1. The Trade Negotiations Committee held its sixteenth meeting at official level, under the chairmanship of Mr. Arthur Dunkel.

2. The Chairman recalled that the meeting had been convened to consider the way in which further negotiations in the Uruguay Round would be organized (MTN.TNC/19, page 2). He further recalled that on the basis of the understandings reached at the fifteenth meeting of the Trade Negotiations Committee in February this year (MTN.TNC/19), he had been presiding over consultations, in his capacity as Chairman of the TNC at official level, in all areas of the negotiating agenda in which differences remained outstanding since the Brussels Ministerial meeting. Given the large number of subjects and the limited number of working days available, further continuation of this working procedure would inevitably have involved an interval of a minimum of three to four weeks between meetings on each subject. In other words, both the pace of negotiation and the level of participation would be visibly, and alarmingly, out of tune with the political commitment that all participants had shown towards bringing the Uruguay Round to a successful conclusion as soon as possible. He said that the need for a formal structure for organizing the negotiations in the final phase and for persons to moderate the task of pushing the work forward in areas where differences remained outstanding were the major reasons behind the consultations recently held on the negotiating structure.

I. Group of Negotiations on Goods: Report

3. The Chairman reported that Ambassador Ricupero had informed the Group of Negotiations on Goods that his consultations indicated that six groups open to all participants should be established to conduct further negotiations in the following areas and report to the GNG:

- Market Access (tariffs, non-tariff measures, natural resource-based products, tropical products), with Mr. Germain Denis as chairman to moderate negotiations in this area;

- Textiles and Clothing, with Mr. Arthur Dunkel as chairman to moderate negotiations in this area;
Agriculture, with Mr. Arthur Dunkel as chairman to moderate negotiations in this area;

Rule-making (subsidies and countervailing duties, anti-dumping, safeguards, preshipment inspection, rules of origin, technical barriers to trade, import licensing procedures, customs valuation, government procurement and a number of specific GATT Articles) and TRIMS, with Ambassador George Maciel as chairman to moderate negotiations in this area. Ambassador Maciel will be assisted by Mr. Rudi Ramsauer;

TRIPS, with Ambassador Lars Anell as chairman to moderate negotiations in this area;

Institutions (Final Act, Dispute Settlement and FOGS), with Ambassador Julio Lacarte-Mur6 as chairman to moderate negotiations in this area.

These persons might in due course need to be assisted in their tasks by persons whom they would choose in full consultation with participants.

4. The Chairman added that the GNG had noted that the secretariat would be preparing a schedule of meetings, open to all participants, and an agenda for the first meetings, as soon as possible, in consultation with the newly appointed chairmen and with delegations, and that the existing arrangements for the attendance of international organizations at meetings dealing with different negotiating areas, as set out in MTN.TNC/3, Annex on pages 5 and 6 would continue to apply.

5. The Committee took note of the report.

II. Group of Negotiations on Services: Report

6. The Chairman of the Group of Negotiations on Services informed the Committee that his consultations on the organization of further negotiations on services indicated that he would be assisted in his task as chairman of the GNS by Ambassador David Hawes. He further stated that the secretariat would be preparing a schedule of meetings, open to all participants, as soon as possible, in consultation with the participants.

7. The Committee took note of the report.

III. General

8. Summing up, the Chairman stressed that the structure that had just been put forward, and accepted by the Committee, was flexible and result-oriented. It was designed to encourage substantive negotiations and to
help achieve the political breakthroughs with the minimum delay. The persons entrusted with the task of conducting the negotiations must, therefore, have the fullest freedom and the participants' complete trust in organizing their work. It was also obvious that they would be improvising as they went along, in full consultation with participants. It was clear that, to prevent a situation of drift in the negotiations, it would be necessary to make substantial progress in the negotiations in the three months before the summer break. The new structure was, in a sense, a signal that the negotiations had shifted gear. He called on the participants to extend their fullest cooperation.

9. The representative of Tanzania requested the Chairman to have due regard to the limitations of capacity of the smaller delegations when drawing up the schedule of meetings, as these delegations were anxious to participate as fully as possible in the negotiations.

10. The Committee took note of the statements made.