WORLD TRADE

ORGANIZATION

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Negotiating Group on Market Access

NEGOTIATING GROUP ON MARKET ACCESS

<u>Progress Report by the Chairman, Ambassador Don Stephenson, to</u> <u>the Trade Negotiations Committee</u>

I. STATUS OF WORK

- 1.1 The NAMA Group has met three times in 2006. The <u>first meeting</u> which took place from 2 to 3 February was informal and the details of the organization of work for this meeting were faxed to Members on 20 January 2006. The <u>second meeting</u> took place from 27 February to 3 March 2006 and was convened by WTO/AIR/2763. At this meeting the agenda item "Election of the Chairman" took place in formal mode with the rest of the meeting conducted in informal mode. The proposed structure of work for this meeting was communicated to Members through an organizational fax dated 24 February 2006. Subsequently, another fax was sent out which listed a set of very straightforward questions on issues to be covered in small-group consultations as well as a Room D session on Paragraph 24 of the Hong Kong Ministerial Declaration. The <u>third meeting</u>, also in informal mode, took place from 20-24 March 2006. The organizational arrangements for this meeting was conveyed to Members by fax dated 14 March 2006.
- 1.2 At the <u>first meeting</u>, the following documents were introduced or referred to in plenary: "Activity report on export taxes to the NGMA" (JOB(05)/321) by the EC "Update on the Negotiations on the Sectoral Tariff Component" (TN/MA/W/8/Add.1) by Singapore; "Enhancement of disciplines for quantitative export restrictions on natural resources such as minerals" (JOB(06)/14) and "Progress report: Sectoral discussions on tariff elimination in the electronics/electrical sector" (JOB(06)/15) by Japan; "Negotiating NTBs related to remanufacturing and refurbishing" (TN/MA/W/18/Add.11) and "A view to harmonize textile, apparel and footwear labelling requirements" (TN/MA/W/18/Add.12) by the US; "Liberalisation of trade in fish and fish products" (TN/MA/W/63) by Canada, Iceland, New Zealand, Norway, Singapore and Thailand; "Progress Report: Discussions on Forestry NTBs" (TN/MA/W/48/Add.1) by New Zealand and the United States; "Tariff liberalization in the Forest Products Sector" (TN/MA/W/64) by Canada, Hong Kong China, New Zealand, Thailand and the United States.
- 1.3 At the <u>second meeting</u>, the following documents were introduced or referred to in plenary: two papers by Japan entitled "Text based contribution for negotiation on enhanced disciplines on export restrictive measures" (JOB(06)/29), and "Progress Report: Sectoral Discussions on Auto/Auto parts sector" (JOB(06)/31); a paper by Canada entitled "Progress report on Sectoral Discussion on Tariff Elimination in the Forest Products Sector" (JOB(06)/30); a document by Thailand entitled "Progress Report: Sectoral Discussions on Tariff Eliminations in the Gems and Jewellery Sector" (JOB(06)/33); and a paper by Singapore, the US and Switzerland entitled "Open Access to Enhanced Healthcare" (JOB(06)/35). The introduction of these papers was followed by an information session on sectorals by the proponents of such initiatives. At the closing session of this NAMA week, the UAE also circulated a room document on its sectoral on raw materials.

- 1.4 At the third meeting, the following documents were introduced or referred to in plenary: "Implementing Paragraph 24 of the Hong Kong Ministerial Declaration (TN/MA/W/67) by Argentina; "Text-Based Contribution for Negotiation on Enhanced Disciplines on Export Restrictive Measures (JOB(06)/29/Rev.1) by Japan. Following discussion of these documents, information was provided by Members having undertaken a simulation exercise by themselves. The output summaries of these simulations were circulated in document JOB(06)/57 and Corr.1. South Africa presented a room document on behalf of the NAMA-11 Group of Developing Countries. Although not introduced in plenary, Turkey during the week circulated a document entitled "Harmonization in the Textiles and Clothing Sectors" (JOB(06)/60). An open-ended session was also held on the Formula, Paragraph 8 flexibilities and treatment of unbound tariffs.
- 1.5 These open-ended meetings have been supplemented by intensive consultations in different configurations by the Chairman which have been described in detail in documents JOB(06)/49, JOB(06)/51, JOB(06)/62, JOB(06)/67 and JOB(06)/68. JOB(06)/51 also includes a work plan which was put forward by me, on my own responsibility, to assist delegations in preparing sufficiently in advance for these meetings/consultations.
- 1.6 Participants were active in reporting the work they have undertaken in the context of private consultations. It is evident that this practice of giving time to delegations to meet privately is valuable, and will become even more important as we approach 30 April.

II. OUTSTANDING ISSUES

2.1 In order to establish modalities by the end of April as envisaged in the Hong Kong Ministerial Declaration, the Group will need to intensify its work on the core issues of formula, unbound and paragraph 8 flexibilities, as well as on all the other and equally important issues such as: sectorals; product coverage; credit for bound autonomous liberalization; ad valorem equivalents (AVEs); issues relating to the LDCs; paragraph 6 flexibilities; flexibilities for the Newly Acceded Members, flexibilities for the small, vulnerable economies; appropriate studies and capacity building measures; and non-reciprocal preferences. It will also be necessary to have preliminary discussion on the format of the Doha Schedules and the post-April work program.

III. FUTURE WORK

3.1 Although the next meeting of the Group is scheduled for 19-21 April, intensive consultations are required on all the issues. Such consultations will take place based on the work plan contained in JOB(06)/51.