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## **Negotiating Group on the Multilateral Agreement on Investment (MAI)**

### **SUMMARY RECORD**

**Meeting on 14-16 April 1998**

## NEGOTIATING GROUP ON THE MAI

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#### 1. Adoption of the Agenda

The Negotiating Group adopted the agenda [DAFFE/MAI/A(98)5].

#### 2. Approval of the Summary Record of the meeting held on 17-19 March 1998

The Group approved the Summary Record [DAFFE/MAI/M(98)3].

#### 3. Report to Ministers and Draft Ministerial Statement

##### a) *Report to Ministers by the Chairman of the Negotiating Group*

Delegations commented on the Report to Ministers [DAFFE/MAI(98)9]. The Chairman noted the proposals for amending the text and agreed to take them into account in finalising his report.

The Negotiating Group agreed that the Report be submitted to Ministers for the Council Meeting at Ministerial Level on 27-28 April.<sup>1</sup>

##### b) *Draft Ministerial Statement*

The Negotiating Group engaged in an extensive drafting session on the draft Ministerial Statement [DAFFE/MAI(98)14]. Delegations agreed that the final draft of the Statement [see DAF/MAI(98)9/FINAL] should be sent forward to Ministers for consideration.<sup>2</sup>

#### 4. Contributions from Delegations

The Chairman noted contributions from one delegation - Scope and Application [DAFFE/MAI/RD(98)23] and one other delegation - Suggestions on the Definition of Investment [DAFFE/MAI/RD(98)24].

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<sup>1</sup> The Report was issued as C/MIN(98)16/Final. It was subsequently declassified and posted on the OECD Internet site.

<sup>2</sup> The Statement on the MAI was adopted by Ministers on 29 April, and was annexed to the OECD Ministerial Communique SG/COM/NEWS(98)51. It can also be found as a separate document, SG/COM/NEWS(98)50, and is available on the OECD Internet site.

## 5. Contributions from Observers

The representative of one observer country informed the Negotiating Group that his government had submitted a preliminary list of country specific exceptions [DAFFE/MAI/NM(98)8]. The representative of another country also announced that their list would be submitted in a few days time [DAFFE/MAI/NM(98)9]. These representative reaffirmed their governments' interest in the MAI and their readiness to make a constructive contribution to the negotiations.

## 6. Chairman's Proposals

Delegations considered the Chairman's proposals on **scope and application and on the treatment and protection of investors and investments** [DAFFE/MAI(98)15]. The Chairman noted that many delegations welcomed this attempt to make progress on critical issues. While not all delegations were able to comment extensively on these proposals at this time, he thought that many were ready to accept them as a basis for future discussion, without prejudice to the final positions of their governments. The Chairman concluded that the texts should be kept on the table and that they be further examined in due course.

The Chairman informed delegations that he was submitting for consideration a further set of proposals on **Special Topics, Financial Matters, and Institutional Matters** [DAFFE/MAI/(98)16]. As there was no time to prepare for this discussion, the Chairman asked delegations for written comments as soon as possible.

## 7. Liberalisation and Exceptions

The Technical Group on Country Specific Exceptions met on 14-15 April under the chairmanship of Mr. Morgan who reported on the outcome of the meeting [DAFFE/MAI/EX(98)32]. He noted that there was an increased understanding of the proposed approach of special annexes for particular areas, but that there was scope for further constructive work on how to deal with the question of future measures involving departures from standstill in the MAI.

## 8. Conflicting Requirements

The Negotiating Group heard reports on the continuing bilateral discussions on the issues relating to conflicting requirements.

## 9. Next Steps/Other business

The Negotiating Group agreed to recommend to the OECD Council at Ministerial level that the Baltic countries be invited to take part in the MAI negotiations as observers.

It further agreed to recommend that the Council welcome the full participation of all observers with a view to their becoming founding members of the MAI.

The Chairman informed the Group that he would not be in a position to continue as Chairman of the Negotiating Group after 1 May 1998. The Group thanked Mr. Engering for his effective leadership and the outstanding commitment he had demonstrated to the MAI since the beginning of the negotiations.