraph 4 of NG3/12.

8. The procedures adopted established a calendar for the work of NG3 in the first semester 1990.

Agenda Item A

Examination of submissions by delegations, including submissions of relevant trade and barrier data in Natural Resource-Based Products, according to the Decision of Ministers at the Mid-Term Meeting (MTN.TNC/11) and to paragraphs 1 and 2 of the arrangements for continuation of negotiations adopted by the Group on 29 September 1989 (NG3/12).

9. Since the last meeting of the Group, the secretariat received and circulated a submission from Chile (NG3/W/32). Introducing the submission, the representative of Chile pointed out that his country gave great importance to the work of the Negotiating Group on Natural Resource-Based Products. These products represented an important share in his country's export revenues. The list of products included products of fisheries, forestry and non-ferrous metals and minerals which were of export interest to Chile and which were subject to tariff and non-tariff measures in several markets.

10. The Chairman informed the Group that the secretariat circulated a checklist of documents issued in NG3 (NG3/W/33).

Agenda Item C

Other Business

11. The next meeting of the Group will be held on Monday 7 May 1990.