

Negotiating Group on Rules

NEGOTIATING GROUP ON RULES

Report by the Chairman to the
Trade Negotiations Committee

I. INTRODUCTION

1. This report updates my March 2006 report to the Trade Negotiations Committee and indicates the steps taken since then to implement the directives of Ministers, to intensify the negotiating process, and to meet the scheduled conclusion of the negotiations at the end of this year.

II. ANTI-DUMPING & SUBSIDIES & COUNTERVAILING MEASURES, INCLUDING FISHERIES SUBSIDIES

2. With respect to anti-dumping and subsidies & countervailing measures, the Group has further intensified and accelerated the negotiating process, and is working hard to complete the necessary analysis of the proposals on the AD and SCM Agreements as soon as possible. To this end, and as I reported to the last meeting of this Committee, I have informed Participants that, as a practical matter, that any remaining proposals should be submitted, in the form of draft legal texts, before our May meetings.

3. I have received for discussion at the May cluster of the Group no less than 22 new anti-dumping proposals, 5 new papers on subsidies disciplines and 4 new papers on fisheries subsidies. In view of the heavy workload that these new submissions imply, I have decided that we need additional time to advance our work. Thus, the Group will be meeting in three separate dedicated sessions during the month of May. This week the Group is taking up anti-dumping proposals. Next week the Group will take up the fisheries subsidies-related proposals. In the week of 29 May 2006 the Group will discuss proposals related to subsidies disciplines generally.

4. Although the overwhelming share of the proposals received have focused on anti-dumping, a growing number of proposals relating to horizontal subsidies disciplines are now on the table. With respect to fisheries subsidies, I am encouraged that a number of Participants have now submitted textual proposals outlining in a concrete manner their competing views as to the structure and reach of possible disciplines. This was a necessary albeit not a sufficient step in our search for a way forward in these negotiations.

5. Following the guidance of many Ministers emerging from Davos, and consistent with the Timelines for 2006 circulated to this Committee on 30 January 2006, my intention remains to complete the analysis of proposals by June so as to be in a position, should appropriate conditions exist, to meet the target date of July 2006 for me to submit consolidated texts to the Group. Accordingly, the Group must seek to make the best use of the remaining time available to us to further advance our work.

III. REGIONAL TRADE AGREEMENTS

6. Since March, the Group's discussions have focused on a draft provisional decision establishing a "Transparency Mechanism for Regional Trade Agreements", in an effort to deliver a consensual text by the 30 April 2006 deadline. Participants agree that the draft text currently being examined¹ meets most of their concerns and that its technical provisions are near completion. However, the Group was unable to resolve the sharply different positions that remain on two topics. Firstly, Participants are opposed on whether the transparency process for agreements falling under the Enabling Clause should take place at the Committee on Trade and Development, instead of the Committee on Regional Trade Agreements. Secondly, the proposed extension of the Transparency Mechanism to other measures notified under paragraph 2 of the Enabling Clause (e.g., the Generalized System of Preferences) has given rise to serious divergences among Participants, in particular with respect to the Group's negotiating mandate.

¹ JOB(06)59/Rev.2