

**Council for Trade in Services**

**SECOND REVISED 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.

*Terminations of Article II (MFN) exemptions*

2. A Member intending to terminate any of its Article II exemptions prior to its termination date shall notify the Council for Trade in Services. Such a notification shall contain information on the reasons for the intended termination, as well as the date of entry into force of the termination. The Secretariat shall issue a communication to all Members to the effect that the termination of the Article II exemption has been certified, indicating the date of entry into force of the termination.

*Reductions and Rectifications of Article II (MFN) exemptions*

3. A Member intending to reduce the scope or level of its existing exemptions, or to rectify or make changes of a purely technical character that do not alter the substance of such exemptions, 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.

4. Any Member wishing to object to the proposed modifications 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. [A Member may not object on grounds of loss of any preferential treatment resulting from the proposed modifications.] [A Member shall not cite loss of preferential treatment as the basis for 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, this 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. When more than one objection has been notified, this procedure shall be deemed concluded upon the withdrawal of the objections by all objecting Members or the expiry of the period in which objections may be made, whichever comes later. The withdrawal of any objection shall be communicated to the Secretariat, which 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.

5. If as a result of the consultations mentioned in paragraph 4, 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 3.

*Review*

6. 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.

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