

URUGUAY ROUND

OF MULTILATERAL TRADE NEGOTIATIONS

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PROGRESS MARKED ON MARKET ACCESS AND SERVICES NEGOTIATIONS SUTHERLAND OUTLINES WORK SCHEDULE UP TO MID-OCTOBER

The Uruguay Round Trade Negotiations Committee this morning agreed a comprehensive schedule of work, proposed by its chairman Peter Sutherland, aimed at achieving substantial and concrete progress by mid-October. While reporting useful work on market access for goods and services in the past two weeks, Mr. Sutherland emphasised the need for urgency, encouraged participants to provide more information on actual or potential concessions and called attention to the large amount of outstanding work related to other parts of the final Uruguay Round package.

On recent market access negotiations, Mr. Sutherland painted a positive picture: "In both Market Access and Services, the work done has been useful. A large number of meetings and negotiating sessions have been held, and more are planned. What is of even greater significance is the fact that a very large number of delegations have participated in these sessions - bilaterally, plurilaterally and multilaterally. I am informed, for example, that the bilaterals conducted by the United States, the European Communities, Japan and Canada have so far involved about thirty delegations. The atmosphere has remained generally positive and constructive, with governments ready to engage in negotiations quickly and substantively."

However, Mr. Sutherland referred to some areas which required further attention. Above all, he pointed to a need for greater urgency in the negotiations. "I have said often enough that leaving problems for the eleventh hour is a recipe for failure. If we are to succeed in December, the eleventh hour is now."

"Despite the optimism created by the re-engagement of work in Geneva it appears that some delegations have yet to provide more complete information on concessions that would be possible in the areas of market access and services. At the general level, there has been a delay in the exchange of detailed sectorial information - something which is essential to get negotiations moving."

In this context, Mr. Sutherland drew attention to the perception of many delegations of linkages between market access negotiations - especially those on textiles and agriculture - and related issues in the Draft Final Act. He called upon participants, nevertheless, to put forward market access proposals,

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if necessary by making them conditional upon a satisfactory package of contributions from all others and resolution of the normative issues, "otherwise these linkages will directly affect our ability to make the breakthroughs needed to move the process forward". This was an area which should be looked at closely in capitals during the month of August.

He also noted "the vast amount of technical work and substantive negotiations which confront us in other areas of the Draft Final Act. Substantial and widely-spread changes in the text are unlikely to be conducive to the success of the Round. Consensus on such an altered package would surely be more, not less, difficult to get. Given the fact that even the purely technical work ahead of us needs time and meticulous attention, all participants will simply have to exercise maximum self-restraint and discipline in this area".

Based on his own assessment and on reports from the Chairmen of the Market Access and Services negotiating groups, Mr. Sutherland outlined short-term schedules of work in three areas.

First, he proposed that, in the area of Market Access, the TNC should stress the importance of achieving substantive results in the period between now and mid-October. "I believe that for such progress to be achieved it is necessary for all elements to move together - the revised and improved agricultural and non-agricultural offers; sectorial proposals such as steel; and market access-related Draft Final Act issues, especially agriculture and textiles".

Second, in the services area, the TNC should stress the importance of intensive negotiations - on initial commitments during September on a bilateral and a plurilateral basis and of achieving agreement on all remaining textual issues in the General Agreement on Trade in Services and its annexes.

Third, Mr. Sutherland proposed to start immediate consultations on the organization of work, "on certain other complex areas of the Draft Final Act - for example, on the institutional issues."

Mr. Sutherland also stressed the importance of "using the month of August to receive instructions from capitals, to maintain the pace of bilateral exchanges of offers and to bring renewed expertise and flexibility to the negotiations in early September".

He announced that the Trade Negotiations Committee would meet next on 31 August, at which time he would propose a concrete work programme based on his consultations with participants. He would also be consulting widely on how the objective of differential and more favourable treatment for developing countries might best be achieved in the Uruguay Round, as agreed at Punta del Este.

A further meeting of the TNC would take place at the end of September to review the state of play in the negotiations.

The Trade Negotiations Committee endorsed the proposals put forward by its Chairman.

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In more detail the critical paths outlined by Mr. Sutherland for the market access and services areas based on his consultations with the Chairman of the Negotiating Groups concerned were as follows:

Market Access

"In August, the focus should be in capitals to adjust negotiating mandates as necessary in the light of recent developments and to obtain sufficient flexibility for effective bargaining in the September-November period;

"Participants should re-engage with capital-based teams in a further series of bilateral negotiations on agricultural market access in Geneva beginning 30 August through the week of 13 September;

"In the week of 13 September, further plurilateral consultations will be held on all elements of the market access package in both agricultural and non-agricultural products, to explore the potential offered by the "conditionality" approach, followed by a meeting of the Negotiating Group on 17 September;

"In parallel, from mid-September to mid-October, full scale bilateral negotiations with capital-based teams should continue in both agricultural and non-agricultural products, focusing on improvements to existing offers and reactions to recent sectoral proposals;

"On October 15, a substantive stock-taking meeting of the Negotiating Group will be held, followed immediately by intensive Chairman's consultations to complete the detailed market access package. This should lead to the submission of agreed changes and revisions to the Draft Schedules of Concessions by 15 November, to the review and assessment envisaged in the Punta del Este Declaration at the beginning of December, and the final market access result by 15 December.

Services

"In the area of services, I would request the submission of outstanding initial offers and revised offers by September 1. The agreement to finalize all outstanding textual issues in the framework of the Annexes in the week of 13-17 September is fundamental. Two bilateral negotiating processes have been provided for, each of two weeks, the first beginning on 20 September and the second, which is intended to be the final round of bilateral negotiations, on 18 October."

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