WORLD TRADE

ORGANIZATION

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Negotiating Group on Rules

NEGOTIATING GROUP ON RULES

Report by the Chairman to the Trade Negotiations Committee

I. STATUS OF WORK

- 1. Since my last Report to the Trade Negotiations Committee in early February 2005, the Negotiating Group has held three further meetings, on 22-24 February & 11,13,15 April 2005 (Anti-Dumping and Subsidies & Countervailing Measures, including Fisheries Subsidies) and on 7 March (Regional Trade Agreements RTAs). The Group will meet again in the week of 30 May to continue its work on AD/SCM issues, and on 17-18 May regarding RTAs.
- 2. To date, 178 formal submissions have been received from Participants. These submissions have been circulated in the TN/RL/W/... series. In addition, the Group has received 38 informal elaborated proposals relating to AD and/or to SCM including Fisheries Subsidies. While these proposals have been circulated as JOB documents, they have also been circulated at the request of the Participants submitting them as unrestricted documents in the TN/RL/GEN/... series. In the area of RTAs, four background notes elaborated by the Secretariat at the Group's request, and three informal notes by the Chairman, have been circulated as JOB documents.

II. FUTURE WORK

- A. ANTI-DUMPING, AND SUBSIDIES AND COUNTERVAILING MEASURES INCLUDING FISHERIES SUBSIDIES
- In previous reports to the Committee, I have indicated that the Group's meetings on these issues have involved three components: a formal meeting, informal plenary sessions to discuss in detail informal elaborated proposals, and consultations among delegations. At our last meeting, I also held plurilateral consultations in order to allow a detailed exchange of views on an informal proposal on an anti-dumping issue that had already been the subject of intensive formal and informal discussions. I expect to hold consultations on other issues, whether relating to anti-dumping or other aspects of our mandate, as Participants advance and refine their ideas and, by preference, reflect them in concrete drafting suggestions to facilitate discussion. The frequency and intensity of my consultations will depend upon the pace at which Participants move forward their refined proposals, and the number and identity of the delegations invited will depend upon the issue and my assessment of the participation necessary to ensure the best possible discussion of that issue. Given the size of the task before us, I am prepared to make available for consultations as much time as may be required. In the interest of transparency, I intend that these refined proposals be submitted to and considered in informal plenary sessions before they are discussed in consultations. I will of course report back to the Group regarding these discussions, but I also expect participating delegations to keep other delegations with shared views fully apprised of our discussions.

- 4. I am pleased to report that the Group is also gaining some momentum in areas of the mandate other than anti-dumping. In the area of subsidies disciplines, Participants have submitted an number of additional elaborated proposals for discussion at the informal session. In the area of fisheries subsidies, the Group has received and considered in informal plenary session its first informal paper. In this regard, I am encouraged that the Participants seem prepared to put aside for the moment certain fundamental questions about the structure of any new disciplines on fisheries subsidies and focus on examining specific types of measures and how they might be treated under such disciplines.
- 5. The Group is making good progress, but much remains to be done. I encourage all Participants with objectives in these negotiations to intensify their efforts.

B. REGIONAL TRADE AGREEMENTS

- 6. The Group's work on systemic issues has gained a certain momentum following a Participant's proposal on the interpretation of "substantially all the trade". This proposal, made shortly before the Group's last meeting, has already generated a preliminary but detailed discussion; it will be further discussed at the Group's next meeting (17-18 May).
- 7. Work on RTA transparency is progressing on the basis of both informal papers by the Chair regarding a possible process and by the Secretariat regarding issues related to the submission of trade information and the Secretariat's factual presentation of RTAs.
- 8. Overall on RTAs, a substantive and detailed debate has now been launched on systemic issues and progress is being made on transparency questions. However, Participants have yet to arrive at a consensus view on some issues related to transparency and to reach common ground on systemic issues.