

## REPORT (2000) OF THE COUNCIL FOR TRADE IN GOODS

In accordance with the "Procedures for an Annual Overview of WTO Activities and for Reporting under the WTO" (WT/L/105), the Council for Trade in Goods is to report each year to the General Council on the activities in the Council as well as in the subsidiary bodies. The reports are to be "factual in nature, containing an indication of actions and decisions taken, with cross references to reports of subordinate bodies and could follow the model of the GATT 1947 Council reports to the CONTRACTING PARTIES".

Since the last annual report, the Council for Trade in Goods met five times in formal session: first, on 24 January; second, 5 April and on 18 May; third, on 7 July and 16 October; fourth, on 16 October 2000; and fifth, on 15 November, where the meeting was suspended and is to be reconvened on a date to be specified. The minutes of these meetings are contained in documents G/C/M/42, 43, 44, 45 and 46<sup>1</sup>.

The following subject matters which were raised and/or acted upon in the Council are included in the report:

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<sup>1</sup> G/C/M/46 to be issued.

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**1. Election of Chairperson for the Council for Trade in Goods (G/C/M/43)**

1.1 At its meeting of 5 April, the Council elected H.E. Ambassador C. Pérez del Castillo (Uruguay) as its Chairman for 2000.

**2. Appointment of Officers for the subsidiary bodies of the Council (G/C/M/43)**

2.1 At its resumed meeting of 18 May, the Council took note of the consensus on the following persons nominated for election as Chairpersons of its subsidiary bodies: Committee on Agriculture: Chair: Ambassador Jorge Voto-Bernales (Peru), Vice-Chair: Mr. Yoichi Suzuki (Japan); Committee on Anti-Dumping Practices: Mr. Yair Shiran (Israel); Committee on Customs Valuation: Mr. Remo Moretta (Australia); Committee on Import Licensing: Mr. Albert Wright (Denmark); Committee on Market Access: Mr. Christopher Kiener (Switzerland); Committee on Rules of Origin: Mr. Sándor Simon (Hungary); Committee on Safeguards: Mr. Joshua Phoho Setipa (Lesotho); Committee on Sanitary and Phytosanitary Measures: Mr. Shishir Priyadarshi (India) who was succeeded by Mr. S. Nayyar (Pakistan) as confirmed at the meeting of 7 July; Committee on Subsidies and Countervailing Measures: Mrs. Usha Dwarka-Canabady (Mauritius); Committee on Technical Barriers to Trade: Mr. John Adank (New Zealand); Committee on Trade-Related Investment Measures: Mr. Oscar Hernández (Venezuela). The Council also appointed Mr. Breffini Carpenter (Ireland) as Chairman of the Working Party on State Trading Enterprises (which does not have provisions on election of Chairpersons).<sup>2</sup>

2.2 At the same meeting, the Council agreed to proceed on the understanding that as concerns Vice-Chairpersons, it would be for the subsidiary bodies to decide if they needed a Vice-Chairperson in cases where the option existed under the respective Agreement and/or rules of procedure, and for the respective Chairperson to hold the necessary consultations.

**3. Status of Notifications under the Provisions of the Agreements in Annex 1A of the WTO Agreement (G/C/M/43)**

3.1 At its meeting of 5 April, the Council took note of document G/L/223/Rev.4 which updated the situation with respect to the status of notifications and Members' compliance therewith and included notifications made up to and on 31 December 1999.

3.2 At its meeting of 15 November, the Council took note of document G/L/223/Rev.5 which updated the situation with respect to the status of notifications and Members' compliance therewith and included notifications made up to 30 June 2000.

**4. Continuation of the Harmonization Work Programme provided for in Part IV of the Agreement on Rules of Origin (G/C/M/42)**

4.1 At its meeting of 24 January, the Council took note of the progress report of the Committee on Rules of Origin (CRO) (G/RO/42) and the statement of the CRO Chairman.

**5. Periodic Reports of the Committee on Market Access (G/C/M/43 and 45)**

5.1 At its meetings of 5 April and 16 October, the Council took note of the periodic reports (in documents G/MA/107 and G/MA/111 respectively) of the Market Access Committee on *inter alia* the

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<sup>2</sup> The Committee of Participants on the Expansion of Trade in Information Technology Products elected Ms. E. Chelliah (Singapore) as Chairperson for 2000.

requests for waiver extensions and/or waivers made in connection with the transposition or renegotiation of schedules of tariff concessions and/or in connection with the introduction of harmonized system changes into schedules of tariff concessions on 1 January 1996; the situation with respect to the operation of the Integrated Data Base (IDB) and the status of IDB submissions; progress of work on the database for consolidated tariff schedules; and the situation of notifications of quantitative restrictions.

## **6. Waivers under Article IX of the WTO Agreement**

- (a) Harmonized System - Requests for extensions of waivers from Nicaragua and Sri Lanka (G/C/M/43 and 45).

6.1 At its meeting of 5 April, the Council considered requests by Nicaragua (G/L/351) and Sri Lanka (G/L/350) for an extension until 31 October 2000 of waivers already granted in connection with the transposition of their schedules into the Harmonized System. The Council approved the texts of the draft decisions on the waiver extensions in G/C/W/189 (Nicaragua) and G/C/W/188 (Sri Lanka), and agreed to transmit them to the General Council for adoption.

6.2 At its meeting of 16 October, the Council considered requests by Nicaragua (G/L/394) and Sri Lanka (G/L/391) for a further extension until 30 April 2001. The Council approved the texts of the draft decisions on the waiver extensions in G/C/W/227 (Nicaragua) and G/C/W/225 (Sri Lanka) and agreed to transmit them to the General Council for adoption.

- (b) Zambia - Renegotiation of Schedule LXXVIII (G/C/M/43 and 45)

6.3 At its meeting of 5 April, the Council considered a request by Zambia (G/L/295) for an extension, until 31 October 2000 of the waiver granted to it in connection with the renegotiation of its schedule. The Council approved the text of the draft decision (G/C/W/190), and agreed to transmit it to the General Council for adoption.

6.4 At its meeting of 16 October, the Council considered a request (in G/L/393) for a further extension until 30 April 2001 and approved the text of the draft decision in G/C/W/226 and agreed to transmit it to the General Council for adoption.

- (c) Decision on the Introduction of Harmonized System (HS) Changes into WTO Schedules of Tariff Concessions on 1 January 1996 - Extension of the time-limit (G/C/M/43 and 45).

6.5 At its meeting of 5 April, the Council approved the text of the draft decision (G/MA/W/22/Rev.1) granting an extension of individual waivers to Members listed in the annex to that document until 31 October 2000 with an amendment proposed by Canada, and agreed to transmit it to the General Council for adoption. These waivers had been requested by those Members finding it necessary to consult or negotiate under Article XXVIII of GATT 1994 as a result of the HS96 changes introduced in their schedules.

6.6 At its meeting of 16 October, the Council approved the text of the draft decision in G/C/W/228 granting a further extension of the time-limit until 30 April 2001.

- (d) WTO Agreement on Customs Valuation – Request for waiver by Peru (G/C/M/43)

6.7 At its meeting of 5 April, the Council considered a request by Peru (G/VAL/W/55/Add.1) for a waiver from certain obligations under the Customs Valuation Agreement. The Council approved

the request and agreed that the draft decision (contained in the document) granting this waiver be transmitted to the General Council for adoption.

- (e) Request for a waiver for the application of the EU autonomous preferential treatment to the countries of the Western Balkans (G/C/M/43, 44 and 45)

6.8 At its meetings of 5 April, 7 July and 16 October, the Council considered the request by the EC (G/C/W/178) and at its meeting on 16 October 2000 the Council approved the request and agreed that the draft decision granting this waiver (in the same document) be transmitted to the General Council for adoption.

- (f) Request for a WTO waiver – new ACP-EC Partnership Agreement (G/C/M/43, 44 and 45)

6.9 At its meeting of 5 April, the EC and the ACP countries submitted for consideration to the CTG a request for a waiver in order to allow the maintenance of preferential trade between the EC and the ACP countries (G/C/W/187, G/C/W/187/Addendum 2 and G/C/W/204). Deliberations were held on the request and the Council took note of the various statements made at the meetings on 5 April, 7 July, 16 October and 15 November. Consultations are under way in order to find a solution acceptable to all concerned parties.

- (g) EC/France – Trading arrangements with Morocco: Request for extension of the waiver (G/C/M/43 and 44)

6.10 At its meeting on 5 April, the Council considered a request by the EC for a retroactive extension of the waiver (G/L/357). At its meeting on 7 July, the Council approved the request and agreed that the draft decision granting the waiver (G/C/W/194) be transmitted to the General Council for adoption.

- (h) Request for a WTO Waiver – Turkey: Preferential treatment for Bosnia-Herzegovina (G/C/M/44 and 45)

6.11 At its meeting on 7 July, the Council considered a request by Turkey for a waiver with respect to the provisions of paragraph I of Article I of GATT 1994 (G/C/W/217). At its meeting on 16 October, the Council approved the request and agreed that the draft decision granting the waiver, contained in the same document, be transmitted to the General Council for adoption.

- (i) Report by Uruguay concerning its request for a derogation on minimum values (G/C/M/46)

6.12 At its meeting on 15 November, the Council took note of Uruguay's report on the status of its implementation of the derogation on minimum values (WT/L/354) under the Agreement on Customs Valuation.

## **7. Trade-related technical assistance: Customs Valuation Model Work Programme (G/C/M/44)**

7.1 At its meeting on 7 July, the Council took note of a communication by the EC (G/VAL/W/71) referring to a technical assistance model of broad potential use.

## **8. TRIMs Agreement**

- (a) Requests for extension of the transition period pursuant to Article 5.3 (G/C/M/42, 43, 44, 45 and 46)

8.1 At its meetings on 24 January, 5 April, 7 July, 16 October and 15 November<sup>3</sup>, the Council took note of the statements made regarding requests for extension of the transition period by Argentina, Chile, Colombia, Malaysia, Mexico, Pakistan, Philippines, Romania and Thailand.<sup>4</sup>

- (b) Review of the operation of the TRIMs Agreement (G/C/M/42, 43, 44, 45 and 46)

8.2 At its meetings on 24 January, 5 April, 7 July, 16 October and 15 November, the Council took note of the statements made.

## **9. Review of the Understanding on the Interpretation of Article XXVIII of the GATT 1994 (G/C/M/42 and 45)**

At its meeting on 24 January, the Council mandated the Market Access Committee to carry out the review. The Committee provided a report to the CTG at its meeting on 16 October that the review had been carried out.

## **10. Trade Facilitation (G/C/M/46)**

At its meeting of 15 November the Council took note of a report by the Chairman on work carried out in formal meetings held on 7 June, 13 July and 26 October and of his intention to make a factual report on his own responsibility on work undertaken to the General Council (G/L/-)<sup>5</sup>.

## **11. Work Programme on Electronic Commerce (G/C/M/46)**

At its meeting of 15 November, the Council took note of a report by the Chairman on work carried out in two informal meetings on 4 October and 8 November and of his intention to make a factual report on the state of play to the General Council.

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<sup>3</sup> The meeting of 15 November was suspended on this agenda item. It is to be resumed on a date to be determined.

<sup>4</sup> Relevant documents under discussion:

Argentina:	G/C/W/176 + Corr.1, G/C/W/182, G/C/W/185, G/C/W/193, G/C/W/222, G/C/W/223, G/C/W/224
Chile:	G/C/W/172 + Add.1, G/C/W/181, G/C/W/185, G/C/W/197, G/C/W/198
Colombia:	G/C/W/169 + Add.1, G/C/W/180, G/C/W/202, G/C/W/207, G/C/W/216, G/C/W/219+Corr.1, G/C/W/220+Corr.1
Malaysia:	G/C/W/174, G/C/W/183, G/C/W/185, G/C/W/192, G/C/W/208, G/C/W/209, G/C/W/210 + add.1
Mexico:	G/C/W/171, G/C/W/185
Pakistan:	G/C/W/173, G/C/W/185, G/C/W/186, G/C/W/199
Philippines:	G/L/325, G/C/W/166, G/C/W/168, G/C/W/170, G/C/W/184, G/C/W/201
Romania:	G/C/W/175, G/C/W/179, G/C/W/185, G/C/W/191, G/C/W/196, G/C/W/206
Thailand:	G/C/W/203

<sup>5</sup> To be issued.

**12. Free Trade Agreements (G/C/M/42, 43, 45 and 46)**

At its meetings on 24 January, 5 April and 16 October, the Council adopted the terms of reference under which the CRTA should examine the following agreements:

- (a) Free Trade Agreement between Hungary and Lithuania - Notification from Hungary (WT/REG83/N/1 and WT/REG83/1)
- (b) Free Trade Agreement between Hungary and Latvia - Notification from the Parties to the Agreement (WT/REG84/N/1 and WT/REG84/1)
- (c) Free Trade Agreement between the Former Yugoslav Republic of Macedonia and Slovenia - Communication from the parties to the Agreement (WT/REG36/N/1 and WT/REG36/1)
- (d) Free-Trade Agreement between Bulgaria and the Former Yugoslav Republic of Macedonia – Communication from Bulgaria (WT/REG90/N/1, WT/REG90/1)
- (e) Free-Trade Agreement between EFTA and Morocco – Communication from the Parties to the Agreement (WT/REG91/N/1, WT/REG90/1)
- (f) Free-Trade Agreement between Turkey and Poland; Notification from the Parties to the Agreement (WT/REG107/N/1 and WT/REG107/1)
- (g) Free-Trade Agreement between Estonia and Ukraine; Notification from Estonia (WT/REG108/N/1 and WT/REG108/1)
- (h) Free-Trade Agreement between the European Communities and Mexico; Notification from the Parties to the Agreement (WT/REG109/N/1 and WT/REG109/1)
- (i) Euro-Mediterranean Agreement between the European Communities and Israel; Notification from the Parties to the Agreement (WT/REG110/N/1, WT/REG110/1)
- (j) Euro-Mediterranean Agreement between the European Communities and Morocco; Notification from the Parties to the Agreement WT/REG112/N/1, WT/REG112/1)

**13. Consideration of annual reports of subsidiary bodies of the CTG (G/C/M/46)**

At its meeting on 15 November the Council took note of the reports of the following bodies: Committee on Customs Valuation (G/L/414); Independent Entity (G/L/410); Committee on Market Access (G/L/401); Committee on Rules of Origin (G/L/413); Committee on Sanitary and Phytosanitary Measures (G/L/411); Committee on Technical Barriers to Trade (G/L/412); Committee on TRIMs (G/L/390); Committee on Import Licensing (G/L/403); Committee on Anti-Dumping Practices (G/L/404); Committee on Safeguards (G/L/404); Committee on Subsidies and Countervailing Measures (G/L/408); Committee on Agriculture (draft report in document Job No. 7061); Working Party on State-Trading Enterprises (draft report in G/STR/W/37); Committee of Participants on the Expansion of Trade in Information Technology Products (draft report in G/IT/W/5); Textiles Monitoring Body (G/L/398); in relation to comments made regarding paragraph 20 of the TMB report, it was decided that the Chairman would hold informal consultations with interested Members.

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