

# WORLD TRADE ORGANIZATION

RESTRICTED

TN/CTD/M/19

21 March 2005

(05-1191)

---

**Committee on Trade and Development  
Nineteenth Special Session**

**NOTE ON THE MEETING OF 8 FEBRUARY 2005**

*Chairman: Mr. Faizel Ismail (South Africa)*

A.	ADOPTION OF THE DRAFT AGENDA .....	1
B.	CONTINUED DISCUSSION ON THE CHAIRMAN'S SUGGESTED APPROACH FOR FUTURE WORK.....	1

A. ADOPTION OF THE DRAFT AGENDA

1. The Chairman indicated that the draft agenda for the meeting was contained in Airgram WTO/AIR/2484 dated 24 January 2005.

2. The agenda was adopted.

B. CONTINUED DISCUSSION ON THE CHAIRMAN'S SUGGESTED APPROACH FOR FUTURE WORK

3. The Chairman said that at the last formal meeting of the Special Session held on 7 December 2004, Members had had some initial discussions on his informal suggestion on a possible way forward on S&D. He said that those discussions had been preliminary and a number of Members had raised concerns and sought clarification on some of the elements of the approach he had put forward. A number of Members had also requested more time to reflect on the various elements of the approach. Since that meeting, he had met with a number of Members to continue discussions on the approach and hear views on what Members felt would be the best way to proceed. He hoped, especially in light of the July deadline and the need to make progress on the remaining work, that Members had had the time to consider the approach he had suggested. He said that he intended to continue discussions and address any concerns that Members may still have.

4. The Chairman requested that since a lot of work remained to be done in a short period of time, it would help if Members did not repeat themselves but rather continue discussions from where they had left off at the last meeting. He said that it was important that Members realise that his intention was not to get an agreement on the approach but rather to get a broad acceptance of its elements as a guideline for addressing the remaining Agreement-specific proposals. He did, however, realise that Members needed to feel comfortable with the approach before beginning work on the remaining Agreement-specific proposals and for that reason wished to go over the elements of the suggested approach.

5. The Chairman said that at the last formal meeting Members had had before them a non-exhaustive indicative list of elements that he believed could be useful in addressing the remaining S&D proposals. These elements, which should be read together, included the fact that effective market access for products of export interest to developing countries was an important means of enhancing their economic development and should remain a critical objective in the Doha

negotiations. Secondly, that enhanced flexibility in WTO rules, with appropriate transitional arrangements, should enable the development of developing countries and that these additional flexibilities should be made available to those Members that were in need of them to address particular development challenges, whilst ensuring that there was no a priori exclusion of any developing country from such a situational flexibility. There also needed to be multilateral monitoring of the use of those flexibilities. Thirdly, that flexibilities in the rules must be consistent with a multilateral rules-based system. A strengthened multilateral rules-based system also remained important for supporting developing countries' efforts to build their competitiveness and integration into the world economy. Fourthly, that enhanced capacity-building programmes must be developed to assist countries in implementing WTO rules and in addressing their supply-side constraints.

6. The Chairman said that he had mentioned that within the overall context of those elements, Members should re-examine the remaining Agreement-specific proposals with two possible non-exclusive options in mind. The first option being that the proposal be redrafted or merged with other similar proposals in accordance with the approach. The second option being that Members identify the underlying development issues that the different Agreement-specific proposals had raised and to then address those issues in the context of the cross-cutting issues. In any case, the elements of the approach should not in any way dilute the flexibilities that were already available to developing countries under the existing S&D provisions.

7. The Chairman also said that he had suggested that since many of the cross-cutting issues seemed to be effectively included in the broad approach, they could be clustered into four thematic groups. Those included first, addressing the issues of enhanced flexibility in WTO rules called for by the S&D proposals; second, fleshing out the concept of a Monitoring Mechanism and its implementation that had been called for by various Members; third, addressing the need for enhanced capacity building raised by various S&D proposals; and fourth, building the concept of coherence of policy making and implementation that could effectively assist the WTO to harness the specialist expertise of other multilateral agencies in giving effect to the proposals arising from the first, second and third thematic clusters. Members could combine the first two groups to create one thematic cluster and the last two groups into another thematic cluster, discussions on which could be held sequentially to facilitate and enable the participation of all delegations. These elements were in line with the Doha Mandate and the July Decision.

8. Thereafter, the meeting continued in an informal mode.

9. While Members were generally appreciative of the Chairman's efforts in trying to take work forward, they continued to stress the need for any approach on future work to be in line with paragraph 44 of the Doha Ministerial Declaration and paragraph 12b) of the Decision on Implementation-Related Issues and Concerns. Some Members cautioned that there might be insufficient time to meet the July 2005 deadline if the Agreement-specific proposals were not taken up quickly. Some Members also sought clarification on whether the approach applied to all S&D proposals, including those that had already been agreed to in principle, or only to the remaining ones. In this context, the Chairman clarified that his intention, at least at that stage, was to apply elements of the approach to only the remaining Category I and Category III proposals.

10. One Member on behalf of the LDCs stated that the existing proposals by the LDC Group needed to be addressed urgently and therefore discussions on the approach should not delay addressing those proposals. Any future approach including one based on situational flexibility, needed to automatically include all the LDCs as these countries were already facing the situations likely to be identified as requiring additional flexibilities. According to this Member, the approach seemed to suggest a substantial redirection of the Special Session's work on the review of S&D proposals as well as the cross-cutting issues and in that context it might have been more appropriate if the systemic and practical implications of the approach were examined in the Regular Session of the

Committee on Trade Development. At the same time, efforts needed to be made, in the Special Session, towards identifying proposals of commercial and developmental value and finding ways to address them on priority. Reference was made to commitments made at the Third UN Conference on LDCs as contained in the Brussels Declaration and the Programme of Action.

11. With respect to the need for a Monitoring Mechanism as called for in the approach, a number of Members said that the modalities of the Monitoring Mechanism that had been proposed by the African Group should only be discussed once work on the Agreement-specific proposals had been completed. On the other hand, some Members felt that Members should remain flexible and should not rule out, if the need arose, discussing the Monitoring Mechanism whilst addressing the Agreement-specific proposals. One Member in particular said that reviewing 'all special and differential treatment' with a view to strengthening them and making them more precise, effective and operational as mandated by paragraph 44 of the Doha Ministerial Declaration did not preclude other proposals being made on the other S&D provisions contained in the WTO Agreements.

12. While some Members admitted that they still had concerns with certain elements of the approach, they stated their willingness to begin addressing the remaining Agreement-specific proposals using the approach as a guideline. Most Members agreed that the process followed in the past had not resulted in the anticipated progress despite the good will and flexibility shown by Members. A number of Members also felt that enough time had been spent on the approach and further efforts to seek convergence on the elements of the approach could undermine the positive elements that had been gained from discussions over the past few months. In that context, it was suggested that if Members were to meet the July 2005 deadline, then work should begin on the remaining Agreement-specific proposals. It was suggested by the LDCs and endorsed by other Members, that the work begin by addressing the remaining Agreement-specific LDC proposals as a matter of priority. While some Members felt it was necessary for the proponents to consider redrafting some of their proposals, others believed that it would be more useful if this exercise was undertaken after discussions had taken place on the underlying issues that the proposals were attempting to address. Some Members requested that the Chairman provide, before the next meeting, a document containing the proposals that would be discussed as well as any other relevant information that would assist Members in their discussions.

13. Reverting to formal mode, the Chairman said that since no issue had been raised under other business, the meeting could be closed. He thanked Members for their positive engagement and indicated that his intention was to shortly begin work on the remaining Category I and Category III Agreement-specific proposals, giving priority to the LDC proposals amongst them. He also mentioned his willingness to meet with those Members that may still have concerns about any of the elements of the approach. He also intended to remain in regular contact with the Chairpersons of those bodies to which the Category II proposals had been referred in order to ensure that work on those proposals was carried out expeditiously.

---