
Negotiating Group on Trade Facilitation

MINUTES OF THE MEETING

Held in the Centre William Rappard
on 15 November 2004

Chairman: Mr. Muhamad Noor Yacob (Malaysia)

<u>Subjects discussed:</u>	<u>Page</u>
A. AGREEMENT ON WORK PLAN AND SCHEDULE OF MEETINGS	1
1. Work Plan	1
2. Schedule of Meetings	7
B. <i>AD HOC</i> ATTENDANCE OF RELEVANT INTERNATIONAL ORGANIZATIONS, INCLUDING THE IMF, OECD, UNCTAD, WCO AND THE WORLD BANK, AT THE NEXT MEETING OF THE NEGOTIATING GROUP	10

The proposed agenda was adopted by the Negotiating Group as contained in document WTO/AIR/2441/Rev.1.

A. AGREEMENT ON WORK PLAN AND SCHEDULE OF MEETINGS

1. **Work Plan**

1. The Chairman recalled that Annex D, paragraph 10, of the General Council's Decision of 1 August 2004 required the Negotiating Group to agree on its work plan and schedule of meetings at the Group's first session. He had been consulting as broadly as possible with delegations on that matter over the past weeks. All Members had received an invitation to contact him in that regard with several of them actually having shared their views on those questions, for which he was thankful. In those consultations, he had detected a number of common elements in Members' thinking.

2. With respect to the Work Plan, there seemed to be a desire for it to be short and concise, with sufficient flexibility to adapt the substantive discussion at each meeting to the Group's respective needs. Members had also expressed their wish for a balanced approach, that reflected all the elements of the July mandate in an equitable manner, with no judgements on priority. Furthermore, he had sensed a need for the process to be member-driven, with work proceeding on the basis of Members' contributions and other input the Group might request.

3. Those were the commonalities he had found in Members' views. And those were also the principles that had guided him when putting together a chairman's text. His proposal sought to incorporate all those elements as they had emerged in the consultations. It had been circulated in document TN/TF/W/1 dated 5 November 2004. The suggested Work Plan called for work to proceed

on the basis of Members' contributions and other input that the Negotiating Group might request. The agenda of the Group was proposed to cover all elements of Annex D. Those had been grouped into six clusters, without that in any way altering the mandate of the Negotiating Group.

4. In taking up those items, he suggested it to be understood that work would be pursued in a flexible way, without being bound by a particular sequence. Delegations would be free to address items in an integrated way, and to raise issues in a cross-cutting manner. The Work Plan would also be without prejudice to the possibility for the Group to have formal or informal meetings on particular items.

5. Another element of the suggested Work Plan covered the attendance of relevant international organizations, including those mentioned in paragraph 8 of Annex D (namely the IMF, OECD, UNCTAD, WCO and the World Bank), at each formal meeting of the Negotiating Group on an *ad hoc* basis. That would greatly facilitate their contribution to the Group's work while at the same time offering Members a maximum of flexibility as to the extent of those institutions' involvement in the negotiating process.

6. The representative of Zambia apologized for his delegation not having been able to participate in the consultations on the Work Plan Members were discussing and requested to take a decision on. He congratulated the Chairman on the work he had done so far. It was not his intention to delay the process. Zambia would agree with whatever Members who had been participating in the consultations would agree on. He was just seeking some clarification on one particular point. While it seemed clear what Members were supposed to undertake under the Plan's first bullet point, Zambia would wish to obtain more clarity as to what exactly was envisaged under the second and third bullet.

7. The Chairman clarified that the Work Plan listed all the elements of the July mandate as set out in Annex D. It provided for a member-driven process, with work being guided by Members' wishes. The idea was for delegations to put forward proposals – either through oral interventions or in written form - with those inputs then being considered by the membership.

8. The representative of Zambia expressed his hope that, when adopting the Work Plan, the understanding would be for Members to be free to pursue their areas of interests under bullet points two and three, in the sense that they could not be prevented from doing so on the grounds of those issues not being covered by those bullets.

9. The Chairman assured the delegate of Zambia that the suggested Work Plan was merely a short version of Annex D of the July package. The Work Plan would in no way modify the modalities adopted in July, and not alter the negotiating mandate.

10. The representative of the Philippines thanked the Chairman for his proposed Work Plan and for the series of informal consultations conducted in its preparation. Members had arrived at Annex D as a result of constructive cooperation and consultation. The decision had been to limit the negotiations to Articles V, VIII and X of the GATT 1994. The Philippines welcomed the suggested agenda of the Negotiating Group and shared Zambia's interpretation of the two bullet points. His delegation was committed to cooperating constructively under the suggested Work Plan.

11. The representative of Tanzania congratulated the Chairman on having come forward with the suggested draft Work Plan. His delegation associated itself with the statements made by Zambia and the Philippines. The proposed Work Plan and schedule of meetings had helped Members focus on the issues at stake. It showed the real aspects of crucial importance to everyone. Tanzania was encouraged by the Chairman's remarks on the negotiations being member-driven and the Work Plan being flexible.

12. He expressed his hope for all meetings of the Negotiating Group to be formal, as a general rule. The conduct of informal meetings should be undertaken only in exceptional circumstances as agreed upon by participants. Notices of all formal and exceptional informal Negotiating Group meetings and consultations as well as of their agenda should be circulated to all participants no later than three working days before the date of the meeting to which the notice pertained. All participants should be free to decide whether to participate in those meetings or consultations. The needs of smaller delegations like the one of Tanzania with its thin representation should be taken into account by scheduling meetings in sequence and not in parallel. Minutes of all formal and informal meetings relating to the negotiations on trade facilitation should be recorded. Such minutes should be circulated to all participants three working days before the next scheduled formal or informal meeting of the Negotiating Group. Finally, all decisions taken by the Negotiating Group in connection with the negotiations should be by explicit consensus.

13. The representative of Chinese Taipei expressed his thanks for the efforts made in developing the suggested Work Plan. Members had already had the opportunity to discuss issues related to trade facilitation to a certain extent, based on the common belief that it could benefit all Members in terms of their economic development. A few concerns remained, however.

14. Members needed to clarify and improve relevant aspects of GATT Articles V, VIII and X. The proposed agenda seemed to be well-balanced. It was reassuring to find it contain most of the issues Members still had some concerns on, such as the ones relating to special and differential treatment, to LDC Members, the identification of trade facilitation needs and priorities and to technical assistance and capacity building. It was also encouraging to see this being done in a way that ensured that those concerns were actually addressed. The Work Plan further proposed to invite relevant international organizations to each formal meeting on an *ad hoc* basis, which would not only save Members from repeating their work, but also allow for the generation of additional input to the discussions. It was Chinese Taipei's believe that the Work Plan would provide Members with a good framework for future negotiations. His delegation was more than happy to give the Plan its support.

15. With the Doha Development Agenda being a Single Undertaking, it was vital to achieve an overall balanced outcome in all areas for the adoption of the final package. As substantive discussions on trade facilitation had not taken place before the July deal, the top priority for the near future was to catch up with progress on other fronts. His delegation would therefore like to suggest establishing a high frequency of meetings as of next year, in order to have a chance to cover the ground and catch up with progress in other areas of the Round. Chinese Taipei had every confidence in the leadership of chair and would like to pledge its support for working towards a successful completion of the negotiations.

16. The representative of Djibouti noted that the issue raised by Zambia had to be given special attention before moving on any further. With respect to the future work, things had to be very clear with respect to the issues mentioned in bullet points 2 and 3 to avoid any confusion. More clarifications would be required.

17. The representative of Pakistan noted that, in suggesting the present Work Plan, the Chairman had tried to be non-controversial by simply listing the all the elements of Annex D as they had already been agreed upon by Members. The Chairman's draft text merely reproduced what was already there. Pakistan saw no problem in that context. With respect to the question of formal and informal meetings, his delegation was of the view that Members should approach that as they went along. Other Negotiating Groups such as the one on agriculture had started with formal meetings, with Members eventually realizing that this would not deliver results, and the Group therefore moving towards informal meetings, which then started to bring the previously missing results. Pakistan would not call for one way or the other, but rather wished for Members to adopt a flexible approach that

would allow them to find out what worked best in the trade facilitation context and would enable the Group to adapt its mode of operation accordingly.

18. With respect to the discussions on some of the other items of the agenda, Pakistan considered it a little early to address them in depth, as there were no documents or papers available yet. All that existed were some previous submissions. The Group needed to be more prepared to take them up in a meaningful manner. Discussions at the present meeting should therefore be limited to the Group's Work Plan and schedule of meetings.

19. The representative of Romania commended the Chairman on his proposed Work Plan and schedule of meetings. Romania supported the principle of work proceeding on the basis of Members' contributions and other input that the Negotiating Group requested. This would be fully in accordance with the July package. With respect to the agenda of the Negotiating Group, her delegation was of the view that the suggested six bullet points represented most of the subjects of interest to the Negotiating Group. All those issues were interlinked and had to be given attention in a flexible manner. Furthermore, Romania also supported the idea of inviting relevant international organizations to attend the formal meetings of the Negotiating Group on an *ad hoc* basis. This would ensure coherence and deliver positive results. For those reasons, her delegation supported the proposed Work Plan.

20. The representative of Jamaica noted that, as indicated in the informal consultations of 2 November 2004, his delegation considered the Chairman's proposal for the Group's Work Plan and meeting schedule to be a good one. Jamaica also endorsed the call for a flexible approach in determining the Group's working method. Such an approach would assist in ensuring that the process was educational and transparent, while seeking to achieve the objectives of the Trade Facilitation negotiations as set out in their modalities. That was particularly important as Annex D called for the negotiations to aim at clarifying and improving relevant aspects of Articles V, VIII and X of the GATT 1994, and required for that to be done without prejudice to the possible format of the final results, and the form of the outcome. Jamaica supported the suggested Work Plan and schedule of meetings. His delegation had heard the comments regarding some of their elements, but the Chairman's cross-reference to the relevant paragraphs of Annex D should help alleviating the concerns raised. Jamaica was committed to working towards an outcome of the negotiations that would strengthen the efforts it had already undertaken in this area, and to ensure that they would not result in obligations that represented an additional burden to its resource-constrained economy. His delegation expected the negotiations to lead to the elaboration of effective provisions on special and differential treatment as well as on technical assistance and support for capacity building. Jamaica's full support for trade facilitation was reflected in its ongoing national programme for the modernization of customs systems and procedures, which was now in its final implementation phase.

21. With respect to meetings of the Negotiating Group, Jamaica awaited the evolution of the schedule, anticipating that the human resource constraints of developing and least-developed countries would be fully taken into account. His delegation was looking forward to working with Members towards arriving at an outcome that was beneficial for all.

22. The representative of Egypt reiterated the importance of bullet 4 of the Work Plan (identification of trade facilitation needs and priorities and concerns related to cost implications of proposed measures) as already stressed by his delegation in the informal consultations preceding the present meeting. He agreed with the suggestion for work to proceed on the basis of Members' contributions, but was of the view that, whenever a contribution was made, the first step should be the identification of trade facilitation needs and priorities, as the other aspects of the Work Plan (improvement and clarification of relevant aspects of GATT Articles V, VIII and X, capacity building, special and differential treatment for LDCs etc.) would depend on it.

B. *AD HOC* ATTENDANCE OF RELEVANT INTERNATIONAL ORGANIZATIONS, INCLUDING THE IMF, OECD, UNCTAD, WCO AND THE WORLD BANK, AT THE NEXT MEETING OF THE NEGOTIATING GROUP

55. The Chairman noted that, under this final item, the Group would take up the issue of attendance of relevant international organizations, including those mentioned in paragraph 8 of Annex D, at the next meeting of the Negotiating Group. The Work Plan provided for them to be invited on an *ad hoc* basis.

56. He asked Members whether they would invite representatives of the IMF, OECD, UNCTAD, WCO and the World Bank to attend the Group's next meeting on such basis.

57. It was so agreed.

58. The Chairman noted that the next meeting of the Negotiating Group would take place on 22 and 23 November as agreed by Members.

59. The meeting was closed.
