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Committee on Trade and Development Special Session

SPECIAL SESSION OF THE COMMITTEE ON TRADE AND DEVELOPMENT

Report by the Chairman, Ambassador Ransford Smith (Jamaica), to the Trade Negotiations Committee

I. STATUS OF WORK

- 1. Since the report to the Fourth Trade Negotiations Committee (TNC) on 3-4 October 2002, the Special Session of the Committee on Trade and Development (CTD) met seven times on 7 & 18 October, 17 October, 21 & 23 October, 6 November, 12 November, 20 November and 21 & 25 November 2002. During the period eight submissions were received which addressed a range of issues such as the Enabling Clause, the Monitoring Mechanism, the Way Forward (both to December 2002 and the Cancun Ministerial), and provided responses to questions raised during the consideration of proposals.
- 2. The five meetings held on 17 October, 21 & 23 October, 6 November, 12 November, and 20 November 2002, were held as close as possible to the meetings of other WTO bodies, in order to utilize the expertise in those bodies, and were dedicated to discussions on some of the Agreement-specific proposals. Annexed to this report is the list of Agreements discussed at each meeting. At the two meetings on 7 & 18 October and 21 & 25 November 2002 there were discussions on (i) the remaining Agreement-specific proposals in thematic clusters based primarily on the categories identified in document WT/COMTD/W77/Rev.1; and (ii) systemic and cross-cutting issues. Discussions on the incorporation of S&D treatment into the architecture of WTO rules were also held.
- 3. Two plurilateral consultations on the Monitoring Mechanism for special and differential (S&D) treatment were held during the period.

II. OUTSTANDING ISSUES

- 4. It will be recalled that in July 2002, the General Council instructed the Special Session to proceed expeditiously to fulfill its mandate, as contained in paragraph 44 of the Doha Ministerial Declaration and paragraph 12 of the Decision on Implementation-Related Issues and Concerns, so as to be able to report back to the Council with clear recommendations for decision by 31 December 2002.
- 5. The General Council gave further instructions regarding *inter alia* the consideration of the Agreement-specific proposals, the analysis and examination of cross-cutting issues, the establishment of the Monitoring Mechanism, consideration of proposals on institutional arrangements and on technical and financial assistance and training, and on consideration of how S&D treatment may be incorporated into the architecture of WTO rules.
- 6. The General Council had recommended that Members should provide detailed responses to the various Agreement-specific proposals by 31 October, 2002. While the level of engagement

increased significantly, and meetings benefitted from the back-to-back format and the involvement of capital-based participants, wide differences were apparent on the one hand in the responses provided to many proposals and, on the other in the views expressed by proponents as to the outcome they expect to the consideration of their proposals. It will be necessary to bridge the differences on as many proposals as possible, including, it may be noted, differences on the fora in which some of the proposals should be considered, and differences as to what a "clear recommendation for decision" necessarily entails in regard to proposals.

- 7. There have been quite vigorous discussions on some cross-cutting issues. Discussions have taken place on the principles and objectives of S&D, coherence, bench-marks, technical assistance and capacity building, transition periods, utilization, trade preferences and related issues, including the Enabling Clause, differentiated treatment and graduation. While on some of these issues, the discussions have shown convergent views in some areas, it is evident that there are major differences of opinion on some cross-cutting issues which will require considerable further discussion if there is to be any possibility of agreement amongst Members.
- 8. In regard to the Monitoring Mechanism, a number of possible elements related to its establishment were discussed during two plurilateral consultations. In the consultations, there was convergence of views on some matters, such as aspects of the role of the Mechanism and the sources of information for it to conduct its work. There are still some important areas of difference, including on the institutional structure of the Mechanism and the timing for its coming into force. Some Members consider that the Mechanism should come into force immediately, or in the very near term. They see an immediate role for the Mechanism, including possibly in relation to ongoing work in the Doha process. A large number of other Members have expressed the view that the first task is to strengthen S&D provisions and that this should be a condition-precedent for defining the modalities of operation of the Mechanism and/or deciding on when it should come into force.
- 9. Only a preliminary discussion has been held on the matter of how S&D treatment might be incorporated into the architecture of WTO rules. This aspect of the mandate would appear to require further discussion.
- 10. The Special Session will continue discussion on these matters with a view to reporting to the General Council, pursuant to paragraph 44 of the Doha Ministerial Declaration and paragraph 12 of the Decision on Implementation-Related Issues and Concerns, and in accordance with the instructions given by the Council in July 2002.

III. FUTURE WORK

- 11. At the fourteenth Special Session, on 3 December 2002, the report to the General Council will be considered. It is anticipated that the Special Session will report on progress with respect to the mandate contained in paragraph 12 of the Decision on Implementation-Related Issues and Concerns. In this context, the Special Session will report on: (i) the analysis and examination of the various Agreement-specific proposals and issues that were raised in written submissions and discussions; (ii) the analysis and examination of the various cross-cutting issues and proposals that were raised in written submissions and discussions, (iii) the elaboration of the functions, structure and terms of reference of a Monitoring Mechanism for S&D treatment; (iv) the examination of the other proposals on institutional arrangements; and (v) the consideration of how S&D treatment may be incorporated into the architecture of WTO rules, in accordance with paragraph 12.1 (iii) of the Ministerial Decision on Implementation-Related Issues and Concerns.
- 12. It seems certain that despite the increased engagement referred to earlier, work will not be completed in most, if not at all areas, and Members will need to decide on the manner in which any future work should be carried out.

ANNEX I

AGREEMENTS DISCUSSED DURING "BACK-TO-BACK" MEETINGS 17 October - 20 November 2002

17 OCTOBER 2002

Agreement on Technical Barriers to Trade

21 & 23 OCTOBER 2002

- Agreement on Implementation of Article VI of the GATT 1994 (Anti-Dumping)
- Agreement on Subsidies & Countervailing Measures
- General Agreement on Trade in Services
- Agreement on Safeguards

6 NOVEMBER 2002

• Agreement on Sanitary and Phytosanitary Measures

12 NOVEMBER 2002

Understanding on Rules and Procedures Governing the Settlement of Disputes

20 NOVEMBER 2002

Agreement on Agriculture