WORLD TRADE

ORGANIZATION

Council for Trade in Services

<u>RESTRICTED</u> S/C/W/202 24 October 2001

(01-5256)

DRAFT

PROCEDURES FOR THE CERTIFICATION OF [TERMINATIONS, REDUCTIONS, AND] RECTIFICATIONS OF ARTICLE II (MFN) EXEMPTIONS

1. Modifications in the authentic texts of lists of Article II Exemptions which consist of [terminations, reductions of the scope or level of existing exemptions, or] rectifications or changes of a purely technical character that do not alter the substance of the existing exemptions, shall take effect by means of certification. A Member intending to modify its list of Article II Exemptions in accordance with this paragraph shall submit to the Secretariat for circulation to all Members a draft list of Article II Exemptions clearly indicating the details of the modifications. The draft list containing the modifications shall enter into force upon the conclusion of a period of 45 days from the date of its circulation by the Secretariat, [or on a later date specified or to be specified by the modifying Member,] provided no objection has been raised by any other Member. At the end of the 45-day period, if no objection has been raised, the Secretariat shall issue a communication to all Members to the effect that the certification procedure has been concluded, indicating the date of entry into force of the modifications.

2. Any Member wishing to object to the certification shall submit a notification to that effect to the Secretariat for circulation to all Members. A Member making an objection should identify the specific elements of the modifications which gave rise to that objection. The objecting Member(s) and the modifying Member shall enter into consultation as soon as possible and shall endeavour to reach a satisfactory solution of the matter within 45 days after the expiry of the period in which objections may be made. When an objection has been notified, the certification procedure shall be deemed concluded upon the withdrawal of the objection by the objecting Member or the expiry of the period in which objections may be made, whichever comes later. Such a withdrawal shall be communicated to the Secretariat. When more than one objections by all objecting Members or the expiry of the period in which objections may be made, whichever comes later. The Secretariat shall issue a communication informing all Members of the withdrawal of the objection(s) and the conclusion of the certification procedure, indicating the date of entry into force of the modifications.

3. If as a result of the consultations mentioned in paragraph 2, the draft list of Article II Exemptions originally submitted for certification were to be modified, the modifying Member shall reinitiate the procedure described in paragraph 1.

4. Following the lapse of three years from the date of entry into force of these procedures, the Council for Trade in Services shall, at the request of any Member, review the operation of these procedures. In such a review, the Council for Trade in Services may agree to amend these procedures.