1. The agenda set out in GATT/AIR/2441, dated 18 June 1987, was adopted.

2. The Chairman referred the Group to document MTN.GNG/NG4/2 containing the main points raised during the second meeting held in April and to document MTN.GNG/NG4/W/3 setting out the approaches which had emerged from informal consultations held with a number of delegations subsequent to the second meeting of the Group, with respect to the preparatory work to be undertaken by the Secretariat. The Chairman, recalling the proposal made at the previous meeting, that a brief narrative summary be prepared by the Secretariat on the restrictions maintained under MFA IV, noted that such a summary was before the Group in MTN.GNG/NG4/W/4.

3. A number of delegations found the summary of restrictions (MTN.GNG/NG4/W/4) useful in that it provided a sampling of developments under MFA IV. It was, however, felt that it would be helpful if the Secretariat could prepare an addendum to this summary to include all notifications by participating countries reviewed by the Textiles Surveillance Body up to the end of July, to be made available to the Group for its first meeting after the summer break. It was also noted that a more complete picture of developments under MFA IV would be made available towards the end of the year through the annual report of the TSB to be submitted to the Textiles Committee.

4. As a contribution to the preparatory work, a study commissioned by a number of developing countries was circulated in the meeting. (To be issued as document MTN.GNG/NG4/W/5.) This study, entitled "The Evolution of the State of the Textiles and Clothing Industries in United States and European Economic Communities, 1973-1986", contained analysis and information on how the textiles and clothing industries in these two markets have developed during the life of the MFA. It was indicated that an examination along these lines with respect to Japan was also in process for submission possibly at the next meeting of the Group. In this connexion, it was pointed out that the study, being limited only to certain countries, lacked the necessary balance, and the hope was expressed that in any future studies coverage would be expanded to include countries other than those currently being examined, including some developing countries.
5. There was broad agreement with the approaches proposed by the Secretariat in document MTN.GNG/NG4/W/3 with respect to the preparatory work to be carried out by it, and it was stressed that the documentation required should be made available to the Group for its meeting towards the end of this year.

6. Some delegations commented upon the very specific mandate of this Group and reiterated the view expressed earlier that negotiations in the areas of tariffs, tariff escalation and non-tariff measures affecting textiles and clothing trade should be dealt with in their appropriate negotiating groups. The point was made, however, that work in these groups as well as in others, particularly Safeguards, would be relevant to this Group.

7. One delegation advised the Group, for purposes of information, that it had proposed in the Negotiating Group on Tariffs a general formula for tariff reduction and requested that the text of this proposal be made available to this Group; this was agreed. (To be circulated as document MTN.GNG/NG4/W/6.)

8. As regards observer organizations, the Chairman, recalling the request before the Group that the International Textiles and Clothing Bureau be accorded observer status, said that consultations on the general guidelines for the participation of observers were continuing at the present time. Accordingly, the matter was held in abeyance.

9. With respect to future meetings, the Chairman noted that it had been agreed by the GNG on 26 June 1987 that each Negotiating Group should be asked to indicate its needs in terms of meeting time, formal and informal, between the present meeting and the end of the year, in order to complete the initial phase of the Negotiating Plan. The Group agreed that it would need a total of about two and one-half days for both formal and informal meetings comprising a meeting of a half or one full day in October and the remainder for another meeting to be held late in the year, sometime in December.