## WORLD TRADE

## ORGANIZATION

RESTRICTED TN/DS/M/30

26 June 2006

(06-3097)

**Dispute Settlement Body Special Session** 

## **MINUTES OF MEETING**

Held in the Centre William Rappard on 22 February 2006

Chairman: Mr. Ronald Saborío Soto (Costa Rica)

The <u>Chairman-designate</u> welcomed delegations to the thirty-third meeting of the Special Session and said that in the absence of the outgoing Chairman, and with his approval, he was going to open the meeting in his capacity as Chairman-designate. He said that the airgram for the meeting had been circulated in WTO/AIR/2759 and that the draft agenda (TN/DS/W/83) contained three items, namely: (i) organization of work; (ii) discussion of contributions by delegations; and (iii) "Other Business". With respect to the first agenda item, he proposed that the Special Session of the Dispute Settlement Body begin its work by confirming him as the next Chairperson and then discuss the work programme for the coming months. As regards the second agenda item, he said that no new contribution had been received from Members. He proposed the deletion of this item, unless any Member wanted to discuss a specific contribution. Regarding "Other Business", he said that he did not intend to raise any issue under this agenda item and asked if any Member wished to do so. As there was no response from Members, he also proposed the deletion of this item from the agenda. The agenda of the meeting was adopted as amended.

## 1. Organization of work

1. The Chairman-designate referred to the consensus reached in the General Council on the slate of names to be appointed as Chairpersons of WTO bodies on 8 February and asked whether Members could formally confirm him as the Chairperson of the Special Session of the Dispute Settlement Body. As there was no opposition from the floor, he thanked Members for his appointment and said that he would do his best to advance the work of the Special Session. He said that the dispute settlement mechanism was the bedrock of the multilateral trading system and that a strengthened mechanism was in the interests of all Members, developed and developing alike. He paid tribute to his predecessors – Ambassadors Balás and Spencer – and said that he would build on the good work done by them. He noted, however, that there was still a lot of work to be done to bring the negotiations to a successful conclusion. He expressed the hope that Members would continue to be active in the negotiations, and said that he had already been encouraged by the informal contacts with delegations. There was the clear determination to work towards the rapid conclusion of the negotiations, as instructed by Ministers at Hong Kong. The negotiations were now in their final phase and it would be helpful if the Special Session could take stock and agree on its work programme for the coming months.

2. He said that his informal contacts with delegations prior to the meeting had revealed that a substantial amount of work had been done since the Hong Kong Ministerial Conference on the basis of a "bottom-up", Member-driven process which was strongly encouraged by his predecessor, Ambassador David Spencer. It was his understanding that further work was continuing among

delegations which could lead to the tabling of new and revised contributions. He encouraged Members to consult informally with each other with a view to narrowing their differences on the issues under negotiation. He stressed, however, that the formal process should also move forward in parallel with the informal process. This was necessary not only for transparency purposes, but also to ensure that adequate progress was made in the negotiations. The informal process was meant to facilitate consensus and not to replace the formal process. It was important at this stage of the negotiations for Members to have a clearer idea of where things stood so as to enable them to intensify their efforts to bring the negotiations to a successful close as soon as possible. In that regard, it would be extremely useful to have some markers along the way. He referred to the timelines document (Job06/13) circulated by the Director-General and said that delegations were encouraged in this document to submit revised proposals on specific issues at the latest by March/April 2006. Although the specified dates were indicative, they provided useful guidelines that could assist Members to work towards a rapid conclusion of the negotiations. He urged delegations which were working on contributions to finalize them as soon as possible, preferably before the April meeting of the Special Session.

3. He proposed that the Special Session should be fully engaged in text-based negotiations by the summer. In that regard, it would be preferable to have a bottom-up approach under which delegations would be the main drivers. They had a responsibility to provide the necessary inputs which would form the basis of the final agreement. He said that he would, however, remain active in the process and assist delegations whenever required. He proposed that the Special Session hold its next meeting on 13-14 March to resume its consideration of contributions by Members. Following past practice, there would be a formal and an informal segment of the meeting. He suggested that the Special Session should meet at least once a month until the summer. He invited comments from Members on his proposed approach and requested Members which were working on contributions to give an indication as to when these would be finalised for presentation to the Special Session.

4. The representative of Norway congratulated the Chairman on his appointment and assured him of the support of Norway in his new role. He said that Norway had participated actively in the DSU negotiations since they started before the Seattle Ministerial Meeting, and it was the intention of Norway to continue doing so. He recalled that at Marrakesh in 1994, Ministers had mandated a full review of the dispute settlement rules and procedures to be completed within four years after the entry into force of the WTO. The process commenced in 1998, and almost succeeded with the submission of the "co-sponsors text" to the Seattle Ministerial Conference in 1999. Had the Conference not broken down, Members would have probably adopted the text. The major issues at that time were "sequencing", "third party rights" and "time-frames". These issues surfaced as a result of the "Banana" dispute and helped focus the attention of Members on the shortcomings of the DSU. However, Members did not have a uniform view on how these problems should be resolved. Expectations of finalizing the review at the Seattle Ministerial Conference did not materialize. There was a further opportunity to finalize the review by adopting the new "co-sponsors text" before the Doha Ministerial Conference, but Members decided against that and instead provided a new mandate in the Doha Ministerial Declaration.

5. Taking into account the work already done, Ministers mandated that the DSU negotiations should be completed by May 2003 and excluded the negotiations from the "single undertaking" on the grounds that a strengthened dispute settlement system was in the interest of all Members and should not be linked to other negotiating areas. Being outside of the "single undertaking" did not mean that the DSU negotiations were not subject to the overall deadline of the DDA negotiations. It was clear from paragraph 1 of the Hong Kong Ministerial Declaration that Ministers wanted all negotiations to be completed by 31 December 2006. It was therefore necessary for Members to have an agreed text by the end of the year or something close to that which could be finalised by Ministers. To realise this objective, a process of "reverse engineering" was needed to get Members to their final destination. There was a need for textual proposals from Members which would culminate in the circulation of a

Chairman's text for the consideration of Members. Generally, there were few opportunities for Chairs to present compromise texts. Members would be willing to give no more than two chances. The first Chair presented two texts in 2003, but a consensus could not be built around any of them. It would therefore be advisable for the Chair to present a text when the negotiations were sufficiently advanced. While the "Balás-text" contained some useful elements, there was no point in trying to resurrect it. Rather, the Chairman would have to decide after a careful consideration of the proposals, which elements should go into his text bearing in mind the reasons why the "Balás-text" failed to command a consensus and the negotiations that have taken place since then.

6. Since 2003, the negotiations had focussed on certain systemic issues. The negotiations had thus far been based on proposals and revised texts presented by the group of seven countries (G-7) and other Members. The G-7, of which Norway was a member, had chosen to concentrate on a few topics selected on the basis of tightly defined criteria. Firstly, they had to be of systemic importance and bring about real improvements to the dispute settlement system for the benefit of Members. Secondly, they could not be agreed or implemented easily by Members. Put differently, they could not be applied or negotiated easily on an *ad-hoc* basis between the parties to a particular dispute. Thirdly, they had to be "doable" in the short term, based on the relative level of support and opposition that had been expressed by Members in the past. The guiding principle of the G-7 was that any changes to the DSU should be kept as simple as possible and as few as possible – as that would make them easier to explain and understand. Norway still believed that these principles should guide the Special Session in its quest to establish a package of reforms to the DSU by the end of the year. This was not to suggest that a package should only focus on issues presented by the G-7. The overall objective should be to agree on changes of systemic importance and not on issues of a more housekeeping or "cosmetic" nature. It was also advisable to concentrate on a selected number of topics of importance to the Membership at large. There was merit in asking Members to present their proposals after first discussing them informally with other interested Members and getting their reactions. In that context, a useful contact point would be the "Mexican Group" which used to be called the "off campus group". This group was open to all Members and they could get useful comments on their proposals before formally submitting them to the Special Session. It would not be advisable for Members to resubmit old proposals from the pre-2003 process which did not command broad support of the membership.

As regards the future process, he said that Norway believed that the Special Session should 7. meet formally at regular intervals, perhaps on a monthly basis. There was also a need in the near future for informal "Room D" or "Room F" meetings held back-to-back with the formal meetings of the Special Session. The purpose of these informal meetings would be to assist the Chairman in evaluating the degree of support for the various proposals and to discuss their ramifications with Members. Unlike other negotiating groups, the informal meetings of the Special Session could be open-ended as there were no fixed groups with opposing views in the DSU negotiations. It was the common objective of all Members to strengthen the dispute settlement system, except that there were different views as to how this overarching objective could be achieved. There was, however, the realization that drafting could not be done in big meetings and that it was preferable to carry out this exercise within a small group of dedicated people who were willing to invest the time and resources for such an exercise. As regards background documents, some negotiating groups used intermediate tools such as "compilations of proposals", "compendia of proposals" or "consolidated texts". These texts were either just simple compilations of all proposals put together by the Secretariat, or based on the work in informal groups set up by the Chairpersons. In the agriculture negotiations, for example, the Chairperson had presented on his own responsibility "approximations" of what he believed were the important issues and the direction the texts should take. In the context of the Special Session, there had been consolidated negotiating texts put together by a Member or a group of Members, based on their best assessment of what the outcome could look like. While all of these tools were available to the Special Session, Norway was of the view that a mere compilation of proposals submitted by Members would serve no useful purpose. Such a document had been circulated in the past by the

Secretariat; while it was useful as a reference document, it was too unwieldy and did not narrow the gaps in Members' positions. It was doubtful if a similar document would serve any useful purpose at this stage of the negotiations. It would be more useful to aim for a sort of "consolidated text" by July, to serve as a basis for the final negotiations this coming fall. It was an open question whether the text should be prepared by the Chairman, based on the informal process, or whether it should emerge from a group of Members or a single Member. Following past practice, the Chairman could designate "friends" to assist him in this task, as well as in moving forward on particular subjects.

8. With respect to setting a deadline for the submission of proposals, Norway was not sure whether there was a need to do so. It was imperative for proponents of proposals which had not been discussed since 2003 to submit revised textual proposals as soon as possible for them to be discussed by the Special Session. Untimely submission of proposals would not allow the Special Session to consider and include them in the final package. It could be envisaged that there would be numerous drafting suggestions to amend what was already on the table and some of these could come at the very end. Any proposed changes to the system had to be carefully evaluated. When the negotiations started in 1998, Members had had only four years of experience with the DSU. The situation now was very different, as Members were now very familiar with the system and knew which areas had to be strengthened. While some problems had been solved by practice, others were still subject to "grey area" agreements not envisaged under the DSU. Some problems remain unresolved and could only be resolved through changes to the DSU itself. It was Norway's expectation that Members could agree by the end of this year to make a few improvements that were necessary, while at the same time ensuring that any changes did not undermine the effectiveness of the DSU or changed its character. The DSU was unique and safeguarding its core principles should be paramount.

9. The representative of Mexico congratulated the Chairman on his appointment and offered Mexico's full support, particularly as a bridge to communicate with other Members. Referring to the statement by Norway, he said that while the DSU negotiations officially began at the end of 2001, but in reality they had started in 1997. Members had therefore been negotiating for nine years. While considerable progress had been made in the negotiations, the fact remained that an agreement still had not been reached. Members had differing points of views on the substantive issues under negotiation. It was Mexico's considered view that there were two types of contributions that could be very useful to the process. In that regard, he recalled the statement made by Mexico in November 2003 that the negotiations should focus on the systemic problems of the dispute settlement system, rather than on trivial issues which might come up from time to time. The analysis of Mexico had highlighted the major problems that had been encountered in the past with the system. He stressed the need for greater political involvement in the negotiations. The progress which had been made in the negotiations at the technical level had not been matched at the political level. This imbalance had to be addressed if the negotiations were to be brought to a successful conclusion by the end of this year. He said that Mexico was in agreement with Norway that although the DSU negotiations were outside the single undertaking, they had to be concluded within the time-frame of the overall DDA negotiations. He further agreed with Norway that all proposals to amend the DSU had to be evaluated carefully. While some proposals would command broad support among delegations, others might not. The overall objective should be to make the necessary changes which would strengthen the dispute settlement system for all Members.

10. The representative of the <u>European Communities</u> (EC) congratulated the Chairman on his appointment and said that he could count on the full support of the EC in moving forward the negotiations. The negotiations were in their final phase and needed to be completed within the overall timeframe for the DDA negotiations, even though they were outside the single undertaking. Given the limited time available, Members should endeavour to build on the informal work done within the Mexican Group. Referring to the Chairman's statement, he said that while the dates of March and April 2006 were indicative for the submission of proposals, they should be taken seriously if the

negotiations were to be concluded in December 2006. He agreed with Mexico that the negotiations had to be given a higher political profile if substantive results were to be achieved.

11. The representative of <u>Ecuador</u> congratulated the Chairman on his appointment and pledged the support of Ecuador in the execution of his duties. He said that Ecuador had been active in the DSU negotiations and intended to continue doing so. He recalled that Ecuador had tabled a number of proposals and said that it was determined to work with other Members in order to build a consensus around them. Ecuador's experience with one important case had convinced it that some DSU provisions had to be amended to make them more useful for developing countries to defend their rights and legitimate expectations under the WTO Agreement. It would be useful if the Secretariat could prepare a text reflecting the proposals on the table, including those submitted by Ecuador for the consideration of the Special Session. This document could serve as a very useful tool in the further negotiations among Members. While Ecuador had not been a frequent user of the dispute settlement system, it attached great importance to the negotiations and believed that the outcome should reflect the interests of all Members.

12. The representative of <u>Japan</u> welcomed the appointment of the Chairman and pledged Japan's full support in advancing the negotiations. As regards the time-frame for the negotiations, she said that the DSU negotiations had to be completed within the overall timeframe for the DDA negotiations, even though that they were outside the single undertaking. She also endorsed the bottom-up approach advocated by the Chairman as the most optimal way of building consensus around any text. She said that Japan had tabled a number of proposals and was working on a joint proposal with the EC which they soon hoped to table before the Special Session. It was the intention of Japan and the EC to discuss the proposal informally with Members before submitting it to the Special Session. Such discussions were very important and facilitated the process of consensus building. She encouraged delegations wishing to submit proposals to follow the same procedure.

13. The representative of <u>Hong Kong, China</u> congratulated the Chairman on his appointment and said that her delegation was confident that he would guide Members to conclude the negotiations. Although Hong Kong, China was not a frequent user of the dispute settlement system, it attached great importance to it given its role in ensuring predictability to the multilateral trading system. A number of good suggestions had been made on how to move forward the negotiations and Hong Kong, China would like to make two observations. First, it was imperative that the Chairman injected a sense of urgency into the negotiations considering that Members had been negotiating for a long time. Second, it would be important for the Chairman to encourage Members to move from their well-known positions in search of compromises that would allow a rapid conclusion of the negotiations.

14. The representative of <u>Argentina</u> congratulated the Chairman on his appointment and said that he could count on Argentina's full support in his new role. He endorsed the statements made by Norway and Mexico and said that it was important for the Special Session to build on the informal work done thus far by Members. It was also important at this stage of the negotiations to encourage delegations to come forward with elaborate proposals together with legal texts, where possible, in relation to elements which had not been discussed in detail by the Special Session. It would be helpful if Members knew what was on the table in relation to issues such as implementation and special and differential treatment. This would allow a thorough and constructive discussion of all the relevant issues and pave the way for an agreement.

15. The representative of <u>Switzerland</u> welcomed the appointment of the Chairman and pledged Switzerland's support in the discharge of his functions. He said that notwithstanding the intensive consultations in the past year, Members were yet to engage in text-based negotiations. He endorsed the statement made by Norway and said that Switzerland would continue to participate actively in the negotiations in order to ensure a strengthened dispute settlement system for the benefit of all Members. 16. The representative of <u>India</u> congratulated the Chairman on his appointment and thanked him for his opening statement and the proposed work programme. He said that India was fully committed to working towards a rapid conclusion of the negotiations as instructed by Ministers at Hong Kong. In that regard, India was ready to engage constructively and did not have any rigid views on the organization of future work. India's main objective was to achieve substantive progress in the negotiations and was willing to work in any format that might be decided by the Chairman. He stated, however, that the DSU negotiations were not part of the single undertaking and as such no linkage should be made with other DDA negotiating issues. The time-frame for concluding the DSU negotiations had to be established independently of the overall time frame of the DDA negotiating issues. While India appreciated the concerns of other Members, including Mexico and Norway that the DSU negotiations could not possibly continue after the conclusion of the DDA negotiations, India was of the view that Members should concentrate on systemic and doable issues and explore the possibility of having an early harvest of these issues.

17. Apart from its views on the relationship between the DSU negotiations and other negotiating issues, India was prepared to be flexible on the organization of work. It would be necessary at some point to take stock of Members' positions on when and how to move towards a text-based negotiation. While the Special Session had received and discussed constructively a number of contributions from Members and groups of Members in the last two years, it was clear that these were not the totality of contributions that could constitute the scope of a possible text for the improvement and clarification of the DSU. It would be helpful if the Special Session could get as many contributions as possible from Members on various elements which would contribute to the strengthening of the dispute settlement system. He said that in view of the need to conclude the negotiations as rapidly as possible, India was working constructively with a number of other countries in different groupings with a view to presenting additional contributions to the Special Session. India was also working with some developing-country Members to present revised proposals dealing with the development dimension of the dispute settlement mechanism. He undertook to inform the Special Session of any developments.

18. The representative of <u>Australia</u> congratulated the Chairman on his appointment and pledged Australia's full support in the execution of his functions. Regarding the proposed work programme outlined by the Chairman, she said that Australia was supportive of the bottom-up approach and was committed to engaging constructively in the negotiations. The DSU had worked quite well and there was no need to make significant changes. There were areas where it could be improved and made more effective. In that context, Australia had tabled a number of proposals, including on time-saving possibilities. It was necessary for Members to have text-based negotiations as soon as possible. While the DSU negotiations were not formally part of the "single undertaking", there was the expectation that they would be concluded about the same time as the rest of the negotiations. It would be important for the Special Session to build on the good work done within the Mexican Group in order to ensure substantive progress and rapid conclusion of the negotiations.

19. The representative of the <u>United States</u> welcomed the appointment of the Chairman and looked forward to working with the Chairman. He thanked the Chairman for his thoughtful suggestions on the way forward, which the United States had listened to with great interest. The United States said that it shared with the Chairman the importance of the bottom-up approach and saw great value in Members working closely together in the bottom-up process towards improving and clarifying the DSU. The United States stated that it would like to build on the momentum in the Special Session, and in the WTO more broadly, to "work towards a rapid conclusion of the negotiations", as Ministers had said in Hong Kong. The United States looked forward to working closely with other delegations, and the Chairman, towards the goal of concluding these negotiations this year.

20. The representative of <u>Malaysia</u> congratulated the Chairman on his appointment and endorsed the statements made by previous delegations, including Argentina, Mexico, Norway and Switzerland regarding the future work programme and said that Malaysia was committed to working with him and other delegations to bring the negotiations to a close as rapidly as possible. She said that Malaysia was working on a revised version of its earlier submission on preventive measures and hoped to present it to the Special Session for its consideration very soon. She further stated that Malaysia was working with other Members, including India to present revised proposals on the development aspects of the negotiations.

21. The representative of <u>Korea</u> welcomed the appointment of the Chairman and said that Korea was confident that he would inject some dynamism into the negotiations. As a country which had benefited from the multilateral trading system, Korea attached a lot of importance to the dispute settlement system and the negotiations to clarify and improve it. Korea would continue to engage constructively in the negotiations and work with other Members to conclude them as rapidly as possible. Although the DSU negotiations were outside the single undertaking, it did not mean that Members could continue negotiating forever. A sense of urgency needed to be injected into the negotiations, otherwise Members would not be able to come to any agreement. To conclude the negotiations as rapidly as possible, it was imperative that the Special Session focussed on a manageable set of issues, otherwise the negotiations would drag on indefinitely.

22. The representative of Brazil welcomed the appointment of the Chairman and said that under his able leadership, Brazil was confident substantive progress would be made in the negotiations leading to their conclusion by the end of this year. He pledged Brazil's full support and cooperation in the discharge of his duties. Regarding the future work programme, he said that it would be more productive to focus on the substantive issues rather than having a discussion on whether or not the DSU negotiations were part of the single undertaking. It was clear that they were not and that should not be disputed. However, there was the expectation that the DSU negotiations should be concluded by the end of the year just like the rest of the negotiations. He said that Brazil attached a lot of importance to the bottom-up approach and believed that the Special Session should focus on issues that had been thoroughly discussed and which were likely to command a consensus among Members. He mentioned implementation and issues of interest to developing countries as deserving special consideration. He concurred with delegations which had urged text-based negotiations as soon as possible. The experience thus far had indicated that such an exercise could focus the minds of Members and help bridge existing gaps in positions. He stated that Brazil had an open mind and could accept the proposed work programme outlined by the Chairman in his introductory statement. He further stated that Brazil was determined to work constructively with other Members so as to agree on a package of measures which would strengthen the dispute settlement system from a systemic point of view.

23. The representative of <u>Costa Rica</u> congratulated the Chairman on his appointment and pledged his delegation's full support in the discharge of his duties. It was the expectation of Costa Rica that the Chairman would build on the good work done by his predecessors, Ambassadors Balás and Spencer, and guide Members to conclude the negotiations as rapidly as possible. He said that Costa Rica attached importance to the dispute settlement system and was committed to working with other Members to fulfil the Doha and Hong Kong mandates. He endorsed the suggestions made by Members at the present meeting and said that they could assist the Special Session to progress in its work and fulfil the relevant ministerial mandates. He stressed the importance of all delegations participating actively in the negotiations and said that this would be in keeping with the bottom-up approach.

24. The representative of <u>Venezuela</u> congratulated the Chairman on his appointment and assured him of Venezuela's full cooperation in his new tasks. He said that Venezuela was confident that he would guide the Special Session to a successful conclusion of the negotiations. Regarding the

proposed time-frame for the negotiations, he said his delegation was flexible and could go along with it. He noted that the fact that the DSU negotiations and the rest of the negotiations were expected to be concluded by the end of year did not mean that they were not outside the single undertaking. In that regard, he endorsed the statement made by India. He also endorsed the statement by Mexico that Members should in their future work focus on systemic issues which would strengthen the dispute settlement system. The analysis presented to the DSB by Mexico sometime ago highlighted the real problems facing the dispute settlement system. He agreed with Argentina that some of the priority issues that had to be addressed by the Special Session included compliance issues and special and differential treatment for developing countries. While Venezuela had not been a frequent user of the dispute settlement system, it attached great importance to it and was one of the first developing countries to have made use of the system. Ten years had passed since the creation of the dispute settlement system and a lot of experience had been accumulated over the years. Every effort should be made to conclude the negotiations so as to strengthen the dispute settlement system for the benefit of all countries. He said that Venezuela would continue to participate actively in the negotiations and work with other Members to fulfil the mandates given by Ministers.

25. The representative of <u>Guatemala</u> welcomed the appointment of the Chairman and said that Guatemala was confident that he would inject some dynamism into the negotiations and guide Members to conclude the negotiations as rapidly as possible. One dispute had kept Guatemala from participating actively in the DSU negotiations, but it was determined to increase its participation this year. To that end, she said that Guatemala would like to participate in all relevant informal processes dedicated to moving forward the DSU negotiations. She further said that Guatemala was willing to work with countries such as Ecuador, India, Argentina and Malaysia to refine their proposals on issues of interest to it.

26. The representative of <u>Israel</u> congratulated the Chairman on his appointment and said that Israel was looking forward to working closely with him and other Members to bring the negotiations to a successful and rapid conclusion. Although Israel had not been a frequent user of the dispute settlement system, it attached great importance to it. The DSU negotiations were excluded from the single undertaking primarily because of its systemic importance to the multilateral trading system. The time-frame for the DSU negotiations should be established independently of the time-frame for the rest of the negotiations. She endorsed the comments by Norway on the way forward in the negotiations.

27. The representative of <u>Egypt</u> welcomed the appointment of the Chairman and pledged Egypt's full support in the discharge of his duties. He expressed support for the bottom-up approach and said that further work should be conducted on the basis of proposals submitted to the Special Session by Members. While the DSU negotiations were outside of the single undertaking, they should not lag behind the rest of the negotiations. He said that Egypt had co-sponsored a number of proposals, including on special and differential treatment for developing countries and was willing to work with the other co-sponsors to revise them for submission to the Special Session.

28. The representative of <u>New Zealand</u> congratulated the Chairman on his appointment and said that New Zealand was looking forward to working with him and other Members to bring the negotiations to a successful conclusion. Notwithstanding the goodwill and constructive approach of delegations, substantive results had been elusive underscoring the challenge facing the Special Session. The momentum generated after the Hong Kong Ministerial Conference should be maintained in order to conclude the negotiations by the end of this year. Members had a common objective and their positions on the issues under negotiation were not markedly different. Yet, it had been difficult to make the necessary compromises that would pave the way for an agreement. It was necessary to maintain the bottom-up approach and build on the informal work done by Members through informal groupings such as the Mexican Group. Testing proposals in such settings and getting reactions from Members increased the chances of convergence being built around them.

Regarding the frequency of meetings between now and July, she said that New Zealand could go along with the proposal of the Chairman. She agreed with Norway that a mere compilation of Members' proposals would not be very helpful at this stage of the negotiations.

29. The representative of <u>Canada</u> congratulated the Chairman on his appointment and pledged Canada's full support in the discharge of his duties. He said that while the DSU negotiations might be outside the single undertaking, it was necessary to have a notional deadline, otherwise the negotiations would drag on endlessly. From a practical point of view, the DSU negotiations should also be concluded by the end of the year.

30. The representative of <u>China</u> welcomed the appointment of the Chairman and said that China was looking forward to working with him and other Members to bring the negotiations to a successful conclusion as rapidly as possible. Like Argentina, Brazil and India, China also attached a lot of importance to the development dimension in these negotiations.

31. The representative of <u>Nicaragua</u> congratulated the Chairman on his appointment and said that Nicaragua was willing to work with him and other Members to conclude the negotiations as rapidly as possible. While the DSU negotiations were outside of the single undertaking, they could not continue beyond the timeframe set for the rest of the negotiations. It was thus necessary for the negotiations to be intensified with a view to concluding them by the end of the year. Nicaragua attached importance to implementation issues and special and differential treatment for developing countries and would like to be invited to any informal consultations on these issues.

32. The representative of <u>Chile</u> congratulated the Chairman on his appointment and pledged Chile's full support in the discharge of his functions. He said Chile was ready to work with him and other Members to bring the negotiations to a successful conclusion. As regards the proposed work programme, he said that Chile was ready to work in various configurations in order to achieve substantive progress in the negotiations. He agreed with Norway and New Zealand that a consolidated text would be more useful than a compilation of proposals at this stage of the negotiations.

The Chairman thanked Members for their kind words of encouragement and said that he was 33. hopeful that with their support and constructive engagement, the Special Session would be able to fulfil its objectives. The interventions by Members had confirmed the desirability of maintaining the bottom-up approach and the necessity of building on the informal work done through groupings such as the Group of Seven Countries and the Mexican Group. Testing proposals in such informal groupings and getting feedback from Members before submitting them formally to the Special Session increased their chances of being accepted by the wider membership. One main advantage of groupings such as the Mexican Group was that it was open to all delegations, both developed and developing alike. It would be extremely helpful if as many delegations as possible could participate in their work. He welcomed the announcement by a number of delegations that they were in the process of revising their previously submitted proposals to the Special Session. He said that there was overwhelming support for the Special Session to have text-based negotiations and encouraged Members to submit legal texts together with their proposals. A consolidation of such legal texts would be a good basis for further work. The Hong Kong mandate was unequivocal; the negotiations had to be concluded as rapidly as possible. It was appropriate to assert that the negotiations were in the final phase. The momentum generated by the Hong Kong Ministerial Conference should be maintained. He proposed that the next meeting of the Special Session be held on 21-22 March 2006 and said that he would be holding informal consultations with Members in different configurations. He encouraged Members to consult with each other with a view to moving forward the negotiations. He stated that the following dates have been tentatively reserved for future meetings of the Special Session: 24-25 April; 22-23 May, 30 June and 3 July.

TN/DS/M/30 Page 10

\_\_\_\_