

Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Driggs, Michael A.: Files, 1981-1989
Folder Title: TPSC (Trade Policy Staff Committee)
1987 Chron Files, 09/14/1987-09/24/1987
Box: OA 16236

To see more digitized collections visit:
<https://www.reaganlibrary.gov/archives/digitized-textual-material>

To see all Ronald Reagan Presidential Library Inventories, visit:
<https://www.reaganlibrary.gov/archives/white-house-inventories>

Contact a reference archivist at: **reagan.library@nara.gov**

Citation Guidelines: <https://reaganlibrary.gov/archives/research-support/citation-guide>

National Archives Catalogue: <https://catalog.archives.gov/>

WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name DRIGGS, MICHAEL A.: FILES

Withdrawer

DLB 11/30/2022

File Folder TPSC (TRADE POLICY STAFF COMMITTEE) 1987
CHRON FILES, 09/14/1987-09/24/1987

FOIA

S17-8440/01

Box Number 16236

SYSTEMATIC

16

DOC NO	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
1	PAPER	URUGUAY ROUND NEGOTIATING GROUP ON INTELLECTUAL PROPERTY, P.1 PARTIAL	1	9/15/1987	B5
2	PAPER	URUGUAY ROUND NEGOTIATING GROUP ON INTELLECTUAL PROPERTY, P. 3-4, PARTIAL	2	9/15/1987	B5
3	PAPER	URUGUAY ROUND NEGOTIATING GROUP ON INTELLECTUAL PROPERTY, P.5-7, PARTIAL	3	9/15/1987	B5
4	PAPER	PILOT BARTER PROGRAM, PAGE 1, PARTIAL	1	9/15/1987	B5
5	PAPER	PILOT BARTER PROGRAM, P. 2-3	2	9/15/1987	B5
6	PAPER	URUGUAY ROUND NEGOTIATING GROUP ON DISPUTE SETTLEMENT, P. 1, PARTIAL	1	9/18/1987	B5
7	PAPER	URUGUAY ROUND NEGOTIATING GROUP ON DISPUTE SETTLEMENT, P. 3-4	2	9/18/1987	B5

open KB
12/8/00

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name DRIGGS, MICHAEL: FILES

Withdrawer

DLB 11/30/2022

File Folder TPSC (TRADE POLICY STAFF COMMITTEE) 1987 CHRON
FILES, 09/14/1987-09/24/1987

FOIA

S17-8440

Box Number 16236

SYSTEMATIC

154

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
248808	PAPER	THAI INTELLECTUAL PROPERTY: GSP PETITIONS	4	9/14/1987	B1
		R 3/3/2020 STATE GUIDELINES/DEPT. OF STATE WAIVER			

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

TPS²

OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506

UNCLASSIFIED with
~~CONFIDENTIAL~~ Attachment

September 14, 1987

TO : Members of the Trade Policy Staff Committee
FROM : Hiram Lawrence, ^{H.L.} Acting Chairman
SUBJECT: Thai Intellectual Property: GSP Petitions

Attached is TPSC Draft Document 87-145, Thai Intellectual Property: GSP Petitions.

Please phone your clearance to Carolyn Frank (395-7210) by close-of-business, Thursday, September 17. Substantive questions or comments should be phoned to Gordana Slijepcevic (395-6813).

Attachment

UNCLASSIFIED with
~~CONFIDENTIAL~~ Attachment

11-17

~~CONFIDENTIAL~~

248808

TRADE POLICY STAFF COMMITTEE

DRAFT Document 87-145

SUBJECT:

Thai Intellectual Property: GSP Petitions

SUBMITTED BY:

Office of the United States
Trade Representative

DATE: September 14, 1987

BY dl

3/3/2020

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

THAI INTELLECTUAL PROPERTY: GSP PETITIONS

I. ISSUE

The USG needs to inform RTG what would be required to have a positive determination on intellectual property in the current GSP Annual Review. We need to present this information to the Thai government now in order to provide it with sufficient time to take the necessary actions before the GSP decision is made in early March 1988.

II. RECOMMENDATIONS

That the TPSC approve the statement of U.S. objectives.

III. USG OBJECTIVES

If Thailand meets the following objectives by March 1, 1988, then the TPSC will recommend that no changes be made in Thailand's GSP status for intellectual property reasons (note: there also is a GSP petition on Thailand's worker rights situation). If Thai actions fall short of these objectives, the TPSC will determine in February/early March what progress has been made and will make a recommendation on Thailand's GSP status at that time.

TPSC objectives for resolution of GSP intellectual property petitions are:

(A) Copyright:

Implementation by March 1, 1988 of copyright protection for U.S. works, including computer software, on the same basis as Thai works in the Thai law and Royal Decree. This assumes that the Juridical Council's interpretation that computer software is a protected work under existing Thai law is accurate. Should the Thai courts rule otherwise, the USG immediately will request the RTG to seek remedial copyright legislation (not sui generis) without waiting for the appeals process to run its course.

(B) Patents:

Our goal is adequate and effective patent protection in Thailand, including product patent protection for pharmaceuticals. The interagency group recognizes, however, that it is unlikely that this objective can be achieved in the time frame of the GSP Annual Review. To ensure a positive determination, we need agreement by March 1, 1988 on a satisfactory timetable to provide product patent protection for pharmaceuticals.

The TPSC also recognizes that fully adequate and effective copyright and patent protection in Thailand would require addressing other concerns as well. For copyrights these include improvements

DECLASSIFIED
Authority State Waiver
BY dh NAVA DATE 3/3/2020

~~CONFIDENTIAL~~

Classified by: Peter Allgeier
Declassify on: O. A. D. R

~~CONFIDENTIAL~~

in the public performance provisions of the law, increased penalties, and improved enforcement of the law. The Thai patent law also has numerous deficiencies, including: broad compulsory licensing provisions, discriminatory provisions pertaining to importing patented products, cancellation of patents on terms inconsistent with the Paris Convention, limitation on the right of the patent owner to negotiate conditions on a license, lack of damage provisions for the patent owner, no injunctive relief against continuing infringement, and other exceptions from coverage of the law (e.g. agricultural machinery, foods and beverages, and animals or plant varieties or biological processes for their production), among others. USG will seek resolution of these issues with RTG as well, but detailed commitments on each of these problems will not be a prerequisite for a positive determination on the GSP petitions as outlined in (A) and (B) above. The USG will have to be confident, however, about RTG's willingness to work with us toward a timely resolution of such issues.

IV. PRIVATE SECTOR ADVICE

The International Intellectual Property Alliance (IIPA) has indicated an understanding of Thai political sensitivities to the copyright law amendments and the possibility that insistence on resolution of all problems raised in its petition, rather than just confirmation of copyright protection for U.S. works, by March 1, would be likely to cause a delay in the resolution of all copyright issues beyond that date. IIPA stressed, however, that resolution of the other problem areas (listed in sections III and V) are also important, and should continue to be pursued by USG.

The Pharmaceutical Manufacturers Association (PMA) recognizes that full protection for pharmaceutical products cannot be achieved by March 1, 1988 and has advised us to seek specific commitments by that date, including agreement on a deadline for effective implementation. They will advise us subsequently what, in their view, would constitute an acceptable timeframe.

V. BACKGROUND

Two petitions were filed under the 1987 Annual GSP Review, subject to section 502 (c)(5) of the Trade Act of 1974, as amended, requesting removal of Thailand from the GSP beneficiary list based on its intellectual property practices. One petition, filed by the IIPA, was based on lack of direct copyright protection for U.S. works, failure of the Thai copyright law to expressly protect computer programs, overly broad exemptions for certain performances of works, and inadequate penalties and enforcement of the law. Another petition was filed by the PMA based on lack of protection in the Thai patent law for pharmaceutical products. On July 15 USTR made public (and formally announced in the August 4 Federal Register) the acceptance of requests by these two petitioners to review "Thailand's status as a GSP beneficiary in relation to its practices regarding the protection of intellectual

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

property rights, with particular reference to copyright and patent protection."

Upon investigating the case, the President has the discretion to continue, withdraw, suspend, or limit the application of GSP treatment. The investigation includes a schedule for public comments and hearings between September 14 and November 23, 1987. The TPSC must make recommendations to the President on the outcome of its investigation in early March 1988, and the President will announce his decision on or around April 1, 1988.

The U.S. government held consultations with the Thai government on protection of copyrights and patents during the GSP General Review. In September 1986 the Thai Cabinet announced that it would propose legislation to the Parliament to confirm protection for U.S. copyrights based on national treatment provisions of the 1966 U.S.-Thai Treaty of Amity and Economic Relations. Based on this commitment, the President granted Thailand four competitive need waivers under the GSP General Review. The Thai commitment has not yet been fulfilled. The GSP waivers became effective July 1, 1987.

~~CONFIDENTIAL~~

Classified by: *Peter Allgeier*
Declassify on: *O. A. D. R.*

OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506

TPSC

UNCLASSIFIED with
~~LIMITED OFFICIAL USE~~ Attachment

September 15, 1987

TO : Members of the Trade Policy Staff Committee
FROM : Hiram Lawrence, Acting Chairman
SUBJECT: Uruguay Round Negotiating Group on
Intellectual Property

Attached is TPSC Draft Document 87-146 containing instructions for the September 23-25 meeting of the Uruguay Round Negotiating Group on Intellectual Property. The paper has been reviewed and approved by the TPSC Subcommittee on Intellectual Property.

Please phone your clearance to Carolyn Frank (395-7210) by noon, Friday, September 18. Substantive questions or comments should be phoned to Catherine Field (395-3432).

Attachment

UNCLASSIFIED with
~~LIMITED OFFICIAL USE~~ Attachment

10/22

~~LIMITED OFFICIAL USE~~

TRADE POLICY STAFF COMMITTEE

DRAFT Document 87-146

SUBJECT:

Uruguay Round Negotiating Group on
Intellectual Property

SUBMITTED BY:

TPSC Subcommittee on Intellectual Property

DATE: September 15, 1987

~~LIMITED OFFICIAL USE~~

msn
4/7/98

~~LIMITED OFFICIAL USE~~

CS 4/4/00

URUGUAY ROUND: INSTRUCTIONS FOR THE NEGOTIATING GROUP ON INTELLECTUAL
PROPERTY RIGHTS

Issue: The GATT Negotiating Group on Trade-Related Aspects of Intellectual Property Rights, Including Trade In Counterfeit Goods will hold its third meeting on September 23-25. The U.S. Delegation needs instructions for the meeting.

Recommendation: The TPSC should approve the attached paper.

~~LIMITED OFFICIAL USE~~

**Instructions For The Negotiating Group On Trade-Related Aspects
of Intellectual Property Rights, Including Trade In Counterfeit Goods
Meeting of September 23-25, 1987**

Agenda Item 1--Trade-Related Aspects of Intellectual Property Rights

- Discussion should focus on the GATT Secretariat paper (MTN.GNG/NG11/W/12). During this discussion, the U.S. delegation should make the following points:

(1) The General Agreement discusses intellectual property rights and recognizes that protection and enforcement of such rights affect trade. Patents, trademarks, copyrights, appellation of origin and unfair competition are specifically referenced. The General Agreement recognizes the legitimacy of intellectual property protection and that recognition is not limited to trademark counterfeiting.

(2) The United States believes that existing GATT provisions do not adequately address the trade distortions arising from inadequate and ineffective protection of intellectual property rights.

(3) These deficiencies indicate that additional GATT obligations in the area of intellectual property rights protection and enforcement are necessary.

(4) An Agreement on intellectual property is in the U.S. view the best means of negotiating and assuming such obligations.

(5) In prior negotiations, clarification of GATT Articles has taken the form of Agreements such as the Agreement on Implementation of Article VII (Customs Valuation), the Agreement on Interpretation and Application of Articles VI, XVI and XXIII (Subsidies Code).

(6) Such agreements provide flexibility in terms of adherence and permit accommodation of technical aspects of the subject matter.

(7) The United States believes that such an Agreement is necessary in the area of trade-related aspects of intellectual property rights.

- Unless the United States receives strong support during informal talks with the "friends" group for tabling the U.S. proposal for the negotiations on trade-related aspects of intellectual property rights (TPSC Doc. No. 87-135)," the U.S. delegation should not table the proposal at the September meeting of the negotiating group.
- The U.S. delegation should be prepared to discuss the U.S. proposal informally and receive comments on the paper from trading partners that have received the proposal.

Agenda Item 2--Anticounterfeiting Measures

- The U.S. delegation should reiterate the commitment of the United States to eliminating trade in counterfeit goods.
- It is our intention to include concepts from the draft anticounterfeiting code in the U.S. proposal for a broad code covering all intellectual property rights.
- Such concepts would include border measures similar to those contained in the anticounterfeiting code for the enforcement of all forms of intellectual property rights.
- If the question is raised of whether the United States would be willing to sign an anticounterfeiting code at some later date, the U.S. delegation should respond generally that it is essential to address problems in other areas of intellectual property rights. Negotiations should focus on these broader topics so that the maximum result can be obtained from the Uruguay Round of negotiations.

Agenda Item 3--Relationship of GATT Negotiations To Other International Fora

- If there is discussion of the World Intellectual Property Organization's (WIPO) response to the TNC's invitation to attend the negotiating group's meetings as an international organization (IO), the U.S. delegation should state its support for the invitation as issued and reiterate the position that the same conditions should apply to all IO's invited to attend GATT negotiating group meetings.
- The U.S. delegation should note that we are urging WIPO to accept the TNC's invitation and encouraging the WIPO to send a senior staff representative empowered to be fully responsive and cooperative in the deliberations of the negotiating group.

Background

The GATT Ministerial Declaration set forth the following Negotiating Objectives for the negotiations on trade-related aspects of intellectual property rights, including trade in counterfeit goods:

In order to reduce the distortions and impediments to international trade, and taking into account the need to promote effective and adequate protection of intellectual property rights, and to ensure that measures and procedures to enforce intellectual property rights do not themselves become barriers to legitimate trade, the negotiations shall aim to clarify GATT provisions and elaborate as appropriate new rules and disciplines.

Negotiations shall aim to develop a multilateral framework of principles, rules and disciplines dealing with international trade in counterfeit goods, taking into account work already undertaken in the GATT.

These negotiations shall be without prejudice to other complementary initiatives that may be taken in the World Intellectual Property Organization and elsewhere to deal with these matters."

In January, the Contracting Parties reached agreement on the following negotiating plan for the initial phase of the work of the negotiating group on intellectual property including reiteration of the Ministerial Declaration as the Negotiating Objective of this group:

Principal stages in the negotiating process

Initial Phase

- Trade-related aspects of intellectual property rights: Identification of relevant GATT provisions and examination of their operation on the basis of suggestions by participants for achieving the Negotiating Objective and of factual information by the secretariat as required. Initial examination of the specific suggestions and of the procedures and techniques that might be used to implement them.
- Trade in counterfeit goods: Examination of the matters to be dealt with in this area on the basis of the report of the Group of Experts (L/5878), of the work already undertaken in the GATT and of papers by participants setting out their suggestions for achieving the negotiating objectives. Other factual information as required.

CC 11/6/00

- Consideration of the relationship between the negotiations in this area and initiatives in other fora. Collection of information from relevant sources.

Subsequent Stages

- If necessary, further examination of the specific suggestions and of the procedures and techniques that might be used to implement them.
- Tabling of specific texts by interested participants, as appropriate. Examination of these texts with a view to establishment of a common negotiating basis.
- Negotiations on the basis established.

Objectives for the September 23rd meeting

The overall objective for the September 23-25, 1987 meeting is to have the Negotiating Group conclude its analysis of the GATT articles and prepare the Group to receive the U.S. proposal at the October meeting. In addition, the United States wants to diffuse possible dissention over the role of WIPO in the Negotiating Group.

Private Sector Views

The private sector has been consulted extensively during the drafting of the U.S. proposal and on our trading partner's initial response to that proposal. IFAC 3 will be meeting on September 17, 1987, to discuss the most recent bilateral talks on this subject. The private sector supports a strategy of delaying tabling of the U.S. proposal until October to give the United States an opportunity to build a consensus among the "friends" on the concepts paper.

During the course of consultations on the concepts paper, the private sector and IFAC 3 have considered the relationship of the draft anticounterfeiting code and the U.S. proposal. The private sector supports negotiating provisions to combat trademark counterfeiting in the context of a broader intellectual property code.

Members of the private sector, including the Intellectual Property Committee, have expressed concern regarding WIPO's response to the TNC's invitation attend and provide technical support for the negotiating group on intellectual property. The private sector believes that WIPO should be encouraged to accept the invitation and that the U.S. delegation to the Governing Bodies meeting should attempt to delay action if it appears that a vote would result in rejection of the invitation.

Discussion

The GATT Secretariat has made a compilation of submissions and comments on trade problems arising from intellectual property protection (MTN.GNG/NG11/W/12) including discussions of the "relevance of GATT articles." The Secretariat paper notes the divergent views of the participants on the scope of the negotiating Group's mandate in paragraph 4 of the document. The scope of the mandate will be a general topic of discussion with some participants urging that the Group clarify its mandate by examining the question in conjunction with an examination of the operation of relevant GATT provisions and having particular regard for the trade aspects of the intellectual property practices in question.

Examination of the Secretariat paper shows that resolution of the key question of whether the Group's mandate includes agreement on standards and norms turns on conclusions drawn from the fact that existing GATT Articles do not impose an obligation to protect intellectual property rights. The United States' position is that an Agreement including such an obligation is necessary to achieve GATT's overall objective of preserving the viability of concessions negotiated in the GATT and reducing impediments to trade.

The U.S. delegation should reiterate our position on the need for a broad-based intellectual property agreement. The Ministerial mandate clearly recognizes that new rules and disciplines may be necessary and authorizes negotiations on rules and disciplines.

The event that will move the negotiations beyond discussing GATT articles is the tabling of a proposal. The United States is discussing its initial proposal in informal bilateral and plurilateral meetings with countries that have indicated support for the intellectual property negotiations. Initial responses and the short time available for development of a consensus among "friends" indicates that the October meeting of the negotiating group would be the best time to table the U.S. proposal. This will permit substantive discussions within the Group at the November meeting.

The Administration will be making a coordinated response to Dr. Arpad Bosch's, Director-General of the World Intellectual Property Organization (WIPO) memorandum requesting instructions from the member States regarding "what role WIPO should accept and subject to what conditions, if any, in connection with the Uruguay Round of GATT." In paragraph 14 of that memorandum Dr. Bosch expressed concern that WIPO might be required to give technical support on everything connected with intellectual property and not only trade-related aspects of intellectual property. Dr. Bosch did not give a definition of what he viewed to be trade-related aspects of intellectual property, but requested the member States of WIPO to prevent the GATT negotiations from "straying" into

non-trade related aspects of intellectual property. One implication from Dr. Bosch's statement is that establishing new norms in the area of intellectual property is not "trade-related."

The U.S. position is that WIPO should accept the invitation under the terms proposed by the TNC. The WIPO Governing Bodies meeting will be going on at the same time as the GATT negotiating group meeting. Thus the matter may not be resolved at least until the October meeting of the negotiating group. If it appears that the Governing Bodies may vote to reject the TNC's invitation, the United States could delay a vote if we have strong support from the Group B members. Establishing a consensus among Group B countries is one of the objectives of the current bilateral talks in European capitals and of the friends meeting scheduled for September 14-15.

OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506



UNCLASSIFIED with
LIMITED OFFICIAL USE Attachment

September 15, 1987

TO : Members of the Trade Policy Staff Committee
FROM : Hiram Lawrence, Acting Chairman
SUBJECT: Pilot Barter Program

Attached is TPSC Draft Document 87-147 concerning the Pilot Barter Program (Algeria, Egypt, Indonesia, Iraq and Nigeria).

Please phone your clearance to Carolyn Frank (395-7210) by Noon, Friday, September 18. Substantive questions or comments should be phoned to Glenn Whiteman (447-4247).

Attachment

UNCLASSIFIED with
LIMITED OFFICIAL USE Attachment



~~LIMITED OFFICIAL USE~~

TRADE POLICY STAFF COMMITTEE

DRAFT Document 87-147

SUBJECT:

Pilot Barter Program:
Algeria, Egypt, Indonesia, Iraq, Nigeria

SUBMITTED BY:

Department of Agriculture

DATE: September 15, 1987

~~LIMITED OFFICIAL USE~~

msn 417148

CS 11/6/00

TPSC PAPER ON THE
PILOT BARTER PROGRAM

NOTE TO REVIEWERS: This proposal amends TPSC 87-118 paper by: (1) adding five countries; Algeria, Egypt, Indonesia, Iraq and Nigeria to be considered for the Pilot Barter Program and (2) increasing the approximate value of the commodity exchange from \$8 to \$20 million to reflect the larger ships used in transporting the crude oil longer distances. All other aspects of the original paper remain as previously approved by the TPRG on August 13, 1987.

Formal proposals for the Pilot Barter have been extended to the Governments of Mexico and Venezuela. Although USDA has not, as yet, received a written response from Mexico and Venezuela, we have learned that they probably do not have an interest. Although this paper requests clearance on five additional countries, the Commodity Credit Corporation (CCC) will enter into not more than two barter arrangements as required by the Pilot Barter Program.

ISSUE: Section 1129 of the Food Security Act of 1985 requires the Secretary of Agriculture to carry out two pilot barter programs for strategic or other materials for which national stockpile or reserve goals established by law are unmet. These barter agreements must be completed no later than September 30, 1987.

RECOMMENDATION: That the Commodity Credit Corporation (CCC) seek to conclude barter arrangements with two countries for crude oil valued at approximately \$ 20 million each. CCC shall seek terms in accordance with Administration policy regarding barter arrangements (i.e. an agreement that would prove more effective and efficient than open market transactions). In no case would a barter exchange be concluded at less than prevailing world market prices for the exchanged commodities. The Department of Energy (DOE) would assist CCC in contracting for crude oil, with the intention that all crude oil acquired would be transferred to the Strategic Petroleum Reserve (SPR).

DISCUSSION: The barter arrangement is proposed as follows:

Countries: Algeria, Egypt, Indonesia, Iraq and Nigeria.

Acquired Commodity: Crude oil meeting specifications of the SPR.

Exchanged Commodities: Countries will be offered CCC-owned commodities. Priority will be given to wheat, corn and sorghum as larger surpluses of grains are in CCC inventory. Dairy products are a low priority as current CCC dairy inventories are limited.

Price: Commodities will be exchanged at not less than prevailing world market prices, either through a formula, spot price or exchange ratio.

-2-

Value: The barter agreement with each country will be a value of commodities worth approximately \$20 million. This is the approximate value of a cargo 1.0 million barrel tanker (at approximately \$20 per barrel).

Terms: Commodities will be valued at no less than world market prices, free-on-board basis, at ports of export in the exporting country. A transaction account will be established to reconcile the exact value of the commodities shipped by each party under an agreement.

Buyer: The barter agreements will be contractual commitments between the Commodity Credit Corporation and the Governments of Algeria, Egypt, Indonesia, Iraq or Nigeria or other eligible buyers in the target countries.

Shipping: CCC will be responsible for domestic movement of the agricultural commodities to an f.o.b. position. DOE will arrange and bear the costs of shipping the oil from the delivery point in the target country to placement in the SPR. DOE normally purchases crude oil at destination and bears the costs of freight and handling. DOE will ensure compliance with the Cargo Preference Act for the crude oil. The agricultural commodities will not be subject to cargo preference if exchanged at equivalent world market prices.

Costs: Costs to CCC on the agricultural commodity side of the barter will be no greater than if CCC were to sell at prevailing world market prices. CCC gains a cost savings in storage of the crude oil verses grain storage, carrying and handling costs of approximately \$130,000 per year for every \$1 million of barter exchange. Finally, a successful barter arrangement will allow the USG to acquire petroleum with no increase in dollar outlay since, "payment" will be made in CCC commodities which are already in inventory.

Additionality: It is difficult to estimate at this time what additionality might be obtained from a barter transaction without knowing the actual terms of the agreement on the commodities to be included.

BACKGROUND:

The TPSC reaffirms the Administration's skepticism about the economic utility of barter arrangements and reaffirms its support for the Administration's barter guidelines. This proposal is offered only because of the legal requirement to do so. The Food Security Act states that the program shall be carried out through agreements with at least two countries. The strategic or other materials are to be acquired in exchange for agricultural commodities. Priority is to be given to (1) materials that involve less risk of loss through deterioration, (2) have lower storage costs than the agricultural

commodity, and (3) can be supplied by nations which have food and currency reserve shortages.

The proposed Annual Materials Plan for the National Defense Stockpile (NDS) recommends the acquisition of the strategic materials, germanium and beryllium, and upgrades of chromium and manganese ferro alloys. Major exporters of germanium are Belgium, Luxembourg and West Germany, none of which meet the target country criteria of Section 1129 of the Food Security Act. The other materials are available from domestic suppliers. Based on the acquisition plan of the NDS, the USDA feels that the acquisition of crude oil through barter is a more viable option for the U.S. to fulfill the legislative requirement for barter under the Food Security Act.

Algeria, Egypt, Indonesia, Iraq and Nigeria are traditional importers of grain. These countries also are experiencing currency exchange reserve problems, partly because of recent decreases in oil revenues.

DOE also has a mandate to seek to minimize costs to the SPR in acquiring oil. Higher transportation costs for crude oil from the above countries, would have to be off-set by lower costs for the agricultural commodities in comparison to transportation costs for crude oil from Mexico or Venezuela.

The impact of a barter arrangement on domestic commodity prices will be minimal due to the small size of the transactions. USDA will strive to conclude a barter arrangement that has potential for additionality and that would not displace other commercial sales. If a barter agreement becomes imminent, USDA will develop a mechanism for consultation with other suppliers to that market to advise them of the transaction.

Finally, the barter transaction(s) will be in full accord with DOE and USDA budget and policy guidance. CCC and DOE will stay within established budget limits and DOE will reimburse CCC for any oil received in the year the transaction takes place.

For further information contact Glenn D. Whiteman, Deputy Assistant Administrator, Export Credits, FAS, telephone 447-4274.

~~LIMITED OFFICIAL USE~~

TPSC

OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506

UNCLASSIFIED with
~~LIMITED OFFICIAL USE~~ Attachment

September 18, 1987

TO : Members of the Trade Policy Staff Committee

FROM : Hiram Lawrence, ^{HL} Acting Chairman

SUBJECT: Uruguay Round Negotiating Group
on Dispute Settlement

Attached is TPSC Draft Document 87-148 containing instructions for the September 21-24 meeting of the Uruguay Round Negotiating Group on Dispute Settlement. The paper has been reviewed and approved by the Uruguay Round Dispute Settlement Team.

Please phone your clearance to Carolyn Frank (395-7210) by 4:00 p.m., Friday, September 18. Substantive questions or comments should be phoned to Bennett Harman (377-3681).

Attachment

UNCLASSIFIED with
~~LIMITED OFFICIAL USE~~ Attachment

HL

~~LIMITED OFFICIAL USE~~

TRADE POLICY STAFF COMMITTEE

DRAFT Document 87-148

SUBJECT:

Uruguay Round Negotiating Group
on Dispute Settlement

SUBMITTED BY:

Department of Commerce

DATE: September 18, 1987

~~LIMITED OFFICIAL USE~~ *njn*
4/17/98

~~LIMITED OFFICIAL USE~~

03 4/6/00

INSTRUCTIONS FOR NEGOTIATING GROUP ON DISPUTE SETTLEMENT
MEETING OF SEPTEMBER 21-24, 1987

Issue

On September 21-24, 1987, the Uruguay Round negotiating group on GATT dispute settlement will hold its third meeting. The U.S. delegation needs instructions for this meeting.

Recommendations

1. The U.S. delegation should respond to questions or comments of other delegations concerning the submission the U.S. tabled at the second meeting of the group in June 1987.
2. The U.S. delegation should pose questions and comments on the submissions of other delegations to the group, drawing as appropriate on the background section below.
3. With regard to other issues, the U.S. delegation should be guided by TPSC 87-51 and 87-99 (instructions to prior meetings).

Background

At the first meeting of the Negotiating Group on GATT Dispute Settlement on April 6, 1987, the U.S. delegation, and several other participants identified problems encountered with the dispute settlement system. While the meeting was characterized by virtually complete agreement of the problem, there was very little discussion of concrete solutions.

The U.S. Submission

At the group's second meeting on June 25, 1987, the United States helped move the dialogue forward by tabling a discussion paper entitled "Improved Dispute Settlement: Elements for Consideration". The paper included the following caveat:

"The United States has not reached definitive conclusions with respect to the ideas set out below, some of which, it will be observed, are put forward as alternatives for consideration. We encourage a full discussion by all delegations of the advantages and disadvantages of all these ideas, as well as other ideas that delegations may put forward now and in the future, and we reserve the right to suggest new or alternative ideas."

~~LIMITED OFFICIAL USE~~

The paper included the following ideas:

1. An enhanced mediation role for the GATT Director-General or his designee.
2. A binding arbitration process (entailing no GATT Council or Code Committee approval) as an alternative means of dispute settlement for defined classes of cases, or by prior agreement of the disputing parties on an ad hoc basis.
3. Binding, enforceable timetables for the process, including its various stages.
4. Use of non-governmental experts as panelists.
5. An agreement that the terms of reference for all panels should be the same standard terms, to prevent delays occasioned by negotiating terms of reference among the parties to the dispute.
6. A procedure to deal with the problem of blocking adoption of panel reports.
7. In addition and/or as an alternative to the ideas in item 6, an affirmation that parties should seek to implement the recommendations resulting from a dispute settlement case, and recognize that failure to do so gives rise to a right to compensation or retaliation.

In general, our submission was well-received and several parties provided constructive comments. However, since the paper was distributed the day of the meeting, delegations are likely to come to the September meeting with more detailed comments.

On the view expressed by some that adopted panel reports should set no precedents, the U.S. representative stated that this approach could make the system too unpredictable. The U.S. representative noted the concern of certain small countries and LDCs that they lack leverage to retaliate against large trading partners. However, this is an issue on which the United States may need to develop a more considered response.

Other Submissions

The U.S. representative also noted that among the more useful suggestions of other delegations were: (1) a Korean proposal for regular review by the GATT Council of progress made toward implementation of panel recommendations (Canada had previously suggested this), and (2) a Swiss proposal that the group examine the role of third parties in disputes.

CCB 4/6/00

-3-

The group also had before it communications from Mexico, New Zealand and Jamaica. The Mexican submission, though labelled a proposal, was only a one page list of questions. It has not proven the basis for much discussion.

Both the Jamaican and the New Zealand submissions raised the issue of third party rights arising from grey area measures or other bilateral agreements outside the GATT. The U.S. representative may wish to ask these representative how their proposals relate to the work of the negotiating group on safeguards.

The Jamaican submission criticized the idea of recruiting panelists not drawn from delegations serving in Geneva. The U.S. representative may wish to address the concerns of the Jamaican delegation on this point.

New Zealand had some other interesting ideas on which the U.S. representative might comment further. New Zealand suggested that Council decisions on disputes be considered as binding on disputants. The U.S. representative may inquire how this would be legally different from the current practice, and whether this change would give rise to specific rights to parties to the dispute.

New Zealand suggested that the Council give expedited consideration to "straightforward" cases (as opposed to complex ones) by forgoing panel consideration. The U.S. representative may inquire whether the New Zealand representative could elaborate on how the determination would be made concerning the classification of cases.

Regarding panelists, the U.S. representative may wish to ask the New Zealand representative the reasoning behind the proposal to maintain a shorter list of qualified panelists. The United States noted in its submission the difficulty of finding eligible first-rate panelists when, as in recent months, the number of concurrent panels increases. A shorter list would not seem to help matters.

Subsequent to the group's second meeting, the government of Japan submitted a paper for circulation to the group. For the most part, its suggestions are not objectionable, and certain of its points are supportive of ideas the United States has tabled (Director-General conciliation, expanded use of non-governmental panelists, expedited procedures).

However, Japan made clear its opposition to adoption of panel reports or authorization for compensation/retaliation without explicit Council approval. In this regard, it suggested that "national legislation and the enforcement thereof be made consistent with the GATT" (read Section 301). The U.S. representative may wish to ask the Japanese representative what specifically his delegation contemplates with the statement that, "The procedure to adopt Panel

~~LIMITED OFFICIAL USE~~

10/11/6/00

- 4 -

reports should be improved in general ...". What solutions would they suggest for the problem of parties blocking of panel reports?

At the June meeting, both Hong Kong and Switzerland announced their intention to table papers before the next meeting of the group. We have not yet received these papers at this time.

~~LIMITED OFFICIAL USE~~

OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506

TPSC

UNCLASSIFIED WITH
~~LIMITED OFFICIAL USE ATTACHMENT~~

September 23, 1987

TO : Members of the Trade Policy Staff Committee
FROM : Donald M. Phillips, ^{Chairman}
SUBJECT: Uruguay Round Negotiating Group on Trade-Related
Investment Measures

Attached is TPSC Draft Document 87-149 concerning the negotiating instructions for the GATT meeting on TRIMS, October 1-2, which has been reviewed and approved by the TPSC Subcommittee on Investment.

Please phone your clearance to Jeanne Harrington (395-7210) by close-of-business, Friday, September 25. Substantive questions or comments should be phoned to Don Eiss (395-5656).

Attachment

clw 3/3/2020
UNCLASSIFIED WITH
~~LIMITED OFFICIAL USE ATTACHMENT~~

~~LIMITED OFFICIAL USE~~

TRADE POLICY STAFF COMMITTEE

DRAFT Document 87-149

SUBJECT:

Negotiating Instructions for GATT Meeting on TRIMS

October 1-2

SUBMITTED BY:

Office of the

U.S. Trade Representative

DATE: September 23, 1987

DECLASSIFIED
Dept. of State Oct 21, 1997
BY dr NARA DATE 3/3/2020

~~LIMITED OFFICIAL USE~~

~~LIMITED OFFICIAL USE~~

URUGUAY ROUND NEGOTIATING GROUP ON TRADE-RELATED
INVESTMENT MEASURES

October 1 and 2, 1987

ISSUE: The third meeting of the Negotiating Group on Trade-Related Investment Measures will be held October 1 and 2, 1987. The U.S. delegation needs instructions for that meeting.

RECOMMENDATION: Keyed to the items in the agenda (attachment A), the U.S. should take the following positions:

A. U.S. objectives with respect to the scope and substance of this negotiating group are set out in TPSC 87-50 and TPSC 87-88. In continuing the discussion of this issue, the U.S. delegate should be guided by the positions in those documents.

In particular, the U.S. should avoid conclusions or summaries which would prejudice our objectives of maintaining the widest scope for work of the group and a focus on the trade restricting and distorting effects of investment measures rather than a narrow review of the GATT Articles. The delegation may be flexible on the organizational structure for the Negotiating Group (i.e. examination of investment measures in light of GATT Articles rather than GATT Articles in light of investment measures), as long as doing so does not harm our objective. The U.S. should continue to oppose any efforts to include the issue of "restrictive business practices" in the mandate of the investment group. The delegation should not allow LDCs to obstruct examination of TRIMs, pointing out if necessary that the GATT has mandated this examination.

The U.S. should continue to discuss with other delegates and the Secretariat means by which the work of the group can be satisfactorily completed in the timeframe set out in the Negotiating Plan. The first phase calls only for the identification and examination of the operation of GATT Articles on the basis of individual submissions and background documents by the Secretariat. The U.S. should press for agreement that the Secretariate compile and summarize the information from country submissions submitted prior to the next meeting.

B. The U.S. should preliminarily comment, as appropriate, in any discussions arising from submissions received just before or during the meeting.

DECLASSIFIED
Authority State Waiver
BY *db* DATE 3/3/2020

~~LIMITED OFFICIAL USE~~

OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506



UNCLASSIFIED WITH
~~LIMITED OFFICIAL USE ATTACHMENT~~

September 24, 1987

TO : Members of the Trade Policy Staff Committee
FROM : Donald M. Phillips *DM*
SUBJECT: Uruguay Round Negotiating Group on Functioning
of the GATT System

Attached is TPSC Draft Document 87-151 concerning Instructions for the UR Negotiating Group Meeting on Functioning of the GATT System, September 28-29, which has been reviewed and approved by the interagency Subcommittee on FOGS.

Please phone your clearance to Jeanne Harrington (395-7210) by 4:00 p.m., Friday, September 25. Substantive questions or comments should be phoned to Zena Polin (395-3324).

Attachment

dm 3/3/2020
UNCLASSIFIED WITH
~~LIMITED OFFICIAL USE ATTACHMENT~~

~~LIMITED OFFICIAL USE~~

TRADE POLICY STAFF COMMITTEE

DRAFT Document 87-151

SUBJECT:

Instructions for the
Uruguay Round Negotiating Group Meeting on
Functioning of the GATT System
September 28-29

SUBMITTED BY:

Interagency Subcommittee on FOGS

DATE: September 24, 1987

DECLASSIFIED
Dept. of State, July 21, 1997
BY dm NARA, DATE 3/3/2020

~~LIMITED OFFICIAL USE~~

~~LIMITED OFFICIAL USE~~

FOGS.INST.9.87
DRAFT

INSTRUCTIONS FOR FUNCTIONING OF THE GATT SYSTEM
NEGOTIATING GROUP MEETING
SEPTEMBER 28 - 29, 1987

ISSUE:

The Uruguay Round Negotiating Group on Functioning of the GATT System will meet for the third time in Geneva on September 28-29, 1987. The U.S. delegation needs instructions for the meeting.

RECOMMENDATIONS:

The U.S. delegation should be guided by the recommendations outlined below.

BACKGROUND:

The agenda for the FOGS Negotiating Group meeting is contained in Geneva 9508 of September 9, 1987 and is outlined below:

(A) Continuation of first examination of issues on the basis of proposals by participants. At the second meeting of the Group it was agreed that the subject of cooperation between the GATT and other international organizations responsible for monetary and financial matters would be the first item on the agenda of this meeting;

(B) Consideration of the Group's work program for the remainder of the initial phase;

(C) Other Business, including arrangements for the next meeting of the Negotiating Group.

The U.S. delegation should be guided by the following with respect to each agenda item:

(A) Examination of Issues

The U.S. delegation should make a statement discussing the subject of cooperation between the GATT and other international organizations responsible for monetary and financial matters along the following lines:

-- The United States supports strengthening the relationship between the GATT and other international monetary and financial institutions.

-- We believe enhanced cooperation in this area would lead to greater coherence and mutually reinforcing trade and economic

DECLASSIFIED

State Waiver

ds

3/3/2020

~~LIMITED OFFICIAL USE~~

~~LIMITED OFFICIAL USE~~

2

policies at both the national level and at the level of international organizations.

-- We have offered some practical suggestions for the consideration of the Group on ways to enhance the institutional relationship between the GATT, the IMF and the World Bank; expand technical cooperation among the institutions, and develop cooperation at the political level among Ministers responsible for trade and finance matters in order to achieve these objectives.

-- We are not committed to any one approach; rather, we believe an enhanced relationship should be developed at many levels. In this regard, we welcome submissions by Switzerland, Canada and Jamaica on this subject even though we would not agree with the specifics of each proposal. We would welcome an elaboration by other delegations of their views in this area. We also note that the Secretariat has prepared a helpful background paper on this subject.

-- We want to reiterate that the U.S. submission was an initial submission offering concepts for discussion, not a proposal. The U.S. intends to make a formal negotiating proposal to the Group in November, once we have heard and considered the views of other delegations.

[FYI: The Japanese Ministry of Finance has voiced its objections to the "U.S.-Canadian proposal" on enhancing the relationship between the GATT, the IMF and the World Bank.]

-- We would welcome other ideas for consideration by delegations. The U.S. delegation may offer specific comments on the Canadian submission as follows:

-- We welcome Canada's ideas on GATT/IMF/IBRD cooperation, but we have questions about some of the specifics of the proposal.

-- Canada's submission suggests, for example, that GATT officials should participate in such Fund activities as Article IV consultations and stand-by arrangement talks and in relevant IBRD activities.

-- We have serious questions about how such GATT participation would operate:

1. Does the GATT have the resources for what might be a substantial expansion of its activities?

2. Would GATT officials take a position on countries' trade policies in the context of Article IV and stand-by arrangement consultations? If so, whose views would the GATT officials represent?

~~LIMITED OFFICIAL USE~~

3. How would conflicts between GATT rules and IMF/IBRD policy on such issues as trade restrictions for balance of payments purposes be resolved?

4. How would GATT/IMF/IBRD confidentiality be maintained?

-- The final form of the enhanced relationship might have to await the results of reform efforts in the Uruguay Round and the implementation of a viable GATT trade policy surveillance mechanism.

If appropriate, the delegation may make a statement reviewing the initial submission by the United States to the FOGS Negotiating Group, tabled at the Group's last meeting in June, 1987 (TPSC Document 87-97), along the following lines:

-- We have submitted a paper to this group outlining our initial ideas for improvements to the GATT system. We offered this paper for discussion and consideration of the Group, and we intend to table a specific negotiating proposal this fall, once we have heard and considered the views of other delegations.

-- We put the focus of our initial submission on practical concepts for improvements to the GATT system, in the areas of GATT surveillance of trade policies and practices, Ministerial involvement and decision-making, and the GATT's relationship with other international institutions. In our view, these improvements need not await the conclusion of the Uruguay Round negotiations. In fact, improvements to the GATT system could be put in place early on in the negotiating process to facilitate the ongoing negotiations.

-- We have noted with interest papers tabled by Australia, and Japan, and other delegations. We would welcome an elaboration of these papers as well as other countries' views. For example, the submission by the Australian delegation suggests that enhanced surveillance be based on a self-evaluation by CPs of their trade policies. We had initially raised the possibility of a more independent analysis of CP trade policies and practices, with assistance from the GATT Secretariat. We note that the submissions by the delegations of Canada and Japan also suggest GATT Secretariat involvement in enhanced surveillance, and the Japanese submission offers some helpful suggestions with regard to the timetable for country reviews.

-- With regard to Ministerial involvement in GATT decision-making, we are in agreement with Australia's and Canada's submissions that such political involvement must be increased in order to bring credibility to the GATT process and insure its relevance in international trade policy issues.

-- We reiterate that we are not committed to any one approach in this area. There are many possibilities for improvements in the

GATT system, and we should explore all possible avenues.

(B) Work Program for the Initial Phase

Unless challenged, the U.S. delegation should not attempt to make a major issue of the work program. The delegation should not attempt to delineate the first and subsequent stages. If challenged, the delegation should state firmly that we believe the first phase will have been completed this year, and subsequent stages should commence in January. The delegation may note that the work program for the initial phase calls for an initial examination of issues on the basis of submissions by participants and appropriate background documentation by the Secretariat, both of which have been tabled for the consideration of the Group. The delegation may note that the U.S. believes this initial examination is close to conclusion and so only one additional NG meeting will be needed before the end of the year.

[FYI: The initial negotiating phase of the FOGS Group calls only for "a first examination of issues" and background information by the Secretariat.]

(C) Other Business:

If appropriate, the U.S. delegation may ask the Chairman to ask the observer organizations to the Negotiating Group (IMF, IBRD and UNCTAD) for a report (oral or written) on their efforts to support the Uruguay Round negotiations.

As to the date of the next meeting, the U.S. delegation may agree with consensus or Chairman's view that only one additional Negotiating Group meeting (as opposed to the two additional meetings presently scheduled for the Negotiating Group) is necessary this year to complete the Negotiating Plan for the initial phase. Delegation should use its judgment as to the appropriate date for the next meeting of the Negotiating Group.

Country	Surveillance	Ministerial Involvement	GATT and Monetary Institutions
ASEAN	Oppose idea of country review.	Ministerial involvement should be limited. They do not support the idea of a Ministerial Steering Committee with limited membership, nor a CG-18 type committee.	
AUSTRALIA	Focus of surveillance role should be on achieving a proper evaluation of CP's adherence to GATT provisions (and agreements reached in multilateral rounds) and through this process to exert influence on domestic protectionist policies. This could be done by a) regular reports by all CP's; b) trade policy review of selected CP's	Regular and persistent Ministerial reinforcement of agreed objectives and goals. More active and regular involvement of ministers. The creation of a Permanent Ministerial Steering Group, relatively small, but sufficiently representative of the wide spectrum of interests in the GATT; CG-18 provides a practical model.	
BRAZIL	Oppose the idea of country reviews.	Ministerial involvement should be limited, as in the past, to occasional meetings at important or critical junctures. Ministerial involvement is not a panacea for all problems. They do not support idea of a Steering Committee of limited membership. Brazil linked the U.S. proposal to the U.N. Security Council. Oppose closer relationship with IFI's.	
CANADA	Want to improve the GATT surveillance function and associated notification procedures to facilitate more regular review of developments in trade policies and structural adjustments.	Want to enhance the role of GATT in managing international trade policy questions through an increase in Ministerial involvement.	Want to ensure more coordination in the management of GATT and the monetary institutions.

Country	Surveillance	Ministerial Involvement	GATT and Monetary Institutions
EC	They are least interested in this proposal, and want to wait and examine the operation of the surveillance mechanism set up to monitor compliance with the standstill and rollback commitments.	Do not object in principle to increased Ministerial involvement. They do not support an institutionalization of Ministerial involvement, nor do they support the idea of a Ministerial Steering Committee of limited membership.	The EC places the highest priority on strengthening the trade-monetary linkage. They are still reflecting on practical means to accomplish this objective.
INDIA	Oppose the idea of country reviews	Ministerial involvement should be limited (see Brazil).	Support stronger relations between the GATT and monetary institutions.
JAMAICA	Need to improve surveillance, but to do this without CP's having additional means to influence removal of the restrictive distorting practices of CP's, is to build up unrealistic expectations.	Do not want to "publicize" the GATT. Need to give careful attention to form as well as the practice established in Bretton Woods.	The close relationship between the GATT and monetary institutions needs to be reviewed. Coordination between the two secretariats will need to be considered carefully. Increased coordination may not be in the interest of the CP's. The Secretariat should consult with IMF/IBRD on monetary and financial issues to identify trade policy issues.
JAPAN	Would like to see surveillance on country trade policies and their effects on global trading system. They have some concerns about mechanisms. Thinks OECD/DAC policy review process is a good model. 30 CP's should be selected, among those registering high trade performance, for regular review. All others should be on an ad hoc basis.	Ministers should be more involved in the GATT, however, they fear that the potential for politicization of the GATT is growing. Should give the CG-18 more responsibility (Note: bureaucratic resistance to increased ministerial involvement).	Increase the cooperation between the GATT and the monetary institutions, however, the modalities would have to be discussed. MOF resists institutionalized cooperation.

USTR COMPUTER GROUP

Country	Surveillance	Ministerial Involvement	GATT and Monetary Institutions
MODERATE-LDC'S	There is general, but subdued interest in the GATT taking on a monitoring-surveillance function	Do not support the idea of a ministerial Steering Committee of limited membership, whether along the lines of the CG-18 or the U.S. model. Ministerial involvement should be limited as in the past to occasional meetings at important junctures.	
NORDICS	Surveillance offers the best prospect for progress, however they do not specify which countries should be covered. Strict observance of standstill commitment and implementation of rollback commitment would enhance The GATT.		The linkages between trade and monetary institutions need work, but movement in this area will prove difficult.
SWITZERLAND	Advocates trade reviews for all countries. Suggest establishing a "Trade Policy Committee" that would not only monitor trade policies of CP's, but would also "conduct a general exchange of views at least once a year on trade policy trends in the in the global economic context".	Establish a body similar to CG-18 to enable Trade Ministers to meet in the framework of the GATT in order to evaluate trends in international trade policy.	Strengthen GATT's relationship with other international organizations, however, need appropriate institutional means and machinery. This could be done by strengthening technological cooperation between secretariats of GATT and other organizations.
URUGUAY	Improve the surveillance mechanism especially vis-a-vis rollback		Strengthen ties with monetary institutions. Use UNCTAD as a forum, although they acknowledge the U.S. objections to UNCTAD

USTR COMPUTER GROUP