

**PROPOSALS ON SPECIAL AND DIFFERENTIAL TREATMENT REFERRED  
TO THE GROUP BY THE CHAIRMAN OF THE GENERAL COUNCIL**

Report to the General Council by the Chairman  
of the Negotiating Group on Rules

The present report is being submitted by the Chairman of the Negotiating Group on Rules, Ambassador Guillermo Valles, in response to the instruction contained in the Doha Work Programme adopted on 1 August 2004 (WT/L/579), to the effect that WTO bodies to which proposals in Category II have been referred to expeditiously complete their consideration and report to the General Council no later than July 2005.

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1. Special and Differential Treatment proposals in the areas of Regional Trade Agreements (RTAs), Anti-Dumping, and Subsidies and Countervailing Measures were referred to the Negotiating Group on Rules by the Chairman of the General Council by a letter dated 20 May 2003. Rules-related proposals (Anti-dumping and Subsidies and Countervailing Measures) were contained in documents TN/CTD/W/1, TN/CTD/W/3/Rev.2 and TN/CTD/W/4/Add.1 and related to Article 15 of the *Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (Agreement on Anti-dumping)* and to Articles 3.1, 27.3, 27.1, 27.4, 27.8, 27.9, 27.13 and 27.15 of the *Agreement on Subsidies and Countervailing Measures*.

2. Three RTA-related proposals were referred to the Group; they were contained in documents TN/CTD/W/3/Rev.2 (African Group) and TN/CTD/W/4/Add.1 (LDCs). Two of the three proposals were identical, and all of them related to the *Understanding on the Interpretation of Article XXIV of the GATT 1994*.

3. Since their referral to the Group in May 2003, these proposals have at the initiative of the Chairman been included on the agenda of formal meetings on 11 June 2003 (RTAs), 18-19 June 2003 (Anti-dumping and Subsidies and Countervailing Measures), on 21-22 July 2003 (all subjects), and on 16 December 2004 (Anti-dumping and Subsidies and Countervailing Measures), with the former meeting being convened primarily in order to consider the proposals. Discussions are reflected in the summary records of the Group found in TN/RL/M/9, 10, 11 and 22.

4. Unfortunately, and as reflected in the above summary records, except in respect of a proposal on Article 27.1 of the *Agreement on Subsidies and Countervailing Measures*<sup>1</sup>, the sponsors either were unable to attend the meetings in question or were not in a position to introduce their proposals at those meetings. While I fully understand the resource constraints faced by small delegations, it remains that although numerous opportunities have been provided we have not in fact had any

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<sup>1</sup> Proposal by Cuba, Dominican Republic, Honduras, India, Indonesia, Kenya, Pakistan, Sri Lanka, Tanzania and Zimbabwe (TN/CTD/W/1). See discussion in TN/RL/M/10.

substantive discussion on these proposals. Thus, I am not able at this point to report to the General Council any precise recommendations for decisions with respect to these proposals.

5. At the 16 December 2004 meeting, it was suggested that I enter into direct contact with the sponsors, and I have therefore had a number of direct personal contacts, including most notably with the coordinators of the African Group and of the Group of Least-Developed Countries. Most recently, and in response to invitations sent by myself to these coordinators, I attended a meeting of the African Group at Ambassadors/Heads of Delegation level on 22 June 2005 at which I briefed the Group on issues of interest to the Group regarding the Rules negotiations. I consider that this meeting was very helpful, and there was I believe a shared sense that it should represent a first step in a continuing dialogue between myself and the African Group.

6. I should emphasize that special and differential treatment issues with respect to all aspects of the Group's mandate are under active consideration in the Group.

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