

GENERAL COUNCIL

Annual Report (2011)

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).

Since its previous annual report¹, the General Council has held five meetings, on 22 February, 3 May, 27 July, 26 October and 30 November 2011. The minutes of these meetings, which remain the record of the General Council's work, are contained in documents WT/GC/M/130-WT/GC/M/134².

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1. Work under the Doha Work Programme

(a) Trade Negotiations Committee – Reports (WT/GC/M/130-WT/GC/M/134)

1. 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 in 2002 (TN/C/M/1), the TNC reports to each regular meeting of the General Council.

2. At the General Council meetings in February, May, July, October and November the Director-General, as Chairman of the Trade Negotiations Committee, reported on each occasion on the TNC's activities since his previous report to the General Council.³

3. At the February meeting, the representatives of Mexico; Dominican Republic (on behalf of the Informal Group of Developing Countries); Singapore; Chinese Taipei (on behalf of the Recently Acceded Members (RAMs) Group); Indonesia (on behalf of ASEAN); Turkey; Bangladesh (on behalf of the LDC Group); Colombia; Kenya (on behalf of the African Group); Australia; Barbados (on behalf of the SVEs); Chile; Switzerland; Hong Kong, China; Korea; European Union; Zimbabwe; United States; and Japan spoke. The General Council took note of the Director-General's report and of the statements.

4. At the May meeting, the representatives of Peru and China spoke. The General Council took note of the Director-General's report and of the statements.

5. At the July meeting, the representative of Colombia spoke. The General Council took note of the Director-General's report and of the statement.

6. At the October meeting, the representatives of Argentina; Bolivarian Republic of Venezuela; Peru; Dominican Republic (on behalf of the Informal Group of Developing Countries); Cuba; and El Salvador spoke. The General Council took note of the Director-General's report and of the statements.

7. At the November meeting, the representatives of Dominican Republic (also on behalf of the Informal Group of Developing Countries); Argentina; Chinese Taipei (on behalf of the RAMs Group); El Salvador; Pakistan; Kenya (on behalf of the African Group); Mauritius (on behalf of the ACP Group); Uruguay; Barbados (on behalf of the SVEs); Ecuador; Bangladesh (on behalf of the LDC Group); Burkina Faso (on behalf of the C-4); Honduras; Peru; Cuba; European Union; and Plurinational State of Bolivia spoke. The General Council took note of the Director-General's report and of the statements.

(b) Work Programme on Small Economies - Reports (WT/GC/M/130-WT/GC/M/134)

8. In 2002, the General Council took note of a framework and procedures for the conduct of the Work Programme on Small Economies, which had been agreed by Ministers at Doha (WT/MIN(01)/DEC/1, paragraph 35), under which this Work Programme would be a standing item on the General Council's agenda and which also provided that the Committee on Trade and Development (CTD) 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. In 2006, on the basis

³ The Director-General's statements were subsequently circulated as JOB/GC/8, JOB/GC/9, JOB/GC/10, JOB/GC/13, JOB/GC/16 and JOB/GC/16/Corr.1.

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.

9. At the General Council meeting in February, the Chairman of the Dedicated Session of the CTD, reporting on developments in this area, said that proponents continued to follow developments in all areas under negotiation in the Doha Round and in the regular WTO bodies, with particular attention to those areas where SVEs sought flexibilities - mainly Agriculture, NAMA, Services, Subsidies disciplines, Trade Facilitation and Fisheries Subsidies. Another area of work important to the SVE proponents concerned Aid for Trade. A workshop on SVE and Aid for Trade had been held as part of the 2010-2011 Aid-for-Trade Work Programme.

10. The representatives of Barbados (on behalf of the SVEs) and Maldives spoke. The General Council took note of the report and of the statements.

11. At the May meeting, the Chairman of the Dedicated Session of the CTD, reporting on developments in this area, said that the SVEs had made new proposals in some of the Negotiating Groups. Specifically, in the Special Session of the Committee on Agriculture, they submitted a proposal on "Flexibilities in the Agricultural Modalities on the Pillars of Domestic Support and Export Competition", and a proposal on the special safeguard mechanism circulated as JOB/AG/17. On NAMA, El Salvador on behalf of the SVEs had submitted a document on Special and Differential treatment and the technical assistance concerns in regard to Annex A of the NAMA text on Procedures for the Facilitation of Solutions to Non-Tariff Barriers. In the Negotiating Group on Rules, the SVEs had submitted a revised proposal on additional flexibilities for SVEs under Article III of the draft Chair's text on Fisheries Subsidies. In the Committee on Trade and Environment in Special Session, the SVEs had circulated a proposal on "Views of the Small and Vulnerable Economies on the Negotiation of Paragraph 31(iii) of the Doha Ministerial Declaration". In the Services Council's Working Party on Domestic Regulation, the SVEs had tabled a room document concerning paragraph 42 of the Chairman's draft text on time extensions for applying certain disciplines.

12. The representative of Barbados (on behalf of the SVEs) spoke. The General Council took note of the report and of the statement.

13. At the July meeting, the Chairman of the Dedicated Session of the CTD, reporting on developments in this area, said that proponents continued to follow developments in all areas under negotiation in the Doha Round and in the regular WTO bodies. The SVEs had also been following work related to Aid for Trade and were defining a SVE Framework on Aid for Trade.

14. The representative of Barbados (on behalf of the SVEs) spoke. The General Council took note of the report and of the statement.

15. At the October meeting, the former Chair of the CTD read out a report on behalf of the Chair of the CTD Dedicated Session. The report said that Members had taken note of a further revision of a WTO Secretariat paper which compiled all the proposals made by SVEs in the negotiating groups and other WTO bodies since the launch of the DDA in 2001 (WT/COMTD/SE/W/22/Rev.6). The CTD in Dedicated Session had also adopted its Report to the General Council on its activities since 2009 (WT/COMTD/SE/7) for further transmission to the Eighth Ministerial Conference (MC8). The SVEs proposed that the language which was agreed in the report WT/COMTD/SE/7 concerning the recommendations for continuing the work programme, be turned into a future Decision by Ministers at MC8.

16. The representatives of Barbados (on behalf of the SVEs) and El Salvador spoke. The General Council took note of the report and of the statements.

17. At the November meeting, the Chairman of the Dedicated Session of the CTD, reporting on developments in this area, recalled that, in the CTD Dedicated Session's report to the General Council, Members had agreed that the General Council should recommend to MC8 that Ministers reaffirm their commitment to the Work Programme on Small Economies and take note of all the work conducted to date. The report had been circulated as WT/COMTD/SE/7 and the draft decision that the General Council should forward to Ministers had been circulated as an addendum to the annual report.⁴

18. The representative of Barbados (on behalf of the SVEs) spoke. The General Council took note of the report of the Chairman of the Dedicated Session of the CTD and of the statement.

(c) Work Programme on Special and Differential Treatment - Report by the Chairman of the Special Session of the Committee on Trade and Development (WT/CG/M/134)

19. 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 which such proposals had been referred.

20. At the General Council meeting in November, the Chairman of the CTD in Special Session, reporting on progress in this area, including the status of work on the Category II proposals, said that Members seemed to be converging on major elements of the Monitoring Mechanism. However, further work was needed before negotiations on the different elements of the Monitoring Mechanism could be concluded and consensus on Agreement-Specific proposals developed. He also reported intensive engagement amongst the Members to finalize possible elements for political guidance during the forthcoming Ministerial Conference and announced his intention to start consultations with Members in both formal and informal settings in early 2012.

21. The representatives of Egypt and United States spoke. The General Council took note of the report by the Chairman of the CTD in Special Session in document TN/CTD/27 and of the statements.

(d) Aid for Trade (WT/CG/M/132)

22. At the July General Council meeting, the Director-General reported on the Third Global Review of Aid for Trade which had taken place on 18-19 July 2011. He said that Members had emerged stronger from the two days of experience sharing, and now had an encouraging narrative, which recounted how they were building trade capacity, including in the long-term. Members were in a better position for the results they had been able to showcase, and for mobilizing so many resources and expertise in the development and business communities. Members had also debated the shortcomings of current approaches and practices, both with regard to the allocation and the

⁴ See also paragraph 122, below.

implementation of Aid for Trade. On the way forward, he said that the focus of the new work programme should be on "Deepening Coherence". Actions could include exploring how Aid for Trade could support areas such as services, standards and IP, and recognizing the intersection of the initiative with other areas that were essential to sustainable development, such as food security, gender empowerment, climate change adaptation or energy. He also suggested that the following areas be examined: resource mobilization, mainstreaming, engaging the private sector, aid effectiveness, South-South cooperation and regional integration.

23. The representatives of Lesotho; Brazil; Dominican Republic; Ecuador; Bangladesh (on behalf of the LDC Group); Korea; Peru; Japan; European Union; Turkey; Honduras; United States; Canada; and Zimbabwe spoke. The General Council took note of the Director-General's report and of the statements.

(e) The Development Assistance Aspects of Cotton - Periodic Report by the Director-General (WT/GC/M/134)

24. 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 had vital importance. Ministers at Hong Kong reaffirmed the 2004 mandate, and asked the Director-General to provide updates at appropriate intervals to the General Council, while keeping the Sub-Committee on Cotton fully informed of progress.

25. At the General Council meeting in November, the Director-General introduced his Fourth Periodic Report on Cotton (WT/GC/137, WT/CFMC/DG/4, WT/MIN(11)/4), which focused on the "Development Assistance Aspects of Cotton", and more broadly on the Sectoral Initiative on Cotton. He highlighted the progress made, particularly within the framework of "Cotton-Specific Development Assistance" and "Agriculture and Infrastructure-Related Development Assistance". He also reported that the Consultative Framework Mechanism was registering progress because a partnership had emerged between developed and developing country providers of development assistance, and the recipients of this assistance from the cotton proponent countries. He also announced the revision of paragraph 8 of his report relating to the next update of the Table on Domestic Cotton Sector Reforms. The update (WT/CFMC/21/Rev.3) had been issued on 29 November on the basis of inputs submitted by the cotton proponents.

26. The representatives of Brazil; China; India; European Union; Australia; Burkina Faso (on behalf of the C-4); Pakistan; and Kenya (on behalf of the African Group) spoke. The General Council took note of the statements and of the Director-General's report, which would be before Ministers for their consideration at the Eighth Ministerial Conference.

2. China - Transitional Review under Section 18.2 of the Protocol of Accession to the WTO Agreement (WT/GC/M/134)

27. At its November meeting, the General Council conducted its final 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/136), which provided information required under Sections I and III of Annex 1A of the Protocol of Accession, as well as reports of the subsidiary bodies on their respective reviews (G/L/977, S/C/37, IP/C/60, WT/BOP/R/103 and G/TBT/30).

28. The representatives of China; United States; European Union; Japan; Australia; Pakistan; Mexico; Cuba; Bolivarian Republic of Venezuela; Chile; and Zimbabwe spoke.

29. 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 final 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. Review of the exemption provided under paragraph 3 of the GATT 1994 (WT/GC/M/130, WT/GC/M/134)

30. Paragraph 3(a) of GATT 1994 provides an exemption from Part II of GATT 1994 for measures under specific mandatory legislation – enacted by a Member before it becomes a contracting party to GATT 1947 – which prohibited 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 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 was in force – in order to examine whether the conditions which created the need for the exemption still prevailed. The General Council last considered this matter at its meeting in December 2009 at which it took note that under the two-yearly cycle provided for in paragraph 3(b) of GATT 1994, the next review would normally be held in 2011.

31. At the February General Council meeting, the Chairman drew attention to the annual report circulated by the United States in document WT/L/810 and WT/L/810/Corr.1. For the purposes of the conduct of the review in 2011, he proposed that the Council proceed in a manner similar to that in 2009, which had been based on a procedure agreed by the General Council in December 2002. The comments and questions to the US submitted by interested delegations regarding the operation of the legislation under the exemption, together with the United States' responses and the annual statistical report provided by the US under paragraph 3(c) of GATT 1994 would form the basis for the current year's review. This matter would be on the Agenda of subsequent General Council meetings in the course of 2011 as the Chairman deemed appropriate, or at the request of any Member. The Council would also consider this matter again at its meeting in December 2011.

32. The representatives of United States; European Union; Australia; Japan; Hong Kong, China; Korea; and China spoke. The General Council took note of the statements and agreed to revert to this item at a future meeting.

33. At its November meeting, the General Council again considered the exemption provided under paragraph 3 of GATT 1994 for review. The Chairman drew attention to a questionnaire to the United States from Japan with regard to US legislation under this exemption (WT/GC/W/648) and to the United States' responses to Japan's questions (WT/GC/W/651).

34. The representatives of the United States; Australia; European Union; Japan; Norway; Hong Kong, China; and China 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 2013.

4. Work Programme on E-commerce⁵

- (a) Effective participation of developing countries in electronic commerce as a means to combat poverty – Communication from Cuba, Ecuador and Nicaragua (WT/GC/M/132)

35. At the July General Council meeting, the Chairman drew attention to the communication from Cuba, Ecuador and Nicaragua in document WT/GC/132 requesting that this item be placed on the agenda. He also drew attention to the communication from these delegations in document WT/GC/W/635, G/C/W/650, WT/COMTD/W/179.

36. The representatives of Cuba; Ecuador; Plurinational State of Bolivia; Bolivarian Republic of Venezuela; Nicaragua; Japan; Argentina; Switzerland; European Union; United States; Brazil; and Chinese Taipei spoke. The General Council took note of the statements.

- (b) Review of Progress (WT/GC/M/132)

37. In December 2009, at the Seventh Ministerial Conference, Ministers adopted a Decision on the Work Programme on Electronic Commerce (WT/L/782) which called, *inter alia*, for intensive reinvigoration of work under the Work Programme, and instructed the General Council to hold periodic reviews of the progress on the Work Programme in preparation for the following Ministerial Conference.

38. At the July meeting, Deputy Director-General Singh, who had been dealing with the Work Programme on behalf of the General Council Chairman and his predecessors since 2005, reporting on work in this area, said that since May 2011 a number of initiatives under the Work Programme on Electronic Commerce had been undertaken. In the context of the Services Council, the Secretariat had produced a compilation of elements related to the electronic supply of services (JOB/SERV/78). Additionally, the European Union and the United States had made a joint proposal (S/C/W/338), on trade-related principles to support the expansion of information and communication technology networks and services and to enhance the development of e-commerce. Cuba, Ecuador and Nicaragua had made a joint submission, later co-sponsored by Bolivia,⁶ to the General Council, the Council of Trade in Goods and the Committee on Trade and Development, in triple-symbol document WT/GC/W/635, G/C/W/650, WT/COMTD/W/179, on the Effective Participation of Developing Countries in Electronic Commerce as a Means to Combat Poverty.⁷

39. The representatives of Australia and Switzerland spoke. The General Council took note of the report by Deputy Director-General Singh and of the statements.

5. Committee on Budget, Finance and Administration – Reports and recommendations (WT/GC/M/131-WT/GC/M/134)

40. At its meetings in May, July, October and November, the General Council considered reports by the Committee on Budget, Finance and Administration on its meetings of March (WT/BFA/123), June and July (WT/BFA/124 and WT/BFA/125), October (WT/BFA/126), and October and November (WT/BFA/128), respectively. At each meeting, the Chairman of the Committee introduced the reports.

⁵ See also paragraph 119, below.

⁶ The communication is contained in document WT/GC/W/635/Add.1, G/C/W/650/Add.1, WT/COMTD/W/179/Add.1.

⁷ See also paragraph 35, above.

41. At the May meeting, the representatives of China and Korea spoke. The General Council took note of the statements, approved the Budget Committee's specific recommendations in paragraphs 33, 34 and 37 of its report in document WT/BFA/123, and adopted the report.

42. At the July meeting, the Director-General provided a brief update on the situation of Members subject to Administrative Measures and on the latest steps undertaken in this respect. He reported that, in just over two years, the number of Members considered inactive under the Administrative Measures had gone down from eighteen to seven, i.e. by 60 per cent. The General Council took note of the statement, approved the Budget Committee's specific recommendations in paragraphs 8 and 13 of its report in document WT/BFA/125, and adopted the reports in WT/BFA/124 and WT/BFA/125.

43. At the October meeting, the representatives of Guatemala and El Salvador, and the Director-General spoke. The General Council took note of the statements and adopted the report in document WT/BFA/126.

44. At the November meeting, the representatives of Kenya and El Salvador spoke. The General Council took note of the statements, and approved the Budget Committee's specific recommendations contained in paragraphs 8, 14, 15, 26 through 31 and 35 of its report – including the draft Resolutions referred to in paragraphs 26 and 27. The General Council adopted the draft Resolutions on the Expenditure of the WTO in 2012 and 2013 and the Ways and Means to Meet Such Expenditure, in paragraphs 26 and 27 of its report. Finally, the General Council adopted the Committee's report in document WT/BFA/128 as a whole.

45. The Director-General noted that by approving a zero nominal budget for 2012-2013, the Organization would be required to streamline its operations in order to be able to fully continue delivering on its mandates. The General Council took note of the Director-General's statement.

6. TRIPS Council matters (WT/GC/M/134)

(a) 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

and

(b) Proposal for a Decision on an extension of the period for the acceptance by Members of the Protocol amending the TRIPS Agreement

46. 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. 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. In addition, 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. The TRIPS Council at its meeting in October 2011 agreed to submit to the General Council a proposal for a decision on a third extension of the period for the acceptance by Members of this Protocol.

47. At the November meeting, the Chairman of the TRIPS Council introduced the report of that Council (IP/C/61) on its annual review of the Decision on the Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health, as well as a proposal for a Decision on a Third Extension of the Period for the Acceptance by Members of the Protocol Amending the TRIPS Agreement (IP/C/58).

48. The representatives of European Union; Rwanda; and Kenya spoke. The General Council took note of the report of the TRIPS Council in document IP/C/61, and adopted the draft decision extending the time period for acceptance by Members of the Protocol amending the TRIPS Agreement to 31 December 2013 (WT/L/829).

7. Amendment to the procedures leading to the certification of HS 2007 changes (WT/GC/M/134)

49. At the November meeting of the General Council, the Chairman drew attention to the draft decision contained in document G/MA/W/108 regarding proposed amendments to the procedures for the introduction of Harmonized System 2007 changes to schedules of concessions using the CTS Database. This draft decision had been forwarded to the General Council for adoption by the Committee on Market Access through the Council for Trade in Goods, following its meeting in November.

50. The General Council adopted the Decision (WT/L/830).

8. Procedure for the introduction of Harmonized System 2012 changes to schedules of concessions using the Consolidated Tariff Schedules (CTS) database (WT/GC/M/134)

51. At the November meeting of the General Council, the Chairman drew attention to the draft decision contained in document G/MA/W/109 concerning a procedure for the introduction of Harmonized System 2012 changes to schedules of concessions using the CTS Database. This draft decision had been forwarded to the General Council for adoption by the Committee on Market Access through the Council for Trade in Goods, following its meeting in November.

52. The General Council adopted the Decision (WT/L/831).

9. Accession matters

(a) Algeria (WT/GC/M/134)

53. In June 1987, the GATT 1947 Council established a Working Party to examine Algeria's request for accession to the General Agreement on Tariffs and Trade. Subsequently, in pursuance of a decision regarding requests for WTO accession adopted by the WTO General Council in January 1995 (WT/GC/M/1, Item 4(g)), the GATT 1947 Accession Working Party was transformed into a WTO Accession Working Party.

54. At the November meeting, the Chairman informed Members that, following consultations and in keeping with usual WTO practice, it had been agreed that Ambassador Roux (Belgium) would serve as Chairperson of this Working Party, replacing Ambassador Guillermo Valles Galmés (Uruguay). The General Council took note of the statement.

(b) Bahamas (WT/GC/M/131)

55. In July 2001, the General Council established a Working Party to examine the request of the Bahamas for accession to the WTO Agreement.

56. At the May meeting, the Chairman informed Members that, following consultations and in keeping with usual WTO practice, it had been agreed that Mr Wayne McCook (Jamaica) would serve as Chairman of this Working Party, replacing Mr Peter Black (Jamaica). The General Council took note of the statement.

(c) Lao PDR (WT/GC/M/132)

57. In February 1998, the General Council established a Working Party to examine the request of Lao PDR for accession to the WTO Agreement.

58. At the July General Council meeting, the Chairman informed Members that following consultations and in keeping with usual WTO practice, it had been agreed that Ambassador Yi (China) would serve as Chairperson of this Working Party, replacing Dr. Zhang (China). The General Council took note of the statement.

(d) Samoa (WT/GC/M/130)

59. In July 1998, the General Council established a Working Party to examine the request of Samoa.

60. At the February meeting, the Chairman informed Members that following consultations and in keeping with usual WTO practice, it had been agreed that Mr Oike (Japan) would serve as Chairperson of this Working Party, replacing Mr Kitajima (Japan). The General Council took note of the statement.

(e) Vanuatu (WT/GC/M/131, WT/GC/M/133)

61. In July 1995, the General Council established a Working Party to examine Vanuatu's request for accession to the WTO. In October 2001, a Draft Accession Package was adopted by the Working Party. However, at that time, Vanuatu requested more time to consider the package. In 2008, in a letter to the Director-General, the Government of Vanuatu signalled its interest in resuming and concluding its accession process and requested the update of its 2001 Draft Accession Package. The Secretariat embarked on the technical update of the package. At the request of the Chairman of the General Council, Deputy Director-General Jara acted on behalf of the General Council Chairman in this process and chaired the meetings of the re-convened Working Party.

62. At the May meeting, the Chairman informed Members that the re-convened Working Party on the Accession of Vanuatu had adopted *ad referendum* the draft accession package of Vanuatu, circulated in document WT/ACC/VUT/16, WT/ACC/VUT/16/Add.1 and WT/ACC/VUT/16/Add.2. Deputy Director-General Jara, who had chaired the re-convened Working Party on the Accession of Vanuatu, reported on this matter to the General Council. The representative of Vanuatu (as an Observer) spoke. The General Council took note of the statements.

63. At the October meeting, the General Council considered the Report of the re-convened Working Party in documents WT/ACC/VUT/17, WT/ACC/VUT/17/Add.1 and WT/ACC/VUT/17/Add.2 for consideration and adoption, and the letter from the Deputy Prime Minister of Vanuatu, circulated as WT/ACC/VUT/18, requesting that the time-limit for acceptance of 15 July 2011 in paragraph 7 of the Draft Protocol be modified to 31 December 2011.

64. Deputy Director-General Jara, who had chaired the re-convened Working Party on the Accession of Vanuatu, spoke.

65. The General Council approved the text of the Draft Protocol on the Accession of Vanuatu, with the modification to paragraph 7 mentioned above, 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 draft Decision on the Accession of Vanuatu as contained in the Appendix to the report of the Working Party. The General Council then adopted the report of the Working Party as a whole (WT/ACC/VUT/17, WT/ACC/VUT/17/Add.1 and WT/ACC/VUT/17/Add.2).

66. The Chairman and the Director-General spoke, following which the representatives of Vanuatu (as an Observer); Bangladesh (on behalf of the LDC Group); Australia; Dominican Republic (also on behalf of the Informal Group of Developing Countries); United States; Barbados (on behalf of the SVEs); New Zealand; European Union; Pakistan; China; Japan; Chinese Taipei (on behalf of the RAMs Group); Canada; Nepal; India; Tunisia; Turkey; and Cuba spoke. The representatives of Mexico (on behalf of GRULAC); Brazil; Kingdom of Saudi Arabia; Mauritania; Philippines; Tonga; Trinidad and Tobago; El Salvador; Argentina; Bolivarian Republic of Venezuela; Peru; and Hong Kong, China also wished to be placed on record as welcoming and supporting the accession of Vanuatu. The General Council took note of the statements and of the expressions of welcome and support.

(f) WTO Accessions: 2011 Annual Report by the Director-General (WT/GC/M/134)

67. At the November meeting, the Chairman drew attention to the Director General's report on accessions in the triple symbol document WT/ACC/15 - WT/GC/135 - WT/MIN(11)/3.

68. The Director-General said that 2011 had been a good year for accessions. The Organization was now on the verge of welcoming two new LDCs: Samoa and Vanuatu; and the Russian Federation to the WTO. He also hoped that the negotiations in the Working Party on the Accession of Montenegro would be concluded at its final Working Party meeting. The thematic focus of his 2011 Report was on "Best Practices" in accession negotiations, the purpose of which was to assist and facilitate acceding governments in their WTO accession engagement. The Director-General also noted that 2011 had also marked progress in helping the accession of LDCs and the recently adopted draft decision on LDC accession was an important step in that direction.⁸

69. The representatives of Dominican Republic (on behalf of the Informal Group of Developing Countries); European Union; China; Kenya (on behalf of the African Group); Chinese Taipei (on behalf of the RAMs Group); Cuba; Hong Kong, China; Australia; United States; Canada; Colombia; Iran (as an Observer); Yemen (as an Observer); and Algeria (as an Observer) spoke.

70. The General Council took note of the statements and of the Director-General's report, which would be before Ministers for their consideration at the Eighth Session of the Ministerial Conference.

10. Waivers⁹

(a) Cape Verde – Implementation of Article VII of GATT 1994 and of the Agreement on Customs Valuation (WT/GC/M/131)

71. At its meeting in May, the General Council considered a draft waiver decision (G/C/W/646/Rev.1) for Cape Verde on the implementation of Article VII of GATT 1994 and of the Agreement on Customs Valuation. The Chairman of the Council for Trade in Goods reported on the consideration of the draft decision by that Council.

72. 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/812).

⁸ See also paragraph 122, below.

⁹ A list of waivers granted by the General Council in 2011, as well as waivers previously granted and still in force in 2011, is contained in document WT/GC/W/652.

- (b) European Union – Request for a waiver on additional autonomous trade preferences granted by the European Union to Pakistan (WT/GC/M/131)

73. At its meeting in May, the Chairman referred to a request for a waiver by the European Union in document G/C/W/640 on additional autonomous trade preferences to Pakistan, which had been considered by the Council for Trade in Goods. In accordance with Article IX:3 of the Marrakesh Agreement, the Chairman of the Council for Trade in Goods made a statement on the consideration of this matter by that Council.

74. The representatives of European Union; Pakistan; and China spoke.

75. In light of the Goods Council Chair's statement and the request by the Goods Council reflected therein, the Chairman proposed that the General Council agree to allow the Goods Council to continue consideration of the request from the European Union and to report back to the General Council once it had completed this work. The General Council took note of the statements and so agreed.

- (c) Introduction of Harmonized System 2002 changes into WTO Schedules of Tariff Concessions (WT/GC/M/134)

76. At its November meeting, the General Council considered draft waiver decision contained in G/C/W/653/Rev.1, which had been made in connection with the introduction of HS2002 changes into WTO schedules of tariff concessions. The Chairman read out a statement on behalf of the Chairman of the Council for Trade in Goods reporting on consideration of this matter by that Council.

77. 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 draft Decision (WT/L/832).

- (d) Introduction of Harmonized System 2007 changes into WTO Schedules of Tariff Concessions (WT/GC/M/134)

78. At its November meeting, the General Council considered a draft waiver decision contained in G/C/W/654/Rev.1, which had been made in connection with the introduction of HS2007 changes into WTO schedules of tariff concessions. The Chairman read out a statement on behalf of the Chairman of the Council for Trade in Goods reporting on consideration of this matter by that Council.

79. 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 draft Decision (WT/L/833).

- (e) Introduction of Harmonized System 2012 changes into WTO Schedules of Tariff Concessions (WT/GC/M/134)

80. At its November meeting, the General Council considered a waiver request on the Introduction of Harmonized System 2012 Changes into WTO Schedules of Tariff Concessions in document G/C/W/655/Rev.2. The Chairman read out a statement on behalf of the Chairman of the Council for Trade in Goods reporting on consideration of this matter by that Council.

81. 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 draft Decision (WT/L/834).

(f) Canada - CARIBCAN - Extension of waiver (WT/GC/M/134)

82. At its November meeting, the General Council considered the request by Canada for an extension of its current waiver for CARIBCAN (G/C/W/657) to extend the duty-free treatment to eligible imports of Commonwealth Caribbean countries benefiting from the provision of CARIBCAN until 31 December 2013. The Chairman read out the statement on behalf of the Chairman of the Council for Trade in Goods reporting on consideration of this matter by that Council.

83. 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 draft Decision (WT/L/835).

84. The representatives of Barbados; Trinidad and Tobago; and Jamaica spoke. The General Council took note of the statements.

(g) European Union - Application of autonomous preferential treatment to the Western Balkans - Extension of waiver (WT/GC/M/134)

85. At its November meeting, the General Council considered a draft wavier decision by the European Union to provide preferential treatment to the Western Balkans until 31 December 2016, contained in document G/C/W/658/Add.1. The Chairman read out the statement on behalf of the Chairman of the Council for Trade in Goods reporting on consideration of this matter by that Council.

86. 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 draft Decision (WT/L/836).

(h) Review of waivers pursuant to Article IX:4 of the WTO Agreement (WT/GC/M/132, WT/GC/M/134)

87. 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."

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

- (i) *LDCs – Article 70.9 of the TRIPS Agreement with respect to pharmaceutical products, granted on 8 July 2002 until 1 January 2016 (WT/L/478)*
- (ii) *Preferential tariff treatment for least-developed countries, granted on 27 May 2009 until 30 June 2019 (WT/L/759)*
- (iii) *European Union – Preferences for Albania, Bosnia and Herzegovina, Croatia, Serbia and Montenegro, and the Former Yugoslav Republic of Macedonia, granted on 28 July 2006 until 31 December 2011 (WT/L/654, WT/L/814)*
- (iv) *European Union – Application of autonomous preferential treatment to Moldova, granted on 7 May 2008 until 31 December 2013 (WT/L/722, WT/L/815)*
- (v) *Mongolia – Export duties on raw cashmere, granted on 27 July 2007 until 29 January 2012 (WT/L/695)*

- (vi) *United States – Former Territory of the Pacific Islands, granted on 27 July 2007 until 31 December 2016 (WT/L/694, WT/L/816)*
- (vii) *United States – Caribbean Basin Economic Recovery Act, granted on 27 May 2009 until 31 December 2014 (WT/L/753, WT/L/817)*
- (viii) *United States – African Growth and Opportunity Act, granted on 27 May 2009 until 30 September 2015 (WT/L/754, WT/L/818 and WT/L/818/Corr.1)*
- (ix) *United States – Andean Trade Preference Act, granted on 27 May 2009 until 31 December 2014 (WT/L/755, WT/L/819 and WT/L/819/Corr.1)*

89. In doing so, the General Council considered reports on implementation of the respective waivers submitted by the European Union (WT/L/814, WT/L/815) and the United States (WT/L/816, WT/L/817, WT/L/818 and WT/L/818/Corr.1, WT/L/819 and WT/L/819/Corr.1).

90. The representatives of Barbados (on behalf of CARICOM Members); Trinidad and Tobago; Jamaica; Saint Lucia (on behalf of the Members of the Organization of Eastern Caribbean States (OECS)); European Union; Plurinational State of Bolivia; Dominican Republic; Bolivarian Republic of Venezuela; Kenya (on behalf of the African Group); Ecuador; Cuba; Brazil; Peru; United States; Nicaragua; and Lesotho spoke. The General Council took note of the above-mentioned reports and of the statements.

91. At its November meeting, the General Council considered the following waivers for review under Article IX:4:

- (i) *Kimberley Process Certification Scheme for rough diamonds, granted on 15 December 2006 until 31 December 2012 (WT/L/676)*
- (ii) *Canada - CARIBCAN , granted on 15 December 2006, from 1 January 2007 until 31 December 2011 (WT/L/677, WT/L/828)*
- (iii) *Cuba - Article XV:6 of GATT 1994, granted on 15 December 2006 until 31 December 2011 (WT/L/678, WT/L/826)*

92. In doing so, the General Council considered reports on implementation of the respective waivers submitted by Canada (WT/L/828) and Cuba (WT/L/826).

93. The General Council took note of the above-mentioned reports.

11. Food Export Barriers and Humanitarian Food Aid by the World Food Programme (WFP) - Communication from the European Union (WT/GC/M/134)

94. At the November General Council meeting, the representative of the European Union introduced the communication in document WT/GC/138, co-sponsored by Australia, Canada, Chile, Costa Rica, Kingdom of Saudi Arabia, Korea, Indonesia, Japan, Mexico, Norway, Singapore, Switzerland and Turkey. The communication called for a political guidance commitment by all WTO Members at MC8 to remove food export restrictions for food purchased for non-commercial humanitarian purposes by the World Food Programme (WFP) with a view to facilitate the work of the WFP in delivering food in emergency situations.

95. The representatives of Norway; Canada; Mexico; Switzerland; Thailand; Australia; Mauritius; Turkey; Korea; Colombia; Chile; Hong Kong, China; Chinese Taipei (on behalf of the RAMs Group);

Malaysia; Jamaica; Plurinational State of Bolivia; Japan; China; Costa Rica; United States; India; Indonesia; Fiji; Kingdom of Saudi Arabia; Argentina; Israel; Pakistan; El Salvador; Singapore; Barbados; Bolivarian Republic of Venezuela; Brazil; Cuba; Trinidad and Tobago; and South Africa spoke. The General Council took note of the statements.

12. Improving the Record of Notifications - Communication from the European Union (WT/GC/M/134)

96. At the November General Council meeting, the representative of the European Union introduced the communication in document WT/GC/139 and WT/GC/139/Add.1, which called for a political statement at MC8 on the importance of improving the adherence to notification obligations as a means to enhance transparency. The communication suggested a yearly discussion in the General Council on notifications in a cross-cutting, horizontal fashion based on committee work and, notably, the overview information contained in the TPRB Annual Overview report. It also recommended a report to the Ninth Ministerial Conference on progress achieved until then.

97. The representatives of Mexico; Switzerland; Australia; Chinese Taipei; Japan; Hong Kong, China; Canada; Chile; Norway; New Zealand; Korea; Colombia; Costa Rica; India; Singapore; China; Brazil; United States; and South Africa spoke. The General Council took note of the statements.

13. The WTO Response to the Impact of the Food Crisis on LDCs and NFIDCs - Communication from the NFIDCs, African and Arab Groups (WT/GC/M/134)

98. At the November General Council meeting, the representative of Egypt introduced the proposal from the NFIDCs, African and Arab Groups to establish a WTO Work Programme to mitigate the impact of food market prices and volatility on LDCs and NFIDCs (WT/GC/140/Rev.1). The proposal suggested that the elements of the Work programme be agreed by WTO Members themselves and that the General Council, via the Committee on Agriculture, establish the work programme and report on progress by the Ninth Ministerial Conference.

99. The representatives of Kenya (on behalf of the African Group); Jordan; Dominican Republic; Honduras; Kingdom of Saudi Arabia; Peru; Mauritius; Jamaica; Australia; El Salvador; Turkey; Pakistan; Cuba; Plurinational State of Bolivia; European Union; Barbados; Bolivarian Republic of Venezuela; United States; Nigeria; Japan; Cameroon; Brazil; Argentina; and Uruguay spoke. The General Council took note of the statements.

14. Proposal for furthering work on regulatory measures in financial services - Statement by Ecuador (WT/GC/M/134)

100. At the General Council meeting in November, the representative of Ecuador brought to the attention of the General Council a proposal it had made in the Committee on Trade in Financial Services on 31 October (S/FIN/W/80). The proposal had received wide support amongst Members and, although some members believed its inclusion in the outcome document of the Eighth Ministerial Conference was not necessary, it was on the agenda of the Committee on Trade in Financial Services for 2012. It was also noted that, as the proposal was discussed in the last regular session of the Committee on Trade in Financial Services, it could not be included in the annual report of that Committee, nor in the annual report of the Council for Trade in Services.

101. The representatives of Plurinational State of Bolivia; Cuba; Argentina; Turkey; Barbados; Chile; Dominican Republic; and El Salvador spoke. The General Council took note of the statements.

15. European Union's exports of out-of-quota sugar - Statement by Brazil (WT/GC/M/134)

102. At the General Council meeting in November, the delegation of Brazil drew attention to concerns about the recent decision by the European Union to authorize exports of 700,000 tons of out-of-quota sugar for crop year 2011-2012.

103. The representatives of Australia; European Union; Thailand; and Colombia spoke. The General Council took note of the statements.

16. Eighth Ministerial Conference

(a) Statements by the Chairman (WT/GC/M/130- WT/GC/M/134)

104. At the February General Council meeting, the Chairman recalled that the Eighth Ministerial Conference (MC8) would take place in Geneva on the dates fixed by the Council at its October 2010 meeting, i.e. 15-17 December 2011. During the course of consultations, there had been convergence on the following points. First, Members would continue to be guided by the "FIT" principle, i.e. Full participation, Inclusiveness, and Transparency. Second, MC8 should be centred around Plenary Sessions in which all Ministers could participate equally. Third, MC8 would need to be a lean and economical event, in view of the budgetary and physical space constraints. Finally, his successor would continue the consultations with Members in order to develop the more detailed parameters of MC8. The General Council took note of the statement.

105. At the May meeting, the Chairman announced, *inter alia*, his intention to continue consultations with Members, as announced by his predecessor, on both the practical aspects of the Conference and its substantive agenda and report back to the full membership on the progress of his consultations as appropriate. The General Council took note of the statement.

106. At the July meeting, the Chairman said¹⁰ that he had continued consultations on MC8. The Chairman highlighted, *inter alia*, the consensus on two organizing principles: the FIT principle and the "gentleman's agreement", which meant that any Member pursuing an issue for decision, but not achieving consensus on it six weeks before the Ministerial, i.e. 2 November, would not insist on putting the item on the Conference Agenda. Members had also recognized that three issues had to be taken up at MC8 under existing mandates: the moratorium on e-commerce duties, the moratorium on TRIPS non-violation complaints and the overview of WTO activities. He would continue his consultations, with the aim of completing the "big picture" of the substantive agenda.

107. The representatives of Brazil; Bangladesh (on behalf of the LDC Group); European Union; Dominican Republic (on behalf of the Informal Group of Developing Countries); Honduras; China; and Japan spoke. The General Council took note of the statements.

108. At the October meeting, the Chairman reported on his consultations and on an informal meeting of the General Council at the level of Heads of Delegation at which he had reported on the areas in which convergence had emerged.¹¹ He announced that he would be further intensifying his consultations in the coming days.

109. The representatives of Dominican Republic (on behalf of the Informal Group of Developing Countries); Bangladesh (on behalf of the LDCs); Honduras; Colombia; European Union; India; Brazil; and Turkey spoke. The General Council took note of the statements.

¹⁰ The Chairman's statement was circulated in document WT/GC/133.

¹¹ The Chairman's statement at the informal meeting of the General Council at the level of Heads of Delegation was circulated in document JOB/GC/12.

110. At the November meeting, the Chairman reported on the intensified consultative process that he had conducted jointly with the Director-General on the themes of the Importance of the MTS and the WTO; Trade and Development; and the DDA. The Chairman introduced the document containing the possible elements of political guidance in document JOB/GC/15 and JOB/GC/15/Corr.1, stressing that consensus could only be so with the agreement of the whole Membership. He also stressed that these points were intended to form the first part of the Statement by the Chair of the Ministerial Conference. The Chair's statement would be complemented by a second part, which would provide a factual summary of what the Chair would hear in terms of the Ministers' discussions at the Conference.

111. The representatives of Cuba; Israel; Japan; Malaysia (also on behalf of ASEAN); Bolivarian Republic of Venezuela; Plurinational State of Bolivia, Zimbabwe; Peru; Ecuador; Honduras; Brazil; Mexico; Jamaica; El Salvador; Colombia (also on behalf of Chile); Argentina; and Dominican Republic spoke.

112. The Chairman spoke. He also suggested that that any delegation who could not join consensus on the document, should advise him by 1 December at 18:00. If no objection was raised by that time, the General Council would consider that there was consensus on these elements and would forward them as an official document to the Chairman of the Ministerial Conference for him to include, as agreed, as a consensus part of his statement. The General Council took note of the statements and so agreed.¹²

113. The Chairman also reported on his consultations on the proposal presented by the Arab Group on "Improving the Guidelines for Granting Observer Status to Intergovernmental Organizations in the WTO" in document WT/GC/W/643. The consultations had shown agreement on launching a process to consider this issue. Therefore, he proposed that he, as Chairman of the General Council, initiated a process of consultations on this issue after the Ministerial Conference. He also proposed to report to the February meeting of the General Council about progress in these consultations and to ask his successor to continue this process as appropriate.

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

115. Finally, the Chairman addressed some organizational matters. He said that there would be four periods available for Working Sessions spread over two days (16 and 17 December). Ministers should take up in their discussions the three main themes that had been considered for political guidance, as follows: (i) the Importance of the MTS and the WTO; (ii) Trade and development; and (iii) the DDA. He trusted this was acceptable to delegations.

116. Furthermore, the Chairman recalled that, as a matter of course, and in line with its Rules of Procedure, MC8 should take up two issues related to the organization of the Ninth Ministerial Conference (MC9): the date and venue of MC9 and the election of officers for that Conference. The Chairman proposed that Ministers refer these issues to the General Council for it to address them during the next two years. He trusted that this was acceptable to delegations.

117. The General Council also considered the question of the appointments of the Chairs of Negotiating Bodies. In line with the agreement reached at the First meeting of the TNC, these appointments were to be reviewed at each Session of the Ministerial Conference. The Chairman proposed that Ministers request the General Council to take this matter up in the February slate of

¹² In line with the procedure agreed, on 1 December 2011 the Chairman forwarded the document WT/MIN(11)/W/2 to the Chairman of the Eighth Ministerial Conference for inclusion as the consensus part of his statement.

names exercise for appointment of officers to regular bodies. He trusted this was acceptable to delegations.

118. The General Council took note of the Chairman's statement.

(i) *TRIPS non-violation complaints (WT/GC/M/134)*

(ii) *E-commerce*¹³ (WT/GC/M/134)

119. At the November meeting, at the suggestion of the Chairman, the General Council considered the sub-items on TRIPS non-violation and situation complaints and E-Commerce in documents IP/C/59/Add.1 and WT/GC/W/645, respectively, together with the other Decisions which had recently been submitted to the General Council for forwarding to the Ministerial Conference.

120. The Chairman of the TRIPS Council and Deputy-Director General DDG Singh, who had been dealing with the work programme on E-commerce on behalf of the General Council Chairman, reported on their work in these areas.

121. The representatives of Ecuador; Cuba; European Union; Bolivarian Republic of Venezuela; United States; Chinese Taipei; and Paraguay spoke. The General Council took note of the statements and agreed to forward these reports and the draft texts for decision by Ministers which they contained to the Ministerial Conference.

122. Under this Item, the Chairman drew attention to the draft Decisions that had been agreed in various WTO subsidiary bodies: (i) the report of the Committee on Trade and Development in Dedicated Session and the text for action by Ministers (WT/COMTD/SE/7/Add.1);¹⁴ (ii) the text on the extension of the transition period for Least-developed Countries under Article 66.1 of the TRIPS Agreement contained in the report of the TRIPS Council submitted to the General Council with a recommendation to forward it to the Ministerial Conference (IP/C/59/Add.2); (iii) the report of the Sub-Committee on LDCs to the General Council which contained the draft decision on LDC Accession and the recommendation that it be forwarded to the Ministerial Conference (WT/COMTD/LDC/19); and (iv) the draft decision on the LDC services waiver contained in the report by the Chairman of the Council for Trade in Services in Special Session (TN/S/37). The Chairman suggested that the General Council agree to forward the above-mentioned reports and the draft texts for decision by Ministers contained therein to the Ministerial Conference.

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

124. The Chairman also noted that the results of the 4th appraisal of the Trade Policy Review Mechanism in document WT/MIN(11)/6, had been forwarded by the Trade Policy Review Body directly to the Ministerial Conference, in line with its mandate. This document also contained agreed language for Ministerial action.

(b) Election of Officers (WT/GC/M/134)

125. At the November meeting, the Chairman, on the basis of his consultations, proposed that the General Council elect the following presiding officers for the Eighth Session:

¹³ See also the Item on Work Programme on E-Commerce.

¹⁴ See also paragraph 17, above.

Chairperson: H.E. Mr Olusegun Olutoyin Aganga (Nigeria)
Vice-Chairs: H.E. Mr Johann Schneider-Ammann (Switzerland)
H.E. Mr Mustapa Mohamed (Malaysia)
H.E. Mr Stephen Cadiz (Trinidad and Tobago).

126. The General Council so agreed.

(c) Attendance of observers from Governments and International Intergovernmental Organizations (WT/GC/M/133, WT/GC/M/134)

127. At the October meeting of the General Council, the Chairman suggested that the attendance of observers from Governments and IGOs be taken up separately. With regard to attendance of observers from Governments, he recalled that he suggested in his consultations that the General Council repeat its past practice. This meant that Governments with Observer status at the Seventh Ministerial Conference would be invited to the Eighth Ministerial Conference.¹⁵ In light of the convergence around his suggestion which had been apparent in his consultations, the Chairman proposed that the General Council take note of his statement and agree to follow the procedure he had outlined. The General Council so agreed.

128. With regard to International Intergovernmental Organization (IGOs), the Chairman recalled that he had suggested in his consultations that the General Council repeat its past practice. Thus, IGOs with Observer status at the Seventh Ministerial Conference would be invited to the Eighth Ministerial Conference. In line with the Guidelines for Observer Status for IGOs in Annex 3 of the General Council's Rules of Procedure, the only exception to this would be any IGO which had not attended the Seventh Ministerial Conference. Any new requests would be considered on a case-by-case basis in the usual way, also in line with the Guidelines.¹⁶ In the light of the convergence around his suggestion in the consultations which he had just mentioned, the Chairman proposed that the General Council take note of his statement and agree to follow the procedure he had outlined.

129. The representative of the Kingdom of Saudi Arabia (on behalf of the Arab Group)¹⁷ and the Chairman spoke.

130. The General Council took note of the statements and that it would revert to this matter at a later point.

131. In light of the procedure he had just set out, the Chairman informed Members that a request for observer status at MC8 had been received from the League of Arab States, which currently did not have observer status in any WTO body. He proposed that the General Council proceed in exactly the same way that it had in the past with regard to requests from IGOs for observer status at Ministerial Conferences. Accordingly, he proposed that, unless any objection was received by the Secretariat from any Member by 15 November 2011, the League of Arab States be granted observer status to MC8. As in the past, he would inform the General Council at its next meeting of the status of this

¹⁵ The list of the Observer Governments invited to the Seventh Ministerial Conference can be found in document WT/MIN(09)/INF/6/Rev.1 under Category II.

¹⁶ The list of the Observer IGOs invited to the Seventh Ministerial Conference can be found in document WT/MIN(09)/INF/6/Rev.1 under Category III.

¹⁷ At the request of the delegation of the Kingdom of Saudi Arabia, its statement and the letter to which the statement referred were subsequently circulated in document WT/GC/134.

request. For transparency purposes, delegations would have an opportunity at that meeting to discuss this request. He trusted that this was acceptable to delegations.¹⁸

132. The General Council took note of the Chairman's statement.

133. At the November meeting, the Chairman recalled that the General Council had agreed to revert to this matter at its next meeting. In October, he had proposed that the General Council should follow past practice with respect to the attendance of Observers from IGOs. From his consultations on this matter, it appeared that there was no consensus on this approach.

134. The General Council took note of the statement.

(i) *Request by the League of Arab States (WT/GC/M/134)*¹⁹

135. At the General Council meeting in November, the Chairman recalled that, at the General Council meeting on 26 October, he had informed delegations that a request by the League of Arab States for Observer Status at the Eighth Ministerial Conference had been received. Since then, written communications had been received from two Members stating that they were not in a position to agree to this request, as he announced in a fax to all Members on 16 November, and there was therefore no consensus to grant the request from the League of Arab States at this stage.

136. The representatives of Saudi Arabia (on behalf of the Arab Group); Egypt, Jordan, Kuwait; Qatar; Plurinational State of Bolivia; Cuba; Turkey; and Pakistan spoke. The General Council took note of the statements.

(d) Request of Observer Status by Palestine to the Eighth Session of the Ministerial Conference (WT/GC/M/133, WT/GC/M/134)

137. At the October meeting, the Chairman informed Members that a request for observer status at MC8 had been received from Palestine and circulated in document WT/L/822. He was currently undertaking consultations on this request and intended to revert to it at the following General Council meeting.

138. The General Council took note of the Chairman's statement.

139. At the November meeting, the Chairman drew the Council's attention to the request by Palestine for observer status at the Eighth Ministerial Conference in document WT/L/822 and proposed that the Council agree to grant the request.

140. The representatives of Dominican Republic (on behalf of the Informal Group of Developing Countries); China; Ecuador; Cuba; Chile; Argentina; Plurinational State of Bolivia; Brazil; Bolivarian Republic of Venezuela; Paraguay; Sri Lanka; and Jordan spoke. The General Council took note of the statements and so agreed.

(e) Attendance of Non-Governmental Organizations (WT/GC/M/133)

141. At the October meeting, the Chairman recalled that for all previous Ministerial Conferences, attendance of Non-Governmental Organizations (NGOs) had been governed by a procedure which had been agreed by the General Council in July 1996. This procedure was as follow: (i) a limited number of accredited NGO representatives were allowed to attend only the Plenary Sessions of the

¹⁸ See also paragraph 135, below.

¹⁹ See also paragraph 131, above.

Conference, without the right to speak; (ii) applications from NGOs to be registered were accepted on the basis of Article V, paragraph 2 of the WTO Agreement, i.e. NGOs "concerned with matters related to those of the WTO"; and (iii) a deadline was established for the registration of NGOs that wished to attend the Conference.

142. The Chairman proposed that the General Council continue to follow the procedures he had just read out, with a deadline for registration fixed at 11 November. The General Council took note of the statement and so agreed.

17. Administrative Measures for Members in Arrears (WT/GC/M/130-WT/GC/M/134)

143. 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.

144. At the General Council meetings in February, May, July, October and November, 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 General 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.²⁰ The General Council took note of the statements.

18. WTO Pension Plan

(a) Election of Chairman, Members and Alternates to the Management Board (WT/GC/M/130, WT/GC/M/131, WT/GC/M/133)

145. Article 4(a) of the Regulations of the WTO Pension Plan provides, *inter alia*, for the election by the General Council of a Chairman, four members and four alternates to the Management Board of the Pension Plan, each for a three-year term.

146. At the February General Council meeting, the Chairman, in a communication circulated to delegations in document WT/GC/W/630, indicated that two members previously elected to the Management Board by the General Council were no longer available to serve on the Board, and that it was therefore necessary for the Council to decide on their replacement. Accordingly, he proposed that the General Council elect Mr Ken Schagrin (United States) and Mr Marhijn Visser (Netherlands) to serve as members on the Management Board of the WTO Pension Plan for the remainder of the Board's term, i.e. until May 2011.

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

148. At the May meeting, the Chairman recalled that the term of office of the current membership of the Management Board would expire on 7 May. Following consultations on this matter, he had circulated document WT/GC/W/632, in which he proposed the names of representatives who had kindly agreed to have their names put forward for election as chairman, members and alternates.

²⁰ See also paragraph 42, above.

149. The General Council agreed to the election of the candidates whose names were listed in document WT/GC/W/632 to serve in these positions on the Pension Plan Management Board for a three-year term. The Decision was circulated in document WT/L/813.

150. At the October meeting, the Chairman, in a communication circulated to delegations in document WT/GC/W/640, indicated that a member and an alternate previously elected to the Management Board by the General Council were no longer available to serve on the Board, and that it was therefore necessary for the Council to decide on their replacement. Accordingly, he proposed that the General Council elect Ms Trudy Witbreuk (Australia) to serve as member and Ms Annie Ouellet (Canada) to serve as alternate on the Management Board for the remainder of the Board's term, i.e. until May 2014.²¹ The General Council so agreed.

(b) Annual Report (WT/GC/M/133)

151. At the October meeting, the Chairman of the Management Board of the WTO Pension Plan introduced the Annual Report of the Management Board for 2010 (WT/L/820). The General Council took note of the Annual Report and of the statement.

(c) Amendment of Article 30 of the Regulations of the WTO Pension Plan (WT/GC/M/133)

152. At the October meeting, the Chairman of the Management Board of the WTO Pension Plan introduced the Amendment of Article 30 of the Regulations of the WTO Pension Plan circulated in document WT/GC/W/637 concerning the incorporation of a provision for the non-concurrence of allowances for child's benefit. The General Council took note of the statement and approved the amendment to the WTO Pension Plan Regulations as set out in document WT/GC/W/637.

19. International Trade Centre UNCTAD/WTO (WT/GC/M/132)

153. At its July meeting, the General Council considered a report of the Joint Advisory Group of the International Trade Centre UNCTAD/WTO on its Forty-fourth Session (ITC/AG(XLIV)/238). 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 21 June. The Chairman of the Committee on Trade and Development reported on the Committee's consideration of the report.

154. The representatives of Jamaica and Canada spoke. The General Council took note of the statements and adopted the report of the Joint Advisory Group.

20. Review of WTO activities (WT/GC/M/134)

155. At its November meeting, the General Council considered annual reports for 2011 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 in document WT/L/105.

156. The Chairman of the Committee on Government Procurement spoke.

157. The General Council took note of the statement.

158. The representative of China spoke. The General Council took note of the statement, adopted the report of the Committee on Trade and Development in document WT/COMTD/74, took note of the reports of other WTO bodies, including the reports of the bodies under the Plurilateral Trade Agreements, in documents WT/DSB/54 and WT/DSB/54/Add.1, WT/TPR/284, G/L/978, S/C/36,

²¹ The Decision was then circulated in document WT/L/824.

IP/C/59 and IP/C/59/Add.2, WT/CTE/18, WT/BOP/R/104, WT/BFA/127, WT/REG/21, WT/WGTDF/10, WT/WGTTT/13, GPA/110 and WT/L/827, and agreed to forward the reports to the Eighth Ministerial Conference.

159. The General Council then adopted the draft Annual Report for 2011 of the General Council (WT/GC/W/647), on the understanding that the Secretariat would make the necessary adjustments to it as to include matters considered at that meeting, and agreed to forward it to the Eighth Ministerial Conference.

21. Appointment of officers to WTO bodies

- (a) Appointment of Chairs to the bodies listed in Groups 1, 2, 4 and 5 in the Annex to the Guidelines (WT/GC/M/130)

160. At the General Council meeting in February, the Chairman recalled that, in accordance with the Guidelines for Appointment of Officers to WTO Bodies (WT/L/510), he and his colleagues, Mr Agah (Nigeria), the serving Chair of the Dispute Settlement Body and Mr Matus (Chile), the former Chairman of the General Council, 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. On the basis of these consultations, there was a consensus on the following slate of names:

General Council	H.E. Mr Yonov Frederick AGAH (Nigeria)
Dispute Settlement Body	H.E. Mrs Elin Østebø JOHANSEN (Norway)
Trade Policy Review Body	H.E. Mr Mario MATUS (Chile)
Council for Trade in Goods	H.E. Mr Jüri SEILENTHAL (Estonia)
Council for Trade in Services	H.E. Mr ERWIDODO (Indonesia)
Council for TRIPS	H.E. Mr Federico A. GONZÁLEZ (Paraguay)
Committee on Trade and Development	H.E. Dr Anthony Mothae MARUPING (Lesotho)
Committee on Balance-of-Payments Restrictions	H.E. Mr Hisham M. BADR (Egypt)
Committee on Budget, Finance and Administration	Mr Pasi-Heikki VAARANMAA (Finland)
Committee on Trade and Environment	H.E. Mrs Hiswani HARUN (Malaysia)
Committee on Regional Trade Agreements	Mr François RIEGERT (France)
Working Group on Trade, Debt and Finance	Mr Martin GLASS (Hong Kong, China)
Working Group on Trade and Transfer of Technology	H.E. Mrs Marion Vernese WILLIAMS (Barbados)

161. Appointments for these bodies would be for one year, in keeping with the general rule in the Guidelines. These appointments would be made formally by the WTO bodies concerned at their

subsequent meetings in 2011. The General Council took note of the statement and of the consensus on the slate of names for the appointment of officers.

162. The Chairman of the Council for Trade in Goods and the General Council Chairman on behalf of the Chairperson of the Services Council spoke. The General Council took note of the statements.

- (b) Chairmanships of the Special Session of the Committee on Agriculture, the Special Session of the Committee on Trade and Environment, and the Negotiating Group on Rules (WT/GC/M/132, WT/GC/M/133)

163. At the July meeting, the Chairman reported that consultations were proceeding regarding the appointment of successors to Amb. Walker (New Zealand), Chairman of the Special Session of the Committee on Agriculture, and Amb. Teehankee (Philippines), Chairman of the Special Session of the Committee on Trade and Environment, who had both been recalled to their capitals to take up other appointments. The General Council took note of the statement.

164. At the October meeting, the Chairman said that his consultations on the chairmanships of the Special Session of the Committee on Agriculture, the Special Session of the Committee on Trade and Environment, and the Negotiating Group on Rules²² had shown a consensus among Members on the appointment of the following Chairs:

Special Session of the Committee on Agriculture	Amb. John Adank (New Zealand)
Special Session of the Committee on Trade and Environment	Amb. Hiswani Harun (Malaysia)
Negotiating Group on Rules	Amb. Wayne McCook (Jamaica)

165. These appointments would be made formally at the next formal meeting of each of the respective bodies. The representatives of Mexico (also on behalf of GRULAC) and Colombia spoke. The General Council took note of the statements.

- (c) Announcement by the Chairman pursuant to Paragraph 7.1(a) of the Guidelines (WT/GC/M/134)

166. At the November meeting, the Chairman said that in accordance with the Guidelines for the Appointment of Officers to WTO bodies in document WT/L/510, he would be starting the selection process for the appointment of chairpersons to the WTO bodies in Groups 1, 2, 4 and 5 of the Annex to the Guidelines. In accordance with paragraph 7.1(a), he would be assisted in this process by the serving Chairperson of the Dispute Settlement Body, Amb. Johansen (Norway), Amb. Gero (Canada), and Amb. Matus (Chile), former Chairmen of the General Council.

167. The General Council took note of the statement.

²² In a fax dated 23 September sent to all Members, the Chairman noted that he had been informed that Ambassador Dennis Francis (Trinidad and Tobago), Chairman of the Negotiating Group on Rules, had also been recalled to capital. It was therefore necessary to include this appointment in the consultations.

22. Election of Chairperson (WT/GC/M/130)

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

169. The General Council then unanimously elected Mr Agah (Nigeria) to the Chair.

170. The Director-General, the newly-elected Chairman, and the representatives of Mauritius (on behalf of the ACP Group); Jamaica (on behalf of GRULAC); Indonesia (on behalf of ASEAN); Kenya (on behalf of the African Group); Barbados (on behalf of the SVEs); United States; and Dominican Republic (on behalf of the Informal Group of Developing Countries) spoke. The General Council took note of the statements.
