ADEQUATE PROGRESS IN OTHER IMPORTANT ELEMENTS OF THE NEGOTIATIONS FOR EXAMPLE SUCH IMPORTANT NON-TARIFF QUESTIONS AS SAFEGUARDS, SUBSIDIES/COUNTERVAIL AND VALUATION.

THE DEGREE OF PROGRESS OVER THE RECENT PAST WAS MADE POSSIBLE WHEN AMONGST OTHER THINGS THE LOG-JAM WITH RESPECT TO NEGOTIATIONS ON TRADE IN AGRICULTURAL PRODUCTS WAS BROKEN BY USA/EC AGREEMENT TO A "REQUEST-AND-OFFER" PROCEDURE FOR THIS AREA OF THE NEGOTIATIONS.

There seems to be emerging also a general consensus that scope should be available for at least some of the agreed reductions to be staged over a longer period of time perhaps up to ten years - as a means of dealing with particular import sensitivities and, possibly, giving recognition to economic conditions prevailing at the time concessions are being implemented. There is a school of thought in Europe which would prefer the phasing of agreed cuts to be divided into two distinct stages, with the second conditional on a variety of factors. Precisely what will be agreed in this area and when remains to be seen.

RESPECT OF OUR EXPORT INTERESTS IN RESOURCE - SASED

SIMILARLY, EXACTLY WHAT THE RULES ON EXCEPTIONS (FULL OR PARTIAL) WILL BE IS ALSO YET TO BE DETERMINED. ONE CONCEPT BEING DISCUSSED IS THAT OF "NO NET EXCEPTIONS", AT LEAST WHEN MEASURING THE RESULTS OF TARIFF CUTS FOR INDUSTRIAL PRODUCTS. TO OBTAIN THIS KIND OF AN OVERALL RESULT WOULD REQUIRE

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