

GENERAL COUNCIL

Annual Report (2007)

The present report has been prepared in pursuance of the Procedures for an Annual Overview of WTO Activities and for Reporting under the WTO (WT/L/105), and sets out the actions taken by the General Council in the period since its previous annual report.¹

In carrying out its tasks, the General Council has held 6 meetings since the period covered by the previous report. The minutes of these meetings, which remain the record of the General Council's work, are contained in documents WT/GC/M/107 – 112².

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¹ The annual report of the General Council for 2006 was circulated in WT/GC/110.

² To be issued.

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1. Work under the Doha Work Programme

(a) Trade Negotiations Committee – Reports (WT/GC/M/107, 108, 109, 110, 112)

Ministers at Doha established a Trade Negotiations Committee under the authority of the General Council to supervise the overall conduct of the negotiations (WT/MIN(01)/DEC/1). In accordance with the Principles and Practices endorsed by the Trade Negotiations Committee at its first meeting on 28 January and 1 February 2002, the TNC reports to each regular meeting of the General Council (TN/C/M/1).

At the General Council meeting on 7 February 2007, the Director-General, as Chairman of the Trade Negotiations Committee, reporting on the TNC's activities, said *inter alia* that Members had resumed negotiations fully across the board and that political conditions were more favourable for the conclusion of the Round than they had been for a long time. The process would continue to be bottom-up, inclusive and transparent, and led by the negotiating group Chairs. The multilateral process would continue to be the main process in the negotiations and the only one where decisions could be taken. As to timing, Members should not attempt to set any false deadlines: all were aware of the urgency of the task, but it was also important to reach a substantive outcome acceptable to all. With regard to cotton, he announced on the basis of consultations that a High-Level Session of the Consultative Framework on Cotton would be held in Geneva on 15-16 March.

The representatives of Benin (on behalf of the African Group); Australia (on behalf of the CAIRNS Group); Australia; Brazil (on behalf of the G20); Barbados (on behalf of the small, vulnerable economies); Chad (on behalf of the co-sponsors of the Sectoral Initiative on Cotton); Philippines (on behalf of the ASEAN Members); South Africa (on behalf of the NAMA-11); Argentina; Indonesia (on behalf of the G33); Indonesia; Jamaica (on behalf of the ACP Group); Hong Kong, China; Bolivarian Republic of Venezuela; Paraguay; Nicaragua; Nigeria; Cuba; European Communities; Japan; Zambia; United States; China; Colombia and India, and the Chairman spoke.

The General Council took note of the Director-General's report and of the statements.³

At the General Council meeting on 9 May 2007, the Director-General, as Chairman of the Trade Negotiations Committee, reporting on the TNC's activities, said *inter alia* that a number of major players had recently affirmed their commitment to a successful outcome of the negotiations around the end of 2007, and had also committed themselves to intensifying their efforts to finding common ground as a contribution to the conclusion of the Round. An informal meeting of the TNC on 20 April had signalled wide convergence on the shape of the multilateral process needed in the coming weeks as outlined by him in his opening remarks (JOB(07)/51), and through their different processes the Chairs of the negotiating groups were working towards revised texts which could become a basis for agreement. It was his belief that a successful outcome to the Round was possible even in the small amount of time remaining until the end of the year, and he urged all to put their energy and commitment into concluding the Round. Before concluding, he also reported on preparations for three regional Aid-for-Trade reviews to be held in the autumn.

The representatives of Singapore, Australia (on behalf of the CAIRNS Group), Paraguay (on behalf of the Informal Group of Developing Countries), Chinese Taipei, Nicaragua, Uganda (on behalf of the African Group), Solomon Islands, Zambia (on behalf of LDCs), Nigeria and Cuba spoke.

³ At their request, statements by the following delegations at the informal TNC meeting on 31 January were also included in the records of this meeting (WT/GC/M/107): the Philippines (on behalf of the ASEAN Members), Indonesia (on behalf of the G33) and the Bolivarian Republic of Venezuela.

The General Council took note of the Director-General's report and of the statements.⁴

At the General Council meeting on 27 July 2007, the Director-General, as Chairman of the Trade Negotiations Committee, reporting on the TNC's activities, recalled his statement to the TNC on 26 July (JOB(07)/130) and said *inter alia* that the major recent development in the negotiations had been the circulation of draft modalities texts by the Chairs of the Agriculture and NAMA negotiating groups which, as the Chairs had underlined, were draft texts, not negotiated or agreed texts, and only another step in the process and would have to be revised in light of the views expressed by participants. Delegations had the month of August to reflect fully, and should then be in a position to return to the process prepared to engage in an intensive negotiation as from 3 September. The immediate aim was not only to establish full modalities in Agriculture and NAMA, but also to make commensurate progress in other negotiating areas in line with the full Doha mandates, the July 2004 Decision and the Hong Kong Ministerial Declaration. While it was clear there were some significant differences that remained to be resolved, convergence was within reach if Members were all ready to show the necessary will and flexibility to close the gaps. Having listened carefully to all the statements at the TNC meeting, he remained of the view that a deal could be done.

The representatives of Chinese Taipei, Ecuador, Lesotho (on behalf of the LDCs), and Benin (on behalf of the co-sponsors of the Sectoral Initiative on Cotton), and the Chairman spoke.

The General Council took note of the Director-General's report and of the statements.⁵

At the General Council meeting on 9 October 2007, the Director-General, as Chairman of the Trade Negotiations Committee, reporting on the TNC's activities, said *inter alia* that the negotiations had started again to move ahead in earnest and that, starting with the work on agriculture, participants were demonstrating the kind of engagement and readiness to look for compromises that the Chair and he had been urging for some time. Completing the Round was now not only technically possible, but also a political must. Over the past few weeks, one had continued to hear this message from the highest levels, reflecting a strong commitment to a successful and ambitious outcome to the Round. The only possible path to an ambitious, balanced and development-oriented outcome to the Round was not only to establish full modalities in Agriculture and NAMA, which were needed to start the scheduling phase, but also to make commensurate progress in other areas of the negotiations in line with the full Doha mandates, the July 2004 Decision and the Hong Kong Ministerial Declaration.

The representatives of South Africa (on behalf of the ACP Group, the African Group, the NAMA-11, and the small, vulnerable economies), Bolivarian Republic of Venezuela, Jamaica, Benin, Barbados, China, Nicaragua, Brazil, Chinese Taipei, Bolivia, European Communities, Cuba, Zambia, Argentina, India, Japan, Switzerland, Burkina Faso, Norway, United States, Côte d'Ivoire, Mexico and Congo, and the Chairman spoke.

The General Council took note of the Director-General's report and of the statements.

⁴ At their request, statements by the following delegations at the informal TNC meeting on 20 April were also included in the records of this meeting (WT/GC/M/108): Australia (on behalf of the CAIRNS Group), Australia, Barbados (on behalf of the small, vulnerable economies), Benin (on behalf of the co-sponsors of the Sectoral Initiative on Cotton), Brazil, China, India, Jamaica (on behalf of the ACP Group), Mexico, Nigeria, Rwanda, Singapore, Switzerland (on behalf of the G10) and Uganda (on behalf of the African Group).

⁵ At the Chairman's suggestion, statements by all delegations at the meeting of the TNC on 26 July, reflected in the records of that meeting in document TN/C/M/27, were incorporated by reference into the records of this meeting (WT/GC/M/109). Also at the Chairman's suggestion, statements by the following delegations at the meetings of the Special Session of the Committee on Agriculture and the Negotiating Group on NAMA held during the week of 23 July were also included in the records of this meeting at their request: European Communities, Ecuador, Lesotho (on behalf of the LDCs), and Sri Lanka.

At the General Council meeting on 18 December 2007, the Director-General, as Chairman of the Trade Negotiations Committee, reported on the TNC's activities since his last report to the Council, including an account of the TNC's informal meeting on 30 November. He also briefly highlighted the status of progress in the negotiations in some specific areas, as well as in the consultations being held on his behalf by DDG Mr Yerxa on the issues of GI extension and the relationship between the TRIPS Agreement and the CBD. The Director-General's statement was subsequently circulated as JOB(07)/217.

The representatives of Brazil (also on behalf of the G20), Uganda (also on behalf of the African Group), Indonesia (also on behalf of the G33), Lesotho (on behalf of the LDCs), South Africa (also on behalf of the NAMA-11), Australia (also on behalf of the CAIRNS Group), Costa Rica (also on behalf of Chile; Colombia; Costa Rica; Hong Kong, China; Israel; Mexico; Pakistan; Peru; Singapore and Thailand), Chad (on behalf of the co-sponsors of the Sectoral Initiative on Cotton), Jamaica (on behalf of the ACP Group), Switzerland (also on behalf of the G10), Singapore (also on behalf of the ASEAN Members), Sri Lanka (on behalf of the Informal Group of Developing Countries), Barbados (on behalf of the small, vulnerable economies), Japan, Korea, Peru, Mexico, European Communities, Argentina, United States, India, Kenya, China, Nigeria, Israel, Thailand, Cuba, Senegal, Turkey, Ecuador, Bolivia, Chinese Taipei, Pakistan, Panama, Bolivarian Republic of Venezuela and Hong Kong, China, and the Chairman spoke.

The General Council took note of the Director-General's report and of the statements.

- (b) Initial Review of the Transparency Mechanism for Regional Trade Agreements – Statement by the Chairman of the Negotiating Group on Rules (WT/GC/M/112)

In December 2006, the General Council adopted a Decision establishing a Transparency Mechanism for RTAs to be implemented on a provisional basis in accordance with paragraph 47 of the Doha Ministerial Declaration (WT/L/671). The Decision was adopted on the basis of certain observations and understandings, including that notwithstanding the current stage of the DDA negotiations and the timing of their conclusion, Members intended to conduct an initial review of the Mechanism pursuant to paragraph 23 of the Decision within one year.

At the General Council meeting on 18 December 2007, the Chairman of the Negotiating Group on Rules, reporting on the status of the initial review of the Transparency Mechanism, said *inter alia* that following meetings with interested Members it had been considered that due to a lack of sufficient experience with the Mechanism, the review foreseen in paragraph 23 of the Decision could not be completed at the present time, and that Members should be in a better position to initially assess the functioning of the Transparency Mechanism in a year's time. As it was difficult to determine now an exact timeframe for conducting the review, he would report back to the Council on this matter within one year at the latest.

The representative of Brazil spoke.

The General Council took note of the statements.

(c) TRIPS Council Matters

- (i) *Review under Paragraph 8 of the Decision on the Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health – Report of the Council for TRIPS (WT/GC/M/112)*
- (ii) *Proposal for a Decision on an Extension of the Period for the Acceptance by Members of the Protocol Amending the TRIPS Agreement (WT/GC/M/112)*

In August 2003, the General Council adopted a Decision on the Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health (WT/L/540 and Corr.1). Paragraph 8 of that Decision provides that the TRIPS Council shall review annually the functioning of the system set out in the Decision with a view to ensuring its effective operation, and shall annually report on its operation to the General Council. Furthermore, in keeping with the August 2003 Decision, the General Council adopted, in December 2005, a Protocol Amending the TRIPS Agreement, which was submitted to Members for acceptance and which, in accordance with Article X:3 of the WTO Agreement, would enter into force upon acceptance by two thirds of the Members (WT/L/641).

At its meeting on 18 December 2007, the General Council considered a report by the TRIPS Council on its fourth annual review under paragraph 8 of the General Council Decision (IP/C/46), as well as a proposal for a decision to extend the initial period for the acceptance by Members of the Protocol Amending the TRIPS Agreement (IP/C/45), which the TRIPS Council had agreed at its meeting in October to submit to the General Council.

The Chairman of the TRIPS Council reported on these two matters.

The representatives of Uganda (on behalf of the African Group), Mexico and Hong Kong, China spoke.

The General Council took note of the statements and of the report of the TRIPS Council in document IP/C/46, and adopted the draft decision in document IP/C/45 extending the time period for acceptance by Members of the Protocol amending the TRIPS Agreement to 31 December 2009.⁶

(d) Work Programme on Small Economies – Reports (WT/GC/M/107, 108, 109, 110, 112)

Ministers at Doha agreed to a work programme, under the auspices of the General Council, to examine issues relating to the trade of small economies, with a mandate to frame responses to the trade-related issues identified for the fuller integration of small, vulnerable economies into the multilateral trading system and not to create a sub-category of WTO Members (WT/MIN(01)/DEC/1, paragraph 35). At its meeting in February and March 2002, the General Council took note of a framework and procedures for the conduct of the Work Programme on Small Economies, under which this Work Programme would be a standing item on the General Council's agenda. The framework and procedures also provided that the Committee on Trade and Development would report regularly to the General Council on the progress of work in its Dedicated Sessions on this subject. Ministers at Hong Kong instructed the CTD, under the overall responsibility of the General Council, to continue the work in the Dedicated Session and to monitor progress of the small economies' proposals in the negotiating and other bodies, with the aim of providing responses to the trade-related issues of small economies as soon as possible but no later than 31 December 2006. In December 2006, on the basis of a report by the Chair of the CTD in Dedicated Session the General Council took note that Members would be pursuing the substantive work under this work programme.

⁶ The Decision was subsequently circulated in WT/L/711.

At the General Council meeting on 7 February 2007, the Chairman of the Dedicated Session of the CTD reported *inter alia* that while there had been no formal meetings of the Dedicated Session since December 2006, the proponents had met a number of times to discuss their proposals in the various negotiating groups and other WTO bodies, and had also engaged in a number of bilateral and plurilateral meetings on issues concerning agriculture, NAMA, services, trade facilitation and subsidies.

The representatives of Barbados (on behalf of the small, vulnerable economies) and Nicaragua, and the Chairman spoke.

The General Council took note of the report by the Chairman of the Dedicated Session of the CTD and of the statements.

At the General Council meeting on 9 May 2007, the Chairman of the Dedicated Session of the CTD reported *inter alia* that the proponents had been using the past few months to concentrate efforts on revising past proposals and preparing new submissions. The new submissions as well as main points of earlier proposals were being compiled by the Secretariat into a single document which he intended to take up in informal discussion with Members in the coming weeks.

The representatives of Barbados (on behalf of the small, vulnerable economies), Fiji, Solomon Islands, Nicaragua, Zambia, and St. Vincent and the Grenadines spoke.

The General Council took note of the report by the Chairman of the Dedicated Session of the CTD and of the statements.

At the General Council meeting on 27 July 2007, in the absence of the Chairman of the Dedicated Session of the CTD and on the latter's request and behalf, the previous Chair of the CTD reported *inter alia* that at an informal meeting convened on 24 May to continue monitoring progress on the proposals submitted by the proponents, the Secretariat had presented a compilation paper to assist the Dedicated Session with its monitoring role, which the Secretariat intended to keep updating to reflect future proposals and developments.

The representatives of Barbados (on behalf of the small, vulnerable economies) and Nicaragua, and the Chairman spoke.

The General Council took note of the report by the Chairman of the Dedicated Session of the CTD and of the statements.

At the General Council meeting on 9 October 2007, the Chairman of the Dedicated Session of the CTD reported *inter alia* that since July the proponents, like other delegations, had been occupied with meetings on the two draft texts on agriculture and NAMA modalities. They had also been pursuing issues of interest to the small, vulnerable economies in other areas of the DDA, such as rules, trade facilitation and services. The compilation document prepared by the Secretariat was being, and would continue to be, updated to reflect the current state of play and to monitor issues of concern to small economies as discussed in the negotiating groups and other bodies.

The representative of Barbados (on behalf of the small, vulnerable economies) and the Chairman spoke.

The General Council took note of the report by the Chairman of the Dedicated Session of the CTD and of the statements.

At the General Council meeting on 18 December 2007, the Chairman of the Dedicated Session of the CTD reported *inter alia* that the proponents of the work programme had been pursuing issues of their interest in various areas of the negotiations, and had recently made submissions to the NAMA and Rules negotiating groups. At its meeting on 3 December, the Dedicated Session had considered an updated version of a Secretariat compilation of all proposals made by SVEs, which the Secretariat had been requested to keep updating to reflect developments. Regarding future work, he had begun to explore what more the Dedicated Session could do to move the work programme forward, and there had been interesting exchanges at the recent Dedicated Session as to other issues future work could address.

The representative of Barbados (on behalf of the small, vulnerable economies) and the Chairman spoke.

The General Council took note of the report by the Chairman of the Dedicated Session of the CTD and of the statements.

(e) Work Programme on Special and Differential Treatment

- (i) *Reports by the Chairman of the Special Session of the Committee on Trade and Development (WT/GC/M/108, 109, 112)*
- (ii) *Reports by Chairpersons of other WTO bodies to whom special and differential treatment proposals have been referred (WT/GC/M/108, 109, 112)*

Ministers at Hong Kong instructed the Committee on Trade and Development in Special Session to expeditiously complete the review of all the outstanding Agreement-specific proposals and report to the General Council, with clear recommendations for a decision, by December 2006. Regarding the Category II proposals that had been referred to other WTO bodies and negotiating groups, Ministers instructed these bodies to expeditiously complete the consideration of these proposals and report periodically to the General Council, with the objective of ensuring that clear recommendations for a decision were made no later than December 2006. They also instructed the Special Session to continue to coordinate its efforts with these bodies to ensure that this work was completed on time. Ministers further instructed the Special Session, within the parameters of the Doha mandate, to resume work on all other outstanding issues – including cross-cutting issues, the monitoring mechanism, and the incorporation of S&D treatment into the architecture of WTO rules – and to report on a regular basis to the General Council. In December 2006, the General Council took note that Members would be pursuing their consideration of the outstanding Agreement-specific proposals both in the Special Session and in the other WTO bodies to whom such proposals had been referred.

At the General Council meeting on 9 May 2007, the Chairman of the Special Session of the CTD, reporting on the status of work in the Special Session since December, drew on a detailed report that had been circulated in document TN/CTD/19. Following the report by the Chairman of the Special Session, the Council received reports from the Chairs of the negotiating groups and other WTO bodies to whom certain Agreement-specific S&D treatment proposals had been referred. In this connection, the Council Chairman recalled the statement by the TRIPS Council Chair at the May 2006 General Council meeting regarding the consideration of these issues in that body.

The representatives of Cuba and Kenya, and the Chairman spoke.

The General Council took note of the reports by the Chairpersons and of the statements.

At the General Council meeting on 27 July 2007, the Chairman of the Special Session of the CTD, reporting on the status of work in that body since May, drew attention to his detailed written report circulated in document TN/CTD/20. Following the report by the Chairman of the Special Session, the Council received reports from the Chairs of the negotiating groups and other WTO bodies to whom certain Agreement-specific S&D treatment proposals had been referred. In this connection, the Council Chairman recalled the statement by the TRIPS Council Chair at the May 2006 General Council meeting regarding the consideration of these issues in that body.

The representatives of Bangladesh, Lesotho (on behalf of the LDCs), Uganda (on behalf of the African Group), Kenya, Jamaica (on behalf of the ACP Group), Zambia and China, and the Chairman spoke.

The General Council took note of the reports by the Chairpersons and of the statements.

At the General Council meeting on 18 December 2007, the Chairman of the Special Session of the CTD, reporting on the status of work in that body since the July Council, drew attention to his written report to the General Council in document TN/CTD/21. Following the report by the Chairman of the Special Session, the Council received reports from the Chairs of the negotiating groups and other WTO bodies to whom certain Agreement-specific S&D treatment proposals had been referred. In this connection, the Council Chairman recalled the statement by the TRIPS Council Chair at the May 2006 General Council meeting regarding the consideration of these issues in that body.

The Chairman spoke.

The General Council took note of the reports by the Chairpersons and of the statement.

- (f) Rules of Origin – Harmonization Work Programme – Statement by the Chairman (WT/GC/M/109)

The Harmonization Work Programme for non-preferential rules of origin was launched in July 1995 in the Committee on Rules of Origin. Since July 2002, when the CRO forwarded 94 core policy issues to the General Council for discussion and decision, this matter has been taken up at the General Council level, with the substantive work being pursued in informal consultations conducted by the Chair of the CRO at the request and on behalf of the Chair of the General Council. In July 2006, on the basis of a report from the Chair of the CRO, the General Council agreed to further extend to July 2007 the deadline for completion of negotiations on the core policy issues identified in a report by the Chair of the CRO to the General Council in July 2002 and also agreed that, following resolution of these core policy issues, the Committee on Rules of Origin complete its remaining technical work concerning the overall architecture and technical issues by 31 December 2007.

At the General Council meeting on 27 July 2007, the Chairperson of the CRO reported on the consultations she had been holding on the request and behalf of the General Council Chair on the core policy issues.

The representatives of Mexico, Australia, Philippines, India, New Zealand, Japan, Korea, Switzerland and Hong Kong, China, and the Chairman spoke.

The Chairman proposed – in the light of the report and recommendations of the Chair of the CRO, and the views expressed in the Council – that Members take some time to reflect on this matter and consider ways to take forward the work on the two core policy issues referred to the Council, namely the implications issue and dual-rule for machinery, and that in the meantime the Committee on Rules of Origin continue its work with a view to resolving all technical issues, including the

technical aspects of the overall architecture, as soon as possible. He noted in this connection that, in terms of next steps, delegations had requested the CRO Chair to continue the technical and architecture discussions in the regular business of the CRO. He also proposed that the Council revert to this matter at a future meeting. He was prepared to consult with Members, as had been suggested in the discussion.

The General Council took note of the statement by the CRO Chair and of other statements, and agreed to the Chairman's proposals.

(g) Aid for Trade

(i) *Regional Reviews on Aid for Trade (WT/GC/M/109)*

At the General Council meeting on 27 July 2007, the Director-General provided Members with an update on the Aid-for-Trade roadmap, noting *inter alia* that the OECD had presented to the CTD in April a preliminary picture of Aid-for-Trade flows that would be refined for the Global Review in the General Council in November; that the CTD had been holding a series of periodic reviews to give Members an opportunity to discuss various aspects of Aid for Trade; and that the organization of three regional reviews in the autumn in Peru, the Philippines and Tanzania, were well advanced. All of these activities would feed into the Global Review in the General Council in November.

The representatives of Haiti and Tanzania, and the Director-General spoke.

The General Council took note of the statements.

(ii) *Annual Debate on Aid for Trade (WT/GC/M/111)*

The Task Force on Aid for Trade established in 2006 pursuant to the instruction of Ministers at Hong Kong recommended, *inter alia*, that an annual debate on Aid for Trade be convened in the General Council in order to provide political guidance on Aid for Trade (WT/AFT/1). The recommendations of the Task Force were endorsed by the General Council in October 2006.

At its meeting on 21 November 2007, the General Council held its first annual debate on Aid for Trade, which served as the final segment of a global review of aid for trade held at the WTO from 19-21 November with the aim of taking stock of what was happening on Aid for Trade, identifying what should happen next, and improving WTO monitoring and evaluation. The Council meeting provided an opportunity for Members to discuss the results of the WTO monitoring process to date, and to provide political guidance on future directions.

As an aid to the discussion, the Council heard a report from the Chairman of the Committee on Trade and Development on the periodic reviews of Aid for Trade held in the CTD, followed by a summary report presented by DDG Mrs Rugwabiza on behalf of the Director-General.

The representatives of the European Communities; Turkey; Uganda; Jamaica; Lesotho; Paraguay; Benin; Brazil; Mexico; Korea; Canada; Australia; United States; Pakistan; Saudi Arabia; New Zealand; Honduras; China; Switzerland; Japan; Suriname; Sri Lanka; Hong Kong, China; Chinese Taipei; Singapore; Ecuador; Mongolia; Qatar; Rwanda; Norway; Antigua and Barbuda; Philippines; India; Barbados; Nicaragua; Bolivian Republic of Venezuela; Bangladesh; Solomon Islands; and the Chairman and the Director-General spoke.

The General Council took note of the statements.

- (h) Follow-up to the 1 August 2004 General Council Decision and the Hong Kong Ministerial Declaration on the Doha Work Programme – Statement by the Director-General on the Development Assistance Aspects of Cotton (WT/GC/M/112)

In Paragraph 1.b of the 1 August 2004 Decision on the Doha Work Programme (WT/L/579), the General Council, *inter alia*, instructed the Secretariat to continue to work with the development community and to provide the Council with periodic reports on relevant developments. The Council also instructed the Director-General to consult with relevant international organizations, including the Bretton Woods Institutions, the Food and Agriculture Organization and the International Trade Centre, to direct effectively existing programmes and any additional resources towards development of the economies where cotton has vital importance. Ministers at Hong Kong reaffirmed the 2004 mandate, deepening and extending it in several respects. In inviting the Director-General to furnish them with a Third Periodic Report at their next Session, Ministers asked the Director-General to provide updates, at appropriate intervals in the meantime, to the General Council, while keeping the Sub-Committee on Cotton fully informed of progress. In carrying out this mandate, the Director-General last reported on this matter to the General Council in December 2006.

At the General Council meeting on 18 December 2007, the Director-General, updating the General Council on the development assistance aspects of cotton, said *inter alia* that progress was being made, although there was still much work to do. Overall, Members had advanced in implementing the mandate on cotton development assistance, and progress had been made possible by the continuing constructive engagement between the development community and the African country cotton proponents. Urging countries to submit reports on their domestic cotton sector reforms, he said the Secretariat would begin work on a "Table on Domestic Cotton Sector Reforms for Enhanced Development Assistance" to enable monitoring of this vital aspect of the cotton assistance dossier. As regards the exploration of a mechanism for income declines in the cotton sector, there had been consultations but consensus remained elusive although there had been some positive feedback on the price risk management potential of a Fond de lissage in dealing with short-term price-instability and long-term price decline, and a pilot project was under way in Burkina Faso.

The representatives of Benin (on behalf of the co-sponsors of the Sectoral Initiative on Cotton), European Communities and Brazil, and the Chairman spoke.

The General Council took note of the statements.

2. China – Transitional review under Section 18.2 of the Protocol of Accession to the WTO Agreement (WT/GC/M/112)

At its meeting on 18 December 2007, the General Council conducted its sixth review of China's implementation of the WTO Agreement and the provisions of the Protocol of Accession. In so doing, the General Council considered a communication from China (WT/GC/113) which provided information required under Sections I and III of Annex 1A of the Protocol of Accession, as well as reports from subsidiary bodies on their respective reviews (G/L/844, S/C/29, IP/C/47, WT/BOP/R/87).

The representatives of China, Japan, United States, European Communities, Mexico and Cuba spoke.

The General Council took note of the statements and of the reports submitted by the subsidiary bodies on the conduct of their respective reviews, and agreed that the sixth review by the General Council of China's implementation of the WTO Agreement and the provisions of its Protocol of Accession had been concluded.

3. Non-recognition of rights under Article XXIV:6 and Article XXVIII of GATT 1994 – Communications from Honduras and Guatemala (WT/GC/M/107, 108, 109, 110, 112)

In December 2004, at the request of Honduras and Guatemala, the General Council considered the question of non-recognition of rights for the processes under Articles XXIV:6 and XXVIII of GATT 1994 in connection with the enlargement of the EC from 15 to 25 members and its move to a tariff-only regime on bananas from 1 January 2006. This matter was subsequently considered by the General Council at each regular meeting since then without resolution, and in December 2006 the Council agreed to revert to it at its next meeting, and that the Chair would hold further consultations in the meantime in the hope of moving it forward.

At the General Council meeting on 7 February 2007, the Chairman, reporting on his recent consultations, said they had resulted in a clear understanding that the parties directly concerned would be engaging, in the next few weeks, in direct and substantive dialogue and in good faith on the issues and concerns raised by Honduras and Guatemala.

The representatives of Honduras, Guatemala, Nicaragua, Paraguay, Mexico, Philippines, European Communities, Ecuador, Colombia, Costa Rica and Panama spoke.

The General Council took note of the statements and agreed to revert to this matter at its next meeting.

At its meeting on 9 May 2007, the General Council again considered this matter.

The representatives of Guatemala, Honduras, Nicaragua, Jamaica, Ecuador, Salvador, Mexico, St. Vincent and the Grenadines, Paraguay, Cameroon and the European Communities spoke.

The General Council took note of the statements, and agreed to revert to this matter at its next meeting, and that the Chairman would consider holding consultations in the meantime as far as he judged to be useful.

At its meeting on 27 July 2007, the General Council again considered this matter, and heard a report from the Chairman on his consultations.

The representatives of Guatemala (on behalf of Honduras), Guatemala, Jamaica, Nicaragua, European Communities, Ecuador, Paraguay, Philippines and Colombia spoke.

The General Council took note of the statements, and agreed to revert to this matter at its next meeting, and that the Chairman would make himself available for further consultations if Members so wished.

At its meeting on 9 October 2007, the General Council again considered this matter, and heard a report from the Chairman on his further consultations.

The representatives of Honduras, Guatemala, Paraguay, Côte d'Ivoire and European Communities spoke.

The General Council took note of the statements, and agreed to revert to this matter at its next meeting.

At its meeting on 18 December 2007, the General Council again considered this matter, and heard a report from the Chairman on his further consultations.

The representatives of Guatemala, Honduras, European Communities and Mexico spoke.

The General Council took note of the statements, and agreed to revert to this matter at its next meeting.

4. Review of the Exemption Provided under Paragraph 3 of the GATT 1994 (WT/GC/M/107, 112)

Paragraph 3(a) of the GATT 1994 provides an exemption from Part II of the GATT 1994 for measures under specific mandatory legislation – enacted by a Member before it became a contracting party to the GATT 1947 – which prohibits the use, sale or lease of foreign-built or foreign-reconstructed vessels in commercial applications between points in national waters or waters of an exclusive economic zone. On 20 December 1994, the United States invoked the provisions of paragraph 3(a) with respect to specific legislation that met the requirements of that paragraph. Paragraph 3(b) of the GATT 1994 calls for a review of this exemption five years after the date of entry into force of the WTO Agreement, and thereafter every two years for as long as the exemption is in force, in order to examine whether the conditions which created the need for the exemption still prevail. The General Council last considered this matter at its meeting in December 2005, at which it took note that under the two-yearly cycle provided for in paragraph 3(b) of the GATT 1994, the next review would normally be held in 2007.

At the General Council meeting on 7 February 2007, the Chairman proposed that for the purposes of the conduct of the review in 2007 Members proceed in a manner similar to that in 2005. He would accordingly invite all interested delegations to speak for the record with regard to the review under the current cycle. He would also invite interested delegations to submit comments and questions to the United States regarding the operation of the legislation under the exemption, to which the United States would be invited to respond. These statements, questions and responses, together with the annual statistical report provided by the US under paragraph 3(c) of the GATT 1994 (WT/L/680), would form the basis for the present year's review. For the purposes of the review, this matter would be on the agenda of subsequent General Council meetings in the course of 2007 as the Chairman deemed appropriate, or at the request of any Member. The General Council would, furthermore, consider this matter again at its last meeting of this year at which it would take note of the discussions held in the course of the review until then, and take any other action it might agree on. It would also take note that the subsequent review would normally be held in 2009.

The representatives of the United States; Hong Kong, China; Norway; Japan; European Communities; Australia; Chile and Korea spoke.

The General Council took note of the statements and agreed to revert to this item at a future meeting.

At its meeting on 18 December 2007, the General Council again considered the exemption provided under paragraph 3 of GATT 1994 for review. The General Council had before it a recent communication from Japan in document WT/GC/W/580, as well as a communication from the United States containing information relating to the operation of the exemption (WT/L/680), which had been considered in February.

The representatives of the European Communities; Japan; Australia; Norway; Hong Kong, China; United States and Korea; and the Chairman spoke.

The General Council took note of the statements and also took note that the subsequent review under the two-yearly cycle provided in paragraph 3(b) of GATT 1994 would normally be held in 2009.

5. Article 27.4 of the Agreement on Subsidies and Countervailing Measures (WT/GC/M/109)

At its meeting on 27 July 2007, the General Council considered a draft Decision on procedures for the continuation of extensions of the transition period under Article 27.4 of the Agreement on Subsidies and Countervailing Measures for certain developing-country Members, forwarded to it from the SCM Committee (G/SCM/120).

The Chairman of the SCM Committee introduced the draft Decision.

The representatives of Bolivia, Barbados (also on behalf of the Dominican Republic, El Salvador, Guatemala, Jamaica, Mauritius, Antigua and Barbuda, Belize, Dominica, Fiji, Grenada, Papua New Guinea, St. Lucia, St. Kitts and Nevis, and St. Vincent and the Grenadines), Nicaragua, Panama (also on behalf of Jordan and Uruguay), Japan, Chile, Sri Lanka (also on behalf of Bolivia, Honduras and Kenya), United States, Dominican Republic, El Salvador, Guatemala, Jamaica, Mauritius, European Communities, Jordan and Costa Rica, and the Chairman spoke.

The Chairman proposed that the General Council adopt the draft Decision in G/SCM/120 on the understanding that a rectification would be made to paragraph 5(a) of the Spanish-language version of the text.

The representative of Chile and the Chairman spoke.

The General Council took note of the statements and agreed to the Chairman's proposal.⁷

The representative of Nicaragua spoke.

The General Council took note of the statement.

6. Transparency for Preferential Trade Arrangements (WT/GC/M/109, 112)

In December 2006, the General Council adopted a Decision on Transparency for Preferential Trade Arrangements (WT/L/672) inviting the Committee on Trade and Development to consider transparency for preferential trade arrangements under paragraph 2 of the Enabling Clause, other than RTAs, and to report back within six months for appropriate action by the General Council.

At the General Council meeting on 27 July 2007, in the absence of the Chairman of the Committee on Trade and Development and on the latter's request and behalf, the previous Chair of the CTD reported *inter alia* that at the CTD meeting in July it had been agreed that a request for more time to deal with this matter should be made to the General Council, and requested accordingly that the CTD be allowed until December 2007 to consider the matter and report back for appropriate action.

The representatives of Brazil and India spoke.

The General Council took note of the report of the Chairman of the CTD and of the statements, and agreed that the deadline for the CTD to consider this matter and report back for appropriate action be extended to December 2007.

At the General Council meeting on 18 December 2007, the Chairman of the Committee on Trade and Development reported *inter alia* that at the CTD meeting on 4 December it had been agreed

⁷ The Decision was subsequently circulated in document WT/L/691.

that a request for more time to deal with this matter should be made to the General Council, and requested accordingly that the CTD be allowed until July 2008 to consider the matter and report back for appropriate action.

The representatives of Brazil and India spoke.

The General Council took note of the report by the Chairman of the CTD and of the statements, and agreed that the deadline for the CTD to consider this matter and to report back for appropriate action be extended to July 2008.

7. Committee on Budget, Finance and Administration – Reports and recommendations (WT/GC/M/107, 108, 109, 110, 112)

At its meeting on 7 February 2007, the General Council considered a report by the Budget Committee on its meetings of September and October 2006 (WT/BFA/91).

The Chairman of the Committee introduced the report.

The General Council took note of the statement and adopted the Budget Committee's report in WT/BFA/91.

At its meeting on 9 May 2007, the General Council considered a report by the Budget Committee on its meetings of November and December 2006 (WT/BFA/94).

The Chairman of the Committee introduced the report.

The General Council took note of the statement and adopted the Budget Committee's report in WT/BFA/94.

The General Council then considered the Budget Committee's report on its meeting of March 2007 (WT/BFA/95).

The Chairman of the Committee introduced the report.

The representative of the United States and the Director-General spoke.

The General Council took note of the statements, approved the Budget Committee's specific recommendations in paragraphs 23, 25, 33 and 35 of its report in WT/BFA/95, and adopted the report.

At its meeting on 27 July 2007, the General Council considered a report by the Budget Committee on its meeting of May 2007 (WT/BFA/96).

The Chairman of the Committee introduced the report.

The General Council took note of the statement and adopted the Budget Committee's report in WT/BFA/96.

The General Council then considered recommendations of the Budget Committee resulting from the Committee's meeting of July 2007 (WT/BFA/97).

The Chairman of the Committee introduced the recommendations.

The General Council took note of the statement and approved the Budget Committee's recommendations in WT/BFA/97.

At its meeting on 9 October 2007, the General Council considered a report by the Budget Committee on its meeting of June 2007 (WT/BFA/98).

The Chairman of the Committee introduced the report.

The General Council took note of the statement and adopted the Budget Committee's report in WT/BFA/98.

The General Council then considered a report by the Budget Committee on its meeting of July 2007 (WT/BFA/99 and Corr.1).

The Chairman of the Committee introduced the report.

The General Council took note of the statement and adopted the Budget Committee's report in WT/BFA/99 and Corr.1.

At its meeting on 18 December 2007, the General Council considered a report by the Budget Committee on its meetings of November and December 2007 (WT/BFA/101).

The Chairman of the Committee introduced the report.

The General Council took note of the statement, and approved the Budget Committee's specific recommendations in paragraphs 6, 7, 9, 40, 45, 47, 53 and 54 of its report, including the draft Resolutions referred to in paragraphs 19 and 20. The General Council then adopted the draft Resolutions on the Expenditure of the WTO in 2008 and 2009 and the Ways and Means to Meet Such Expenditure, contained in paragraphs 19 and 20 of its report. The General Council then adopted the Committee's report in WT/BFA/101 as a whole.

8. Accession matters

(a) Cape Verde (WT/GC/M/112)

In July 2000, the General Council established a Working Party to examine the request by Cape Verde for accession to the WTO Agreement.

At its meeting on 18 December 2007, the General Council considered the Report of the Working Party on the Accession of Cape Verde (WT/ACC/CPV/30 and Add. 1 and 2).

The Chairman of the Working Party spoke.

The General Council approved the text of the Protocol of Accession of Cape Verde (WT/L/715) and, in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed in November 1995 (WT/L/93), adopted the Decision on the Accession of Cape Verde (WT/L/715). The General Council then adopted the Report of the Working Party as a whole (WT/ACC/CPV/30 and Add.1 and 2).

The Chairman and the Director-General spoke, following which the representatives of Cape Verde (as an observer), Lesotho (on behalf of the LDCs), Uganda (on behalf of the African Group), Jamaica (on behalf of ACP Group), Sri Lanka (on behalf of the Informal Group of Developing Countries), Brazil, Angola, China, United States, European Communities, Colombia (on behalf of

GRULAC), India, Cuba, Japan, Mexico, Switzerland, Korea, Nigeria, Senegal and Hong Kong, China, and the Chairman spoke. The representatives of Bangladesh, Canada, Mauritius and Turkey also wished to be placed on record as welcoming and supporting the accession of Cape Verde.

The General Council took note of the statements and of the expressions of welcome and support.

(b) Comoros (WT/GC/M/110)

At its meeting on 9 October 2007, the General Council considered a communication from the Comoros requesting accession to the WTO Agreement pursuant to Article XII of the WTO Agreement (WT/ACC/COM/1).

The Chairman proposed that the General Council agree to establish a Working Party with standard terms of reference and membership, which he read out.

The General Council so agreed.

The Chairman then invited the representative of the Comoros to consult with the Accessions Division of the Secretariat as to further procedures, in particular with regard to the basic documentation to be considered by the Working Party. He also invited the Comoros, on behalf of the General Council, to attend meetings of the General Council and, as appropriate, meetings of other WTO bodies as an observer during the period when the Working Party was carrying out its work.

The representatives of the Comoros (as an observer), Mauritius, Lesotho (on behalf of the LDCs), Jamaica (on behalf of the ACP Group), Paraguay (on behalf of the Informal Group of Developing Countries), India, Switzerland, Norway, United States, Côte d'Ivoire, Mexico, Congo, Benin, Zambia, Argentina and Burkina Faso, and the Chairman spoke.

The General Council took note of the statements.

(c) Liberia (WT/GC/M/112)

At its meeting on 18 December 2007, the General Council considered a communication from Liberia requesting accession to the WTO Agreement pursuant to Article XII (WT/ACC/LBR/1).

The Chairman proposed that the General Council agree to establish a Working Party with standard terms of reference and composition, which he read out.

The General Council so agreed.

The Chairman then invited the representative of Liberia to consult with the Accessions Division of the Secretariat as to further procedures, in particular with regard to the basic documentation to be considered by the Working Party. He also invited Liberia, on behalf of the General Council, to attend meetings of the General Council and, as appropriate, meetings of other WTO bodies as an observer during the period when the Working Party was carrying out its work.

The representatives of Liberia (as an observer), Sri Lanka (on behalf of the Informal Group of Developing Countries), Lesotho (on behalf of the LDCs), Jamaica (on behalf of the ACP Group) and Uganda (on behalf of the African Group) spoke.

The General Council took note of the statements.

9. Waivers

- (a) Introduction of Harmonized System 1996 Changes into WTO Schedules of Tariff Concessions – Argentina and Panama (WT/GC/M/109)

At its meeting on 27 July 2007, the General Council considered requests for extension of waivers from Argentina (G/L/815) and Panama (G/L/816) for the introduction of Harmonized System 1996 changes into Schedules of Concessions and related draft Decisions in documents G/C/W/576 and G/C/W/575 respectively.

The Chairman of the Council for Trade in Goods reported on the consideration of the draft Decisions by that Council.

The General Council took note of the report and, in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed in November 1995 (WT/L/93), adopted the Decisions (WT/L/692 – Argentina and WT/L/693 – Panama).

- (b) Introduction of Harmonized System 2002 Changes into WTO Schedules of Tariff Concessions (WT/GC/M/112)

At its meeting on 18 December 2007, the General Council considered a draft Decision to waive obligations under Article II of GATT 1994 for a number of Members with regard to the introduction of HS2002 changes into WTO schedules of tariff concessions (G/C/W/585/Rev.1).

The Chairman of the Council for Trade in Goods reported on the consideration of the draft Decision by that Council.

The General Council took note of the report and, in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed in November 1995 (WT/L/93), adopted the Decision (WT/L/712).

- (c) Introduction of Harmonized System 2007 Changes into WTO Schedules of Tariff Concessions (WT/GC/M/112)

At its meeting on 18 December 2007, the General Council considered a draft Decision to waive obligations under Article II of GATT 1994 for a number of Members with regard to the introduction of HS2007 changes into WTO schedules of tariff concessions (G/C/W/584).

The Chairman of the Council for Trade in Goods reported on the consideration of the draft Decision by that Council.

In the light of the report by the Chair of the Goods Council, the Chairman proposed that the General Council consider the draft Decision for adoption with the addition of Singapore to the Annex thereto.

The General Council took note of the report and, in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed in November 1995 (WT/L/93), adopted the Decision as amended (WT/L/713).

- (d) United States – Former Trust Territory of the Pacific Islands – Request for extension of waiver (WT/GC/M/109)

At its meeting on 27 July 2007, the General Council considered a request from the United States for an extension of a waiver from the provisions of paragraph 1 Article I of GATT 1994 until 31 December 2016 and a related draft Decision (G/C/W/570/Rev.1).

The Chairman of the Council for Trade in Goods reported on the consideration of the draft Decision by that Council.

The General Council took note of the report and, in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed in November 1995 (WT/L/93), adopted the Decision (WT/L/694).

- (e) Mongolia – Accession Commitment on Export of Raw Cashmere – Request for a Waiver (WT/GC/M/109)

At its meeting on 27 July 2007, the General Council considered a request from Mongolia for a waiver from its obligation in paragraph 2 of its Protocol of Accession to the WTO Agreement – to phase out and eliminate export duties on raw cashmere within ten years of the date of its accession – for a period of an additional five years until 29 January 2012 (G/C/W/571), and a related draft Decision (G/C/W/580).

The Chairman of the Council for Trade in Goods reported on the consideration of the draft Decision by that Council.

The General Council took note of the report and, in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed in November 1995 (WT/L/93), adopted the Decision (WT/L/695).

- (f) Review of Waivers Pursuant to Article IX:4 of the WTO Agreement (WT/GC/M/109, 112)

Under Article IX.4 of the WTO Agreement "[a]ny waiver granted for a period of more than one year shall be reviewed by the Ministerial Conference not later than one year after it is granted, and thereafter annually until the waiver terminates."

At its meeting on 27 July 2007, the General Council considered the following waivers for review under Article IX.4:

- (i) Preferential tariff treatment for least-developed countries (WT/L/304);
- (ii) LDCs – Article 70.9 of the TRIPS Agreement with respect to pharmaceutical products (WT/L/478);
- (iii) Albania – Implementation of specific concessions (WT/L/610);
- (iv) EC – European Communities' preferences for Albania, Bosnia and Herzegovina, Croatia, Serbia and Montenegro, and the Former Yugoslav Republic of Macedonia (WT/L/654, WT/L/688).

In so doing, the General Council considered a report on the implementation of its waiver submitted by the European Communities (WT/L/688).

The Chairman recalled, with regard to the waiver in sub-item (ii) for LDCs under the TRIPS Agreement, that in connection with the approval of this draft waiver at the meeting of the TRIPS Council in June 2002, the Chairman of the TRIPS Council had noted that it was understood, in regard

to the review foreseen in paragraph 2 of that waiver, that the exceptional circumstances justifying the waiver would continue to exist for least-developed country Members until its expiry date of 1 January 2016.

The representative of Lesotho (on behalf of the LDCs) spoke.

The General Council took note of the statements and of the report in WT/L/688, and agreed to revert to the review of multi-year waivers under Article IX:4 of the WTO Agreement at its meeting in December.

At its meeting on 18 December 2007, the General Council considered the following waivers for review under Article IX:4:

- (i) EC - The ACP-EC Partnership Agreement (WT/L/436);
- (ii) Kimberley Process Certification Scheme for rough diamonds (WT/L/676);
- (iii) Canada – CARIBCAN (WT/L/677);
- (iv) Cuba - Article XV:6 of GATT 1994 (WT/L/678)

In so doing, the General Council considered reports on the implementation of the respective waivers submitted by Canada (WT/L/705), Cuba (WT/L/708) and the European Communities (WT/L/707).

The representatives of Ecuador, Thailand, European Communities and Barbados (on behalf of the CARICOM) spoke.

The General Council took note of the statements and of the reports contained in documents WT/L/705, 707 and 708.

10. Statements by Paraguay on behalf of the Informal Group of Developing Countries (WT/GC/M/108, 110)

At the General Council meeting on 9 May 2007, the representative of Paraguay, on behalf of the Informal Group of Developing Countries, made a statement regarding the process of accession of developing countries to the WTO.

The General Council took note of the statement.

At the General Council meeting on 9 October 2007, the representative of Paraguay, on behalf of the Informal Group of Developing Countries, made a further statement regarding the process of accession of developing countries to the WTO.

The General Council took note of the statement.

11. United States' proposed measures affecting the importation of cigars – Statement by the Dominican Republic, Honduras and Nicaragua (WT/GC/M/110)

At the General Council meeting on 9 October 2007, the representative of Nicaragua, also on behalf of the Dominican Republic and Honduras, expressed concern at legislation recently approved by the US Congress which, if signed into law, would significantly raise excise tax rates applicable to their exports of hand-rolled cigars into the United States.

The representatives of Brazil and the United States spoke.

The General Council took note of the statements.

12. Seventh Session of the Ministerial Conference (WT/GC/M/110)

At the General Council meeting on 9 October 2007, the Chairman – updating a report by the previous Council Chair in December 2006 with regard to the next Ministerial Conference – said *inter alia* that in the light of consultations he had had recently with a wide range of the Membership, it was clear that the factors which had prevented Members from taking a decision on the timing and location of the next Ministerial Conference before continued to apply. All Members with whom he had spoken had accepted that as a practical consequence it would not be possible to hold the Conference before the end of 2007, which in turn meant that it would not be possible to implement the provisions of Article IV.1 of the WTO Agreement this year. This last point had been a matter of particular concern for some delegations in his consultations, and he knew that all shared a commitment to uphold all the legal agreements on which this rules-based organization was founded. No one wished to see them weakened or undercut. Members to whom he had spoken had agreed that while one had to face the reality of the current situation, this should in no way be seen as calling into question the provisions of Article IV.1 of the WTO Agreement or as establishing a precedent for the future. He suggested that the General Council return to this question as soon as the situation could be clarified. In the meantime he remained at Members' disposal for any further consultations.

The General Council took note of the statement.

13. Administrative Measures for Members in Arrears (WT/GC/M/107, 108, 109, 110, 112)

At its meeting in May 2006, the General Council approved a recommendation from the Committee on Budget, Finance and Administration with regard to revised Administrative Measures for Members in Arrears (WT/BFA/86) under which, *inter alia*, at each meeting of the General Council the Chairman of the Budget Committee would provide information with regard to which Members were under Administrative Measures in Categories II through IV, and the General Council Chairman would request Members in Categories III and IV to inform him before the next Council meeting as to when the payment of arrears might be expected and report on Members' replies at each subsequent meeting.

At the General Council meeting on 7 February 2007, in pursuance of the revised Administrative Measures, the Chairman of the Budget Committee provided information with regard to which Members were under Administrative Measures in Categories II through IV. Also in pursuance of the revised Administrative Measures, the Council Chairman requested Members in Categories III and IV to inform him before the next meeting of the Council as to when their payment of arrears might be expected. He informed the Council that since its December meeting he had not received any replies from the Members concerned.

The General Council took note of the statements.

At the General Council meeting on 9 May 2007, in pursuance of the revised Administrative Measures, the Chairman of the Budget Committee provided information with regard to which Members were under Administrative Measures in Categories II through IV. Also in pursuance of the revised Administrative Measures, the Council Chairman requested Members in Categories III and IV to inform him before the next meeting of the Council as to when their payment of arrears might be expected. He informed the Council that since its February meeting he had not received any replies from the Members concerned.

The representative of Paraguay spoke.

The General Council took note of the statements.

At the General Council meeting on 27 July 2007, in pursuance of the revised Administrative Measures, the Chairman of the Budget Committee provided information with regard to which Members were under Administrative Measures in Categories II through IV and announced that Paraguay – a Category IV Member – had undertaken discussions with the Secretariat on establishing an instalment plan aimed at liquidating its arrears. Also in pursuance of the revised Administrative Measures, the Council Chairman requested Members in Categories III and IV to inform him before the next meeting of the Council as to when their payment of arrears might be expected. He informed the Council that since its May meeting he had not received any replies from the Members concerned.

The General Council took note of the statements.

At the General Council meeting on 9 October 2007, in pursuance of the revised Administrative Measures, the Chairman of the Committee on Budget, Finance and Administration provided information with regard to which Members were under Administrative Measures in Categories II through IV. Also in pursuance of the revised Administrative Measures, the Council Chairman requested Members in Categories III and IV to inform him before the next meeting of the Council as to when their payment of arrears might be expected. He informed the Council that since its July meeting he had not received any replies from the Members concerned.

The General Council took note of the statements.

At the General Council meeting on 18 December 2007, in pursuance of the revised Administrative Measures, the Chairman of the Committee on Budget, Finance and Administration provided information with regard to which Members were under Administrative Measures in Categories II through IV. Also in pursuance of the revised Administrative Measures, the Council Chairman requested Members in Categories III and IV to inform him before the next meeting of the Council as to when their payment of arrears might be expected. He informed the Council that since its October meeting he had not received any replies from the Members concerned.

The General Council took note of the statements.

14. WTO Pension Plan

(a) Election of Chairman and Members to the Management Board (WT/GC/M/112)

Article 4 of the Regulations of the WTO Pension Plan (contained in WT/L/282 and WT/GC/W/552) provides, *inter alia*, for the election by the General Council of a Chairman, four members and four alternates to serve on the Management Board, each for a three-year term.

At the General Council meeting on 18 December 2007, the Chairman drew attention to a proposal circulated by him in document WT/GC/W/581 on the basis of which he proposed that the General Council agree to elect Mr Niggli (Switzerland) as Chairman and Mr Trindade (Australia) and Mr Tagliani (United States) as members to serve on the Management Board of the WTO Pension Plan for the remainder of the three-year term, i.e. until May 2008.

The General Council took note of the statement and so agreed.⁸

⁸ WT/L/714.

(b) Annual Report (WT/GC/M/112)

At its meeting on 18 December 2007, the General Council considered an Annual Report of the Management Board of the WTO Pension Plan for 2006 (WT/L/706).

The Chairman of the WTO Pension Plan Management Board introduced the report.

The General Council took note of the statement and of the Annual Report of the Management Board for 2006 in WT/L/706.

15. International Trade Centre UNCTAD/WTO (WT/GC/M/112)

At its meeting on 18 December 2007, the General Council considered a report of the Joint Advisory Group of the International Trade Centre UNCTAD/WTO on its Fortieth Session (ITC/AG(XL)/214).

The Chairman recalled that, in keeping with customary practice, this report had been considered initially by the Committee on Trade and Development at its meeting on 8 October.

The Chairman of the Committee on Trade and Development reported on the Committee's consideration of the report of the Joint Advisory Group.

The General Council took note of the statements and adopted the report of the Joint Advisory Group in ITC/AG(XL)/214.

16. Appointment of Officers to WTO bodies (WT/GC/M/107, 112)

At the General Council meeting on 7 February 2007, the Chairman said that in accordance with the Guidelines for Appointment of Officers to WTO bodies approved by the General Council in December 2002 (WT/L/510), he and his colleague, Mr Muhamad Noor (Malaysia), the serving Chair of the Dispute Settlement Body, had conducted consultations with delegations on a slate of names for the appointment of Chairs to the bodies listed in Groups 1, 2, 4 and 5 in the Annex to the Guidelines. In view of the departure of the Chair of the Negotiating Group on Trade Facilitation, and in keeping with the provisions of the structure adopted by the Trade Negotiations Committee at its first meeting – namely that the General Council Chair should consult on the chairmanships of the individual negotiating bodies under the TNC, Mr Muhamad Noor and he had used this opportunity also to consult with delegations regarding this appointment.

On the basis of the consultations, he considered that there was a consensus on the following slate of names with respect to the appointments to WTO bodies other than the Negotiating Group on Trade Facilitation:

General Council	Mr Muhamad NOOR (Malaysia)
Dispute Settlement Body	Mr Bruce GOSPER (Australia)
Trade Policy Review Body	Mr Vesa HIMANEN (Finland)
Council for Trade in Goods	Mr Karsten Vagn NIELSEN (Denmark)
Council for Trade in Services	Mr C. Trevor CLARKE (Barbados)

Council for TRIPS	Mr Yonov Frederick AGAH (Nigeria)
Committee on Trade and Development	Mr Shree Baboo Chekitan SERVANSING (Mauritius)
Committee on Balance-of-Payments Restrictions	Mr Chitsaka CHIPAZIWA (Zimbabwe)
Committee on Budget, Finance and Administration	Mr Tony LYNCH (New Zealand)
Committee on Trade and Environment	Mr Manuel A.J. TEEHANKEE (Philippines)
Committee on Regional Trade Agreements	Mr Julian METCALFE (United Kingdom)
Working Group on Trade, Debt and Finance	Mr Ravi BANGAR (India)
Working Group on Trade and Transfer of Technology	Mr Kwabena BAAH-DUODU (Ghana)

As regards the Negotiating Group on Trade Facilitation, the Chairman said that on the basis of consultations there was consensus on the appointment of Mr Eduardo Ernesto SPERISEN-YURT (Guatemala). With regard to the duration of this appointment, he proposed that in keeping with the terms of office for appointments to other negotiating groups agreed by the General Council in February 2005, Mr Sperisen-Yurt be invited to serve until the next Session of the Ministerial Conference.

The General Council took note of the statement and of the consensus on the slate of names for the appointment of officers.

The Chairman of the Council for Trade in Goods, the Chairman of the Council for Trade in Services and the Chairman spoke.

The General Council took note of the statements.

At the General Council meeting on 18 December 2007, the Chairman announced, pursuant to paragraph 7.1(a) of the Guidelines for Appointment of Officers to WTO Bodies (WT/L/510), that he would be starting the selection process for the appointment of chairpersons to the bodies outlined in Groups 1, 2, 4 and 5 of the Annex to the Guidelines. In accordance with paragraph 7.1(b) of the Guidelines, he would be assisted in the selection process by the serving Chairperson of the Dispute Settlement Body, Mr Gosper (Australia), and by the former Chairman of the General Council, Mr Glenne (Norway). In keeping with paragraph 7.1(d), he and his colleagues would communicate, as early as possible, a specified time-period in which they would be available to hear the views and suggestions of Members, individually and/or in groups. He recalled that, in accordance with paragraph 2.1 of the Guidelines, representatives of Members in financial arrears for over one full year could not be considered for appointment.

The General Council took note of the statement.

17. Review of WTO activities (WT/GC/M/112)

At its meeting on 18 December 2007, the General Council considered annual reports for 2007 from WTO bodies that had been drawn up in pursuance of the Decision concerning procedures for an annual overview of WTO activities and for reporting under the WTO (WT/L/105).

The Chairman of the Committee on Government Procurement spoke.

The General Council took note of the statement, adopted the report of the Committee on Trade and Development (WT/COMTD/64), and took note of the reports of the other WTO bodies, including the reports of the bodies under the Plurilateral Trade Agreements, in documents WT/DSB/43 and Add.1, WT/TPR/213, G/L/845, S/C/28, IP/C/48, WT/CTE/14, WT/BOP/R/88, WT/BFA/100, WT/REG/18, WT/WGTDF/6, WT/WGTTT/9, GPA/92 and WT/L/701.

The General Council then adopted the draft annual report for 2007 of the General Council (WT/GC/W/582), on the understanding that the Secretariat would make the necessary adjustments to it so as to include matters considered at that meeting.

18. Election of Chairperson (WT/GC/M/107)

At the General Council meeting on 7 February 2007, the Chairman, as the outgoing presiding officer of the General Council, made a brief statement.

The General Council then unanimously elected Mr Muhamad Noor (Malaysia) to the Chair.

The representatives of the Philippines (on behalf of the ASEAN Members), Benin (on behalf of the African Group), Former Yugoslav Republic of Macedonia (on behalf of the CEFTA Members), Chile (on behalf of GRULAC), Jamaica (on behalf of the ACP Group), Viet Nam, United States, European Communities, Colombia and Korea, and the Director-General and the newly-elected Chairman spoke.

The General Council took note of the statements.
