

At the Trade Negotiations Committee (TNC) meeting in Geneva in July, progress reports from the 15 different negotiating groups were approved as a basis for intensifying and completing the negotiations through the fall. Progress made in individual issues and the substantive gaps to be bridged inevitably varied considerably from group to group. It was decided by the TNC that each of the negotiating groups would continue to meet intensively until mid-October. At that time, the management of the negotiating process becomes more centralized, with GATT Director General Arthur Dunkel beginning intensive deal-crunching meetings with senior capital-based officials in order to narrow down the outstanding items for decisions by ministers at their December meeting in Brussels.

At the Houston Economic Summit in July, the Heads of State and government made a successful MTN outcome a major element of their economic growth strategy and the most important task on their international economic agenda this year. They directed their negotiators to seek a substantial and progressive reduction of protection and of trade-distorting support to agriculture; to bring about a substantial and balanced liberalization of tariffs and non-tariff barriers; to introduce a major reform of existing GATT rules (including subsidies/countervail, anti-dumping, technical barriers to trade and the GATT's balance-of-payments provisions); to respond positively to the interests of developing countries in an endeavour to integrate them successfully into the trading system and to strengthen the dispute settlement system and the multilateral institutional trading framework. They also committed themselves to follow progress in the MTN closely and to become personally involved if necessary.

The twelve countries comprising the Asia Pacific Economic Cooperation (APEC) group concluded, in mid-September in Vancouver, a helpful meeting on the Uruguay Round. APEC ministers (from Canada, Korea, the U.S.A., Japan, Australia, New Zealand and the six ASEAN countries) expressed their determination to play a leadership role in accelerating the pace of negotiations in Geneva. APEC ministers registered progress on a number of key issues, including market access, textiles and clothing, trade in services and trade-related investment issues. Japanese and Korean concerns over food security prevented full agreement on agricultural reform, but even in this sensitive area, APEC ministers concurred that agriculture is a pivotal element of a successful MTN overall. Moreover, APEC ministers agreed to examine, in the concluding Brussels ministerial meeting, the elements of a possible world trade organization.