



Negotiating Group on the Multilateral Agreement on Investment (MAI)

Expert Group No.3 Expert Group No.3 on Treatment of Tax Issues in the MAI

AGENDA

Meeting on 19-21 March 1997

EXPERT GROUP No.2 ON THE TREATMENT OF TAX MEASURES IN THE MAI

AGENDA

19-21 March 1997

1. **Adoption of the Agenda** DAFFE/MAI/EG2/A(97)1

2. **Further consideration of matters discussed in the First and Second Reports by EG2**
 - Report to the Negotiating Group DAFFE/MAI/EG2(96)9
 - Contributions by Delegations

3. **Matters not previously discussed by EG2**

4. **Report to the Negotiating Group**

5. **Other Business**

Reference Documents

-- Report to the Negotiating Group on the Treatment of Tax Measures in the MAI	DAFFE/MAI/EG2(96)8
-- Multilateral Agreement on Investment: Consolidated Texts and Commentary	DAFFE/MAI(97)1
-- Chairman's Conclusions	DAFFE/MAI(97)2
-- "Definitions of Investor and Investment" (Chairman's Text)	DAFFE/MAI(97)7
-- Special Topics (including Investment Incentives)	DAFFE/MAI/EG3(97)3 DAFFE/MAI/EG3(97)3/ADD
• Key Personnel	DAFFE/MAI/ST(97)4
• Performance Requirements	DAFFE/MAI/ST(97)3
• Privatisation	DAFFE/MAI/ST(97)2
• Monopolies	DAFFE/MAI/ST(97)5
• Technology/R&D	DAFFE/MAI/ST(97)1
-- Financial Services	DAFFE/MAI/EG5(97)2
-- Intellectual Property	DAFFE/MAI/DG3(97)4
-- Institutional Matters	DAFFE/MAI/EG4(97)2 DAFFE/MAI/IN(97)2
-- Dispute Settlement	DAFFE/MAI/DS(97)2 DAFFE/MAI/DS(97)3

NOTES TO THE AGENDA

The Chairman does not propose to issue his own notes. Discussion will be on the basis of:

- the EG2's December report to the Negotiating Group [DAFFE/MAI/EG2(96)9];*
- a note prepared by one delegation [DAFFE/MAI/EG2/RD(97)1]; and*
- any written contributions by other Delegations.*

The objective is to achieve agreement on a draft article on taxation for the MAI together with any necessary commentary.

Item 2. Further consideration of matters discussed in the First and Second Reports by EG2

Experts will be invited to review each of the items in the draft article on taxation and commentary contained in the Group's report to the Negotiating Group, taking account of developments since its December meeting.

Item 3. Matters not previously discussed by EG2

The Expert Group will be invited to consider tax issues arising in connection with several topics not previously discussed by EG2, including R&D/technology, economic needs tests, concessions and financial matters

Item 4. Report to the Negotiating Group

In the light of the discussion under items 2 and 3 of the agenda, the Expert Group will need to complete its final report to the Negotiating Group for consideration at its meeting on 24-27 March 1997.

**REVISED MANDATE FOR EXPERT GROUP NO. 2 ON THE
“TREATMENT OF TAX MEASURES IN THE MAI”**

1. The Expert Group, open to participation of all delegations, is charged with examining all matters relating to the treatment of tax measures in the MAI.
2. On the basis of the “carve-out/carve-in” approach, the Group will make proposals, including proposals for text wherever possible.
3. The Group will meet in March 1997 and report to the Negotiating Group in March 1997.
4. The Group’s mandate will terminate after its Report to the Negotiating Group, unless the Negotiating Group decides otherwise.