

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## GROUP OF SENIOR OFFICIALS

### Draft Report to the CONTRACTING PARTIES

#### D. CONCLUDING OBSERVATIONS

245. The Group agreed that the detailed exchange of views among members, and the elaboration and clarification of individual positions, had been a useful and necessary part of the preparatory process which had been initiated on the new round of negotiations.

246. The Group noted that there had been important contributions from all members in the discussions pertaining to the objectives, subject matter, and modalities concerning the new round. This had greatly facilitated the task of the Group in carrying out the mandate given to it at the special Session of the CONTRACTING PARTIES.

247. Several delegations noted that no participant had opposed the principle of launching a new round of negotiations. There was a very broad measure of agreement in the Group that the general objectives of the proposed round should be to strengthen the multilateral trading system and the GATT itself, and to promote a further liberalization and expansion of world trade.

248. Some delegations felt that these goals were best served through a significant enlargement of access for developing-country exports to developed-country markets which, in turn, would enable the former to expand their capacity to absorb higher levels of imports from the latter and thus lead to a mutually beneficial expansion of world trade. Some other delegations argued that, while this was important, account would have to be taken of the commercial and trade interests of all contracting parties if the proposed multilateral negotiations were to be successful, and that stress needed also to be laid on adapting the trading system to meet changing circumstances.

249. It was noted that delegations had made proposals and indicated priorities in respect of specific subjects to be included in the new round. The inclusion in the proposed negotiations of very many of the subjects proposed in the light of the GATT Work Programme and priorities for the 1980s, as contained in the Ministerial Declaration of 1982, was not questioned. However, with respect to a number of subjects, reservations had been expressed. In particular, several participants expressed serious reservation to the inclusion of certain subjects which, in their view, were outside the competence of the General Agreement and whose discussion, they felt, would divert attention from problems outstanding in GATT's traditional areas which demanded priority attention. A number of other participants did not accept this view and felt, moreover, that the critical problems in these areas needed to be addressed urgently, with a view to reaching appropriate understandings under GATT auspices.

250. Ideas and suggestions were put forward by members in regard to modalities for the proposed negotiations.

251. It was noted that while a few specific suggestions had been forthcoming on the questions of the timing and duration of the proposed new round of negotiations, and of the participation of non-contracting parties, a large number of participants had reserved their positions on these points.

252. A number of participants stated that to enable the CONTRACTING PARTIES to decide on the establishment of a Preparatory Committee, some further clarification would be necessary, and positive and constructive responses would be necessary from their major trading partners to their specific proposals in areas of priority concerning standstill and rollback, tropical products, quantitative restrictions and other non-tariff measures, safeguards, and special and differential treatment for developing countries. They considered that immediate action in these areas was a confidence-building measure essential to broadening support for the proposed new round of negotiations. A number of other participants agreed that it

was important to address these areas in the context of the negotiations but felt that the logical next step was to continue discussion on these and other issues in the more formal framework of a Preparatory Committee. It was suggested that the solutions to many of the problems posed by developing countries were to be found only in the larger context of the proposed new round of negotiations and that the Group could not prejudge the work of a Preparatory Committee or the results of the negotiations.

253. Many participants urged that at the November Session of the CONTRACTING PARTIES a decision should be taken to establish a Preparatory Committee to prepare the basis for the launching of a new round of multilateral trade negotiations.