1. Intensive negotiations in recent weeks have significantly improved the prospects of achieving a substantial and broad-based Uruguay Round package of trade liberalization results, dealing with both tariff and non-tariff measures. Real improvements in access to export markets through the achievement of the mutual trade liberalization objectives envisaged in the Punta del Este Declaration and the Mid-Term Review remain critical for a satisfactory Uruguay Round outcome overall. This will reinforce important autonomous liberalization and structural adjustment measures being adopted domestically by many participants, including developing countries.

2. Further efforts are required to arrive at a balanced package of trade liberalization of both tariffs and non-tariff measures at the highest possible level among all participants. This will need to take into account the principles governing the conduct of the Uruguay Round negotiations overall, in particular the differential and more favourable treatment to be afforded to developing countries, especially to least-developed countries, as in Part I.B, paragraphs (iv) to (vii) of the Punta del Este Declaration. In this context, when the market access negotiations resume in early January, there would be a need to decide on the earliest implementation of concessions or, where necessary, minimum staging in relation to products of export interest to developing countries.

3. It is clear that good results are emerging between many participants towards meeting the Uruguay Round objectives, specifically:

- Some major participants have indicated their expectation, on the basis of mutual advantages, of being able to significantly exceed an overall reduction of tariffs by one-third. The substantial reductions would cover high tariffs, tariff peaks and tariff escalation situations.

- For a number of major product areas, including some resource-based sectors, the bargaining is now focused on meeting each others conditions so as to achieve tariff reductions going beyond one-third. This includes tariff elimination or harmonization at low rates.
Many developing countries are negotiating important liberalization commitments, including in the form of a substantial increase in the scope of tariff bindings at meaningful rates and the reduction and elimination of non-tariff measures.

Negotiations towards the total elimination of tariffs on unprocessed tropical products and elimination and substantial reduction of tariffs and tariff escalation on semi-processed and processed tropical products and on non-tariff measures are actively being pursued. In respect of tropical agricultural products, this negotiation seems to be facilitated by the approach to the market access issues in the Agriculture Negotiating Group, as regards both tariffs and tariffication. In addition, participants are confirming their willingness to implement, on a definitive basis, preliminary barrier reductions obtained at the Mid-Term Review in this area.

Positive results in sight in the areas of agriculture, textiles and trade rules are contributing to achieving satisfactory solutions to non-tariff measures. At the end of these market access negotiations all non-tariff measures should be fully subject to the new GATT rules and disciplines.

The elimination of product-specific non-tariff measures continues to be an important part of the bargaining process between particular participants.

4. In order to assist the market access negotiations between developed and developing countries, a set of "Chairman's guidelines (a) on credit for tariff bindings and the liberalization of non-tariff measures and (b) on recognition for autonomous liberalization measures" is available for use as appropriate.

5. The text of a Protocol, related to the schedules of market access concessions of individual participants in respect of individual products, and incorporating the agreements between participants relating to the implementation of the market access liberalization results, has been completed. This text, however, may need to be reviewed in the light of the agreements reached in the areas of agriculture and textiles.

6. In accordance with Section I G of the Punta del Este Declaration regarding the conduct of an evaluation of the results of the negotiations by the GNG, aimed at the effective application of differential and more favourable treatment for developing countries, modalities for carrying out this evaluation in the market access area will be necessary.

7. In order to finalize the market access negotiations, the following next steps are envisaged:
- the submission to the secretariat, for circulation among participants having submitted offers, of revised consolidated tariff and non-tariff offers by 1 March 1992;

- the final balancing of concessions, their evaluation and the circulation of final draft schedules, subject to verification, by 15 March 1992;

- the submission of final schedules for annexation to the Protocol by 31 March 1992.