

MEMO# 3434

January 15, 1992

INSTITUTE LETTER TO TREASURY CONCERNING GATT NEGOTIATIONS

January 15, 1992 TO: BOARD OF GOVERNORS NO. 5-92 INTERNATIONAL COMMITTEE NO. 1-92 RE: INSTITUTE LETTER TO TREASURY CONCERNING GATT NEGOTIATIONS

On December 20, 1991 GATT Director General Arthur Dunkel released a "Draft Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations". The Dunkel draft significantly changes the Framework of the General Agreement on Trade in Services and the Financial Services Annex. Under one interpretation of the Agreement, cross-border purchases, sales and issuances of securities could be authorized without the application of the federal securities laws. In the attached letter to Jerry Newman, Director of Treasury's Office of East-West Economic Policy, the Institute requests that The Dunkel draft be clarified to provide that cross-border purchases, sales and issuances of securities are subject to the federal securities laws, including Section 7(d) of the Investment Company Act of 1940. We will keep you informed of our efforts to obtain this clarification. Angela C. Goelzer Assistant Counsel - International Attachment

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