

# WORLD TRADE ORGANIZATION

RESTRICTED

**G/MA/SPEC/5**

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## **Committee on Market Access**

### DRAFT

#### PERIODIC REPORT OF THE COMMITTEE ON MARKET ACCESS TO THE COUNCIL FOR TRADE IN GOODS

1. Since the last periodic report of the Committee on Market Access to the Council for Trade in Goods (G/MA/57 dated 11 April 1997), the Committee held two formal meetings, on 24 June and on 29 September 1997. Detailed reports on the meetings can be found in documents G/MA/M/10 dated 22 July 1997 and G/MA/M/11 [not yet circulated].
2. At its meeting of 24 June 1997, the Committee was requested to examine the request for observer status received from the Latin American Economic System (SELA) but a delegation pointed out that this matter was under consideration by the General Council and that the consideration of this agenda item should be postponed until a decision was taken in that forum.
3. At its June meeting the Committee examined the situation related to the introduction on 1 January 1996 of the changes to the nomenclature of the Harmonized System and the submission of documentation related to these changes (G/MA/TAR/2/Rev.9). In this connection, the Chairman summarized the outcome of the informal consultations undertaken by the Chairman of the Council for Trade in Goods on this matter as follows: it was considered useful to pursue two approaches, one in the short term and one in the long term. In the short term, Members should pursue the work on the verification and certification of HS96 documentation without delay. With a view to assisting interested Members, the Secretariat would transpose the available HS96 documentation onto electronic media in a standard database system. In the context of the long term approach a number of important

issues were raised which could lead to changes or amendments to the decisions currently in force. This work was continuing in the framework of the Council for Trade in Goods.

4. On 13 December 1995 several Members were granted waivers on a collective basis for the introduction of HS96 changes (WT/L/124 + Corr.1); these waivers were, by successive decisions by the General Council, extended until 31 October 1997 (WT/L/216). At its meeting of 29 September 1997, the Committee took note of the requests for extension of or inclusion in the waiver in order to carry out possible consultations/negotiations under Article XXVIII after the introduction of HS96 changes in national tariffs. This information is summarized in Annex I of the report.

[To be completed in light of the discussion held at the meeting of 29 September 1997.]

5. Regarding the status of countries under waivers for the transposition into the Harmonized System or for the renegotiations of their schedules, the Committee took note of the factual information provided by Members under current waivers. This information is summarized in Annex II to this report [to be completed].

6. Following the Decision on Notification Procedures for Quantitative Restrictions adopted by the Council for Trade in Goods in December 1995, the Committee adopted a format for the submission of Quantitative Restriction notifications at its meeting of 24 June 1997. The approved format was circulated in document G/MA/NTM/QR/2 dated 10 July 1997.

7. At its meeting of 29 September, the Committee took note of the status of Quantitative Restriction notifications contained in document G/MA/NTM/QR/1/Add.4. [To be completed]

8. At its meeting on 24 June 1997, the Committee agreed, as outlined in document G/MA/IDB/1/Rev.1, to the restructuring of the currently existing Integrated Data Base (IDB) from a mainframe environment to a Personal Computer (PC)-based system, which would utilize new technology to improve the operation of the IDB. In addition to adapting the IDB to modern technology, one essential element of the reform was that it would allow a degree of flexibility in the transmission of data thereby reducing the burden on Members. In addition to the operational changes outlined in G/MA/IDB/1/Rev.1, the Committee sought to lay down a solid basis for the transmission of the information required for the functioning of the PC IDB. In this connection, the Committee forwarded a draft Decision on the Supply of Information to the PC IDB to the Council for Trade in Goods, and then to the General Council for adoption. This Decision was formally adopted by the General Council at its meeting of 18 July 1997 (WT/L/225).

9. At its meeting on 29 September 1997, the Committee examined the progress in the implementation of the Decision on the Integrated Data Base and took note of the status of submission of required data. [To be completed in light of the discussion that will take place at the meeting of 29 September.]

10. At its meeting on 24 June 1997, the Committee took note of the Secretariat proposal under "other business" relating to the creation of an electronic basis or 'yardstick' for the verification of schedules in loose-leaf format which had already been submitted in an electronic form. As requested by some delegations, the Secretariat had prepared a standard format that could assist delegations for future submission of loose-leaf schedules.

11. The Committee also took note of the departure of Mrs. Simona Valceanu, Vice-Chairperson of the Committee and decided [to be completed].

[The report will be completed in light of the discussion that will take place at the Committee meeting on 29 September 1997.]

**ANNEX I****REQUESTS FOR INCLUSION IN AND EXTENSION OF THE HS96 WAIVER**

<u>Country</u>	Document (G/SECRET/HS96 series)	Reservations (Number of countries)	Reasons for requesting waiver or extension of waiver
ARGENTINA	/30	4	Extension to finalize consultations and negotiations under Article XXVIII*.
AUSTRALIA	/19 + Corr.1	5	Extensions needed because unlikely to complete negotiations by 31 October 1997; are responding to questions received and awaiting further information from some delegations.*
BRAZIL	/36	1	Extension needed to conclude consultations and possible Article XXVIII negotiations.
BRUNEI DARUSSALAM	/14 (prelimin. inf.)	2	Documentation is about to be circulated and extension is required for consultations.
CANADA	/7	3	Extension to complete consultations.
COLOMBIA	/32 + Corr.1	1	Extension due to a general reservation by one Member, which has not been specified or lifted.*
COSTA RICA	/37	1	Extension needed because one Member submitted a general reservation, and has not specified the problem; therefore it is impossible to conclude the consultations and negotiations in time.*
CUBA	/21 + Rev. 1	1	Extension due to one Member which has placed a general reservation that has not been further specified.*
CZECH REP.	/5	2	Extension due to the situation with respect to both specific and general reservations and to complete negotiations and consultations.*
EGYPT			Extension needed to finalize the documentation, and to allow for consultations which may be necessary.
EL SALVADOR			Extension needed; has recently presented their 1996 tariff to the Secretariat and requested technical assistance for the preparation of the documentation.

<u>Country</u>	Document (G/SECRET/HS96 series)	Reservations (Number of countries)	Reasons for requesting waiver or extension of waiver
EUROPEAN COMMUNITIES	/3	5	Extension to finalize consultations and negotiations.*
HONDURAS			Extension to finalize documentation, in which technical assistance from the Secretariat has been sought. Has submitted 1996 tariff schedule.
HUNGARY	/22 + Corr.1	1	Extension due to a general reservation by one Member.*
ICELAND	/38	2	Extension necessary to allow for completion of possible negotiations under Article XXVIII.*
INDIA	/8 + Corr.1	2	Extension needed to resolve issues relating to the reservations.*
INDONESIA	/33	3	Extension needed; received two reservations of a general nature and are awaiting specific concerns by these Members.*
ISRAEL	/26	4	Extension due to technical difficulties in finalizing detailed documentation and due to a number of general reservations on submission.*
KOREA	/4 + Add.1 + Corr.1-2/Rev. 1	3	Extension needed because of three general reservations where no progress has been made.*
MALAYSIA	/31 + Rev.1	5	Extension to allow additional time for consultations and clarification.
MALTA			Waiver requested due to administrative procedures that still have to be carried out.
MEXICO			Extension due to technical difficulties in completing documentation and to conclude relevant consultations or negotiations.
NORWAY	/11	2	Extension to finalize consultations and negotiations.
PAKISTAN			Extension due to formalities regarding the introduction of HS96 changes into the WTO schedule.

<u>Country</u>	Document (G/SECRET/HS96 series)	Reservations (Number of countries)	Reasons for requesting waiver or extension of waiver
PARAGUAY	/29	3	Extension due to general reservations and to finalize consultations and possible Article XXVIII negotiations.*
PHILIPPINES	/16 + Add.1 + Corr.1-2	2	Extension to finalize consultations with two Members.
POLAND	/34	1	Extension due to one reservation that has not been specified.*
ROMANIA	/24	1	Extension due to one general reservation where no specific requests have been received at this time.*
SLOVAK REP.	/6	2	Extension due to the situation with respect to both specific and general reservations and to complete negotiations and consultations.*
SLOVENIA	/23 + Corr.1	1	Extension to complete consultations and negotiations with one Member.
SOUTH AFRICA	/15 (prelimin. inf)	2	Extension because authorities are in the process of converting the tariff nomenclature database to a common readable format and because the correlation tables have not been completed.
THAILAND	/17 + Rev. 1	3	Extension due to a general reservation whereby specific technical questions are expected to be forthcoming so that consultations can be concluded in the near future.*
TUNISIA	/25	2	Extension due to two general reservations that have not been specified or justified to finalize negotiations.*
TURKEY	/27	2	Extension needed; received two reservations of a general nature and are awaiting specific concerns by these Members.*
UNITED STATES	/9	6	Extension needed.
URUGUAY	/28	1	Extension to finalize consultations and negotiations.*

<u>Country</u>	Document (G/SECRET/HS96 series)	Reservations (Number of countries)	Reasons for requesting waiver or extension of waiver
VENEZUELA	/12 + Rev. 1	2	Extension due to general reservations received and to complete consultations and negotiations.*
[ZIMBABWE]			[Extension due to technical difficulties in the transposition to HS96.]

\*Awaiting specific comments from Members who have made general reservations.



ANNEX II

FACTUAL INFORMATION RELATED TO THE EXTENSION OF WAIVERS

Country	Date of original waiver	Date of submission of HS documentation	N of extensions and dates	N of countries with which Article XXVIII negotiations have been initiated	N of countries with which Article XXVIII negotiations have been concluded	Status of outstanding Article XXVIII negotiations	Outlook for concluding the process	Request for extension and draft decision
1. Bangladesh	18.07.1988	06.12.1990 SECRET/HS/29	Sixteen: 24.07.1989 05.12.1989 16.07.1990 13.12.1990 12.08.1991 04.12.1991 20.07.1992 03.12.1992 19.07.1993 17.01.1994 21.07.1994 09.12.1994 31.08.1995 13.12.1995 18.07.1996 24.04.1997	Four	Two	Proposals were forwarded to the two countries concerned. Agreement was reached with one Member and reaction from the other is awaited.	Intention is to conclude negotiations as soon as possible.	Extension requested G/L/186 G/C/W/89
2. Nicaragua	26.01.1994	28.06.1995 G/SECRET/HS/3	Four: 09.12.1994 13.12.1995 18.07.1996 24.04.1997	Two	None	Still awaiting a substantiated request from one Member.		Extension requested G/L/187 G/C/W/87
3. Guatemala	26.01.1994	08.12.1995 G/SECRET/HS/6	Four: 09.12.1994 31.08.1995 13.12.1995 18.07.1996	One	Two	Outstanding negotiations with one Member.	Consultations to be concluded after a technical matter related to INRs is resolved.	Extension requested (the gap in the extension of the waiver is due to an internal administrative restructuring at the Mission) G/L/185 G/C/W/88

Country	Date of original waiver	Date of submission of HS documentation	N of extensions and dates	N of countries with which Article XXVIII negotiations have been initiated	N of countries with which Article XXVIII negotiations have been concluded	Status of outstanding Article XXVIII negotiations	Outlook for concluding the process	Request for extension and draft decision
4. Sri Lanka	08.11.1988	12.01.1990 SECRET/HS/26	Fifteen: 24.07.1989 16.07.1990 07.12.1990 01.07.1991 04.12.1991 20.07.1992 03.12.1992 19.07.1993 17.01.1994 21.07.1994 09.12.1994 31.08.1995 13.12.1995 18.07.1996 16.07.1997	Five	One	Because of the political situation in the country, negotiations have been delayed.	Expects to conclude the negotiations within a few months.	Extension requested G/L/188 G/C/W/90
5. Zambia	26.11.1993 (2 years)	12.03.1996 G/SECRET/HS/8	Three: 13.12.1995 18.07.1996 24.04.1997	Three	None	Contacts have been made with the Members concerned.	Expects to finalize the process before the end of the year	[Extension requested] G/L/189 G/C/W/91