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## General Council

### GENERAL COUNCIL

#### Annual Report (1998)

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.<sup>1</sup>

In carrying out its tasks, the General Council has held seven 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/26-WT/GC/M/32.

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**1. Preparations for the 1998 Ministerial Conference and the commemoration of the 50th Anniversary of the multilateral trading system**

(a) Organizational matters (WT/GC/M/26, 27, 28)

At the General Council meeting on 19 February 1998, the Chairman read out a statement identifying points on which consensus appeared to be emerging and matters on which further discussion was required.

The representatives of Egypt, Pakistan, Korea, Jamaica, Nigeria, India, Bangladesh, Madagascar, and Brunei Darussalam (on behalf of the ASEAN Members) spoke.

The General Council took note of the statements and that the points raised by delegations would be discussed further in informal consultations.

At its meeting on 2 and 14 April 1998, the General Council further considered preparations for the 1998 Ministerial Conference and the 50th Anniversary commemoration.

On 2 April, the Director-General presented a first report on his consultations concerning substantive aspects of the preparations for the Ministerial Conference and in particular the preparation of a text to be adopted by Ministers.

The representatives of the United States, Egypt, Uganda, Pakistan, Tanzania, Mauritius, India, Japan, Jamaica, Mexico, South Africa, Morocco and Australia spoke.

The General Council took note of the statements, agreed on organizational aspects of the Ministerial Conference and the commemoration of the 50th Anniversary, agreed that the working sessions would be open to the participation of all Members, agreed to a proposal by the Chairman concerning the initiation of a process of consultations by the Director-General with all Members on the possible text of the substantive outcome of the Ministerial Conference, and agreed that the present meeting would remain in session so that further meetings could be organized at short notice.

On 14 April, the General Council agreed, in the light of recent developments with regard to the attendance of Heads of State or Government at the 50th Anniversary commemoration event, on some adjustments in the organization of the two events.

At its meeting on 24 April 1998, the Chairman informed the General Council that in addition to Singapore's and Switzerland's confirmed attendance at the Head of State or Government level at the 50th Anniversary event, up to twelve other Members were actively considering attendance at that level. He invited Members who intended to be represented by their Heads of State or Government to communicate details of their participation to the Secretariat as soon as possible and in any case not later than 1 May 1998.

The representative of Norway announced that his country's Prime Minister would attend the 50th Anniversary event.

The General Council took note of the statements.

(b) Participation of least-developed countries (WT/GC/M/27)

At the General Council meeting on 2 and 14 April 1998, the Chairman made an appeal to Members in a position to contribute to a Trust Fund to be created for the purpose of financing the participation of the least-developed countries at the 1998 Ministerial Conference and the 50th Anniversary commemoration, in keeping with the past practice of voluntary contributions to cover the costs of such participation, to contact the Secretariat as soon as possible.

The representatives of Uganda and Egypt spoke.

The General Council took note of the statements.

(c) Attendance of international intergovernmental organizations (WT/GC/M/27, 28)

At its meeting on 2 and 14 April 1998, the General Council agreed to an approach with regard to international organization observers at the Ministerial Conference.

At the General Council meeting on 24 April 1998, the Chairman recalled that at an informal meeting on 22 April, he had raised with delegations a request for observer status at the Ministerial Conference from the South Centre, an organization not presently an observer to any WTO body, and asked if the request could be granted.

The General Council agreed to grant the request by the South Centre.

(d) Attendance of observers at working sessions (WT/GC/M/27 )

At the General Council meeting on 2 and 14 April 1998, the Chairman said that since most of the substantive discussions among Ministers would take place in working sessions held between the formal opening and closing plenary meetings, with the discussions to be reflected in the minutes of these sessions, he understood that observer governments and observer international intergovernmental organizations would be entitled to attend the working sessions although, given the limited amount of time that would be available, it was unlikely they would be able to speak.

The representative of Egypt spoke.

The General Council took note of the statements.

(e) Attendance of non-governmental organizations (WT/GC/M/26, 27)

At the General Council meeting on 19 February 1998, the Chairman recalled that, in preparing for the 1996 Ministerial Conference, the General Council had agreed on certain procedures regarding the attendance of NGOs, and proposed that the same criteria as used for the Singapore Ministerial Conference be applied to the requests from NGOs wishing to attend the next Ministerial Conference in May and the 50th Anniversary commemoration.

The representatives of Egypt and Nigeria spoke.

The General Council took note of the statements and agreed to apply the criteria enumerated by the Chairman regarding the attendance of NGOs.

At its meeting on 2 and 14 April 1998, the Chairman informed the General Council that 151 non-governmental organizations had requested a registration form to attend the 1998 Ministerial

Conference and the 50th Anniversary commemoration event, and that a list of these organizations would be circulated to Members on 3 April for their information before the confirmation of registration was sent out by the Secretariat on 15 April.

The General Council took note of this information.

(f) Report by the Director-General (WT/GC/M/28)

At the General Council meeting on 24 April 1998, the Director-General presented an oral report on the work undertaken thus far in consultations held by him on a draft Ministerial text.

The General Council took note of the statement.

(g) Progress reports by the Chairpersons of subsidiary bodies (WT/GC/M/28)

In December 1997, the General Council agreed that Chairpersons of subsidiary bodies be invited to report orally to the General Council at its final meeting before the Ministerial Conference on work done in their respective areas since December 1997. The General Council had noted that the information provided by the Chairpersons in their oral reports would be reflected in the update of the General Council's annual report to be submitted to the Ministerial Conference.

At the General Council meeting on 24 April 1998, the Chairpersons of the subsidiary bodies of the General Council as well as the Chairpersons of the DSB and the TPRB reported on the progress of work in those bodies.

The representative of Egypt and the Chairman spoke.

The General Council took note of the progress reports and of the statements.

**2. Organization of Work for the September Special Session of the General Council<sup>2</sup> (WT/GC/M/29)**

**3. Review of issues raised by Members at the working sessions of the second session of the Ministerial Conference<sup>3</sup> (WT/GC/M/29)**

At the General Council meeting on 15, 16 and 22 July 1998, the Chairman recalled that in the 1998 Ministerial Declaration, Ministers had decided that a process would be established under the direction of the General Council to ensure full and faithful implementation of existing agreements, and to prepare for the Third Session of the Ministerial Conference. The Ministerial Declaration also provided that, in this regard, the General Council would meet in special session in September 1998 and periodically thereafter to ensure full and timely completion of its work. He said that since time was short, he intended to finalize an agenda for the September meeting before the end of July, so that delegations would have the agenda to assist with the preparations in capitals.

The representatives of Australia, Uruguay, New Zealand, Mexico, Jamaica, Switzerland, Hungary, Indonesia (on behalf of the ASEAN Members), Egypt, Japan, Mauritius, the United States, Chile, the European Communities, Canada, Turkey, India, Bolivia, Pakistan, Argentina, Uganda, Korea, Tunisia, Morocco, Cuba, Brazil and Hong Kong, China, and the Director-General spoke.

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<sup>2</sup> At the Chairman's suggestion the matters under points 2 and 3 were taken up together and the discussion thereof is reflected accordingly in the minutes of the meeting.

<sup>3</sup> See footnote 2.

The General Council took note of the statements and agreed that further informal consultations be held by the Chairman on the question of preparations for the September Special Session.

**4. Discussion of substantive issues arising from the Ministerial Declaration of May 1998, in particular paragraphs 9, 10 and 11, including proposals by Members (WT/GC/M/30 and Corr.1)**

and

**5. Organization of work on these issues, including:**

- (a) The schedule of meetings of the General Council in pursuance of the process decided by the Ministerial Declaration;
- (b) Arrangements for work between formal sessions of the General Council, including for informal consultations

At its meeting on 24-25 September 1998, the General Council discussed the above-mentioned items. The Chairman noted that a revised checklist of issues raised by Members at the Ministerial Conference, both at the working sessions as well as in written statements circulated at plenary sessions, had recently been circulated by the Secretariat (Job No. 5002 of 18 September 1998). With regard to the organization of work on the issues, he suggested that the following schedule of formal and informal intersessional meetings might be established by the General Council at its present meeting to take up the following matters:

|                                    |  |
|------------------------------------|--|
| 26 [and 27] October 1998           | Suggested Focus: Issues and proposals relating to paragraph 9(a)(i) of the Ministerial Declaration   |
| 23 [and 24] November 1998          | Suggested Focus: Issues and proposals relating to paragraphs 9(a)(ii) and (iii) of the Ministerial Declaration                                 |
| 14 [and 16] December 1998          | Suggested Focus: Issues and proposals relating to paragraph 9(c) of the Ministerial Declaration, and the organization of future work           |
| Third week of January 1999         | Suggested Focus: Issues and proposals relating to paragraphs 9(b) and 9(d) of the Ministerial Declaration, and the organization of future work |
| Third/Fourth week of February 1999 | Special Session of the General Council   |

He said it would be understood that once an issue had been raised in the informal meetings, delegations would have the possibility of returning to it at subsequent meetings. In particular, the meeting in December could be considered as an opportunity for delegations to return to the issues that had been raised in earlier meetings under paragraph 9(a).

The representatives of the European Communities, Australia, the Czech Republic (also on behalf of Bulgaria, Hungary, Poland, Romania, the Slovak Republic and Slovenia), Japan, Norway, Cyprus, Mexico, New Zealand, Uruguay, Indonesia (on behalf of the ASEAN Members), Korea, Peru, Egypt (on behalf of the African Group), Chile, Brazil, Cuba, India, the United States, Jamaica,

Switzerland, Uganda, Tanzania, Costa Rica, Argentina, Colombia, Pakistan, Guatemala, Turkey, Sri Lanka, Canada, Venezuela, Israel, the Dominican Republic and Hong Kong, China spoke.

The General Council took note of the statements and agreed to the organization of work as proposed by the Chairman, including the understanding thereon read out by him.

## **6. Date of the Third Session of the Ministerial Conference (WT/GC/M/30, 32)**

At the General Council meeting on 24-25 September 1998, the Chairman recalled that at the 1998 Ministerial Conference, Ministers had agreed to accept the offer from the government of the United States to host the Third Session, and had invited the General Council to determine the date and duration of that session.

The representatives of the United States and Egypt spoke.

The General Council took note of the statements and agreed to revert to this matter at an early opportunity with a view to finalizing agreement on the date of the Third Session of the Ministerial Conference.

At the General Council meeting on 9-11 and 18 December 1998, the Chairman proposed that the General Council agree on the dates of 30 November – 3 December 1999 for the Third Ministerial Conference.

The General Council took note of the statement and agreed on the dates proposed.

## **7. Committee on Balance-of-Payments Restrictions**

### **(a) Consultations (WT/GC/M/26, 28, 32)**

At the General Council meeting on 19 February 1998, the Chairman of the Committee on Balance-of-Payments Restrictions introduced the Committee's reports on its consultations with Pakistan (WT/BOP/R/39) and the Slovak Republic (WT/BOP/R/40).

The General Council took note of the statement and adopted the reports in WT/BOP/R/39 and WT/BOP/R/40.

At the General Council meeting on 24 April 1998, the Chairman of the Committee on Balance-of-Payments Restrictions introduced the Committee's report on its consultation with Nigeria (WT/BOP/R/41).

The representatives of the United States, the European Communities, Canada, Australia, New Zealand, Switzerland, Norway and Nigeria spoke.

The General Council took note of the statements and adopted the report in WT/BOP/R/41.

At the General Council meeting on 9-11 and 18 December 1998, the Chairman of the Committee on Balance-of-Payments Restrictions introduced the Committee's report on its consultations with Bulgaria (WT/BOP/R/43).

The representative of Bulgaria spoke.

The General Council took note of the statements and adopted the report in WT/BOP/R/43.



## **8. Committee on Budget, Finance and Administration**

### **(a) Reports (WT/GC/M/28, 29, 31, 32)**

At the General Council meeting on 24 April 1998, the Chairman of the Committee on Budget, Finance and Administration introduced the Committee's report in WT/BFA/35.

The General Council took note of the statement, approved the Committee's specific recommendation in paragraph 16 of its report in WT/BFA/35, and adopted the report.

At the General Council meeting on 15, 16 and 22 July 1998, the Chairman of the Committee on Budget, Finance and Administration introduced the Committee's report in WT/BFA/36.

The representatives of Jamaica and Egypt, and Mr. Lavorel, Deputy Director-General, spoke.

The General Council took note of the statements, approved the Committee's specific recommendation in paragraphs 13, 28 and 29 of its report in WT/BFA/36, and adopted the report.

At the General Council meeting on 14, 16 and 23 October 1998, it was agreed that since the Committee on Budget, Finance and Administration had not yet completed its examination of the budget, the General Council would revert to this question as early as possible.

At the General Council meeting on 9-11 and 18 December 1998, Mr. Lavorel, Deputy Director-General, introduced the recommendations of the Committee on Budget, Finance and Administration (WT/BFA/38).

The representatives of Jamaica, Egypt, Haiti and Bolivia spoke.

The General Council took note of the statements, approved the specific recommendations Roman one through six contained in document WT/BFA/38, and approved the draft Resolution referred to in the recommendation Roman one.

## **9. Agreement on Preshipment Inspection – Review under Article 6 of the Agreement**

### **(a) Report of the Working Party (GC/M/32)**

At the General Council meeting on 9-11 and 18 December 1998, the Chairman of the Working Party on Preshipment Inspection introduced the Working Party's report (G/L/273).

The General Council took note of the statement and agreed that the life of the Working Party be extended until 31 March 1999 in order to conclude its work.

## **10. Committee on Regional Trade Agreements (WT/GC/M/29)**

At the General Council meeting on 15, 16 and 22 July 1998, the Chairman of the Committee on Regional Trade Agreements drew attention to his concern that the Committee's work was not progressing as favourably as necessary for it to be able to fulfill satisfactorily two key elements of its mandate, i.e. the examination of individual regional trade agreements (RTAs) and consideration of the systemic implications of RTAs for the multilateral trading system.

The representatives of the European Communities, Japan, Australia, India, Canada, Hungary, Argentina (also on behalf of Brazil, Paraguay and Uruguay), the United States, New Zealand, Jamaica, Pakistan, Mexico, Norway, Romania and Hong Kong, China, and the Director-General and the Chairman of the General Council spoke.

The General Council took note of the statements.

## **11. Harmonization work programme on non-preferential rules of origin**

### **(a) Recommendations on continuation of work (WT/GC/M/29)**

At the General Council meeting on 15, 16 and 22 July 1998, Mr. Saborio Soto (Costa Rica), Chairman of the Council for Trade in Goods, introduced a report by the Committee on Rules of Origin which provided an overview of the status of work on the harmonization work programme and made recommendations on the continuation of the work (G/RO/25). The Council for Trade in Goods had approved the recommendations and proposals of the Committee as contained in paragraphs 4-6 of G/RO/25, and had forwarded them to the General Council for adoption.

The representatives of India, Brazil, New Zealand, Pakistan, Canada, Switzerland, the United States, El Salvador, the European Communities and Hong Kong, China spoke.

The General Council took note of the statements and of the report of the Committee on Rules of Origin in document G/RO/25, and adopted the recommendations of the Committee as referred to by the Chairman of the Council for Trade in Goods.

## **12. Waivers under Article IX of the WTO Agreement**

### **(a) EC/France – Trading arrangements with Morocco (WT/GC/M/32)**

At its meeting on 9-11 and 18 December 1998, the General Council considered a request by EC/France (G/L/275) for an extension of a waiver previously granted for France's trading arrangements with Morocco, and a draft decision to this effect (G/C/W/130).

The Chairman of the Council for Trade in Goods reported on the consideration of this request by that Council.

The General Council took note of the statements and, in accordance with the Decision-Making Procedures Under Articles IX and XII of the WTO Agreement (WT/L/93), adopted the draft decision (G/C/W/130).

### **(b) Harmonized System**

#### **(i) *Bangladesh, Nicaragua, Sri Lanka (WT/GC/M/28, 31)***

At its meeting on 24 April 1998, the General Council considered requests by Bangladesh (G/L/227), Nicaragua (G/L/230) and Sri Lanka (G/L/229/Rev.1) for extensions of waivers previously granted in connection with their implementation of the Harmonized System, and draft decisions to this effect (Bangladesh - G/C/W/107/Rev.1; Nicaragua - G/C/W/110 and Corr.1; Sri Lanka - G/C/W/109).

The Chairman of the Council for Trade in Goods reported on the consideration of these requests by the 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 (WT/L/93), adopted the draft decisions (Bangladesh - WT/L/264; Nicaragua - WT/L/265; Sri Lanka - WT/L/266).

At its meeting on 14, 16 and 23 October 1998, the General Council considered requests by Bangladesh (G/L/255), Nicaragua (G/L/256) and Sri Lanka (G/L/257) for extensions of waivers previously granted in connection with their implementation of the Harmonized System.

The Chairman of the Council for Trade in Goods reported on the consideration of these requests by the 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 (WT/L/93), adopted the draft decisions (Bangladesh – WT/L/277; Nicaragua – WT/L/278 and Sri Lanka – WT/L/279).

(c) Renegotiation of Schedule

(i) *Zambia (WT/GC/M/28, 31)*

At its meeting on 24 April 1998, the General Council considered a request by Zambia (G/L/228) for an extension of a waiver previously granted in connection with its renegotiation of its schedule, and a draft decision to this effect (G/C/W/108).

The Chairman of the Council for Trade in Goods reported on the consideration of this request by the 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 (WT/L/93), adopted the draft decision (WT/L/267).

At its meeting on 14, 16 and 23 October 1998, the General Council considered a request by Zambia (G/L/258) for an extension of a waiver previously granted in connection with its renegotiation of its schedule, and a draft decision to this effect (G/C/W/121).

The Chairman of the Council for Trade in Goods reported on the consideration of this request by the 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 (WT/L/93), adopted the draft decision (WT/L/280).

(d) Decision on the introduction of Harmonized System changes into WTO schedules of tariff concessions on 1 January 1996 (WT/GC/M/28, 31)

At its meeting on 24 April 1998, the General Council considered a draft decision extending the time-limit of the Decision on the introduction of Harmonized System changes into WTO schedules of tariff concessions on 1 January 1996 (G/C/W/111).

The Chairman of the Council for Trade in Goods reported on the consideration of this matter by the 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 (WT/L/93), adopted the draft decision (WT/L/268).

At its meeting on 14, 16 and 23 October 1998, the General Council considered a draft decision regarding the introduction of Harmonized System changes into WTO schedules of tariff concessions on 1 January 1996 (G/C/W/127).

The Chairman of the Council for Trade in Goods reported on the consideration of this matter by the Council.

The representatives of Japan and Australia spoke.

The General Council took note of the report and of the statements and, in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement (WT/L/93), adopted the draft decision (WT/L/281).

- (e) Review of waivers pursuant to Article IX:4 of the WTO Agreement (WT/GC/M/32)
- i) *Canada – CARIBCAN, granted on 14 October 1996 until 31 December 2006 (WT/L/185, WT/L/285)*
  - ii) *Cuba – Article XV:6, granted on 14 October 1996 until 31 December 2001 (WT/L/182, WT/L/284)*
  - iii) *EC – the Fourth ACP-EC Convention of Lomé, granted on 14 October 1996 until 29 February 2000 (WT/L/186, WT/L/286)*
  - iv) *Hungary – agricultural export subsidies, granted on 22 October 1997 until 31 December 2001 (WT/L/238, WT/L/290)*
  - v) *United States – Andean Trade Preference Act, granted on 14 October 1996 until 4 December 2001 (WT/L/184, WT/L/289)*
  - vi) *United States – Caribbean Basin Economic Recovery Act, granted on 15 November 1995 until 31 December 2005 (WT/L/104, WT/L/288)*
  - vii) *United States – former Trust Territory of the Pacific Islands, granted on 14 October 1996 until 31 December 2006 (WT/L/183, WT/L/287)*

At its meeting on 9-11 and 18 December 1998, the General Council considered reports on the above seven waivers.

The representatives of Australia, New Zealand and Hungary spoke.

The General Council took note of the statements and of the reports in documents WT/L/284 through 290.

### 13. Accession

(a) Algeria (WT/GC/M/29)

At its meeting on 15, 16 and 22 July 1998, the Chairman informed the General Council that Mr. Pérez del Castillo (Uruguay) had agreed to chair the Working Party on the Accession of Algeria.

The General Council took note of this information.

(b) Azerbaijan (WT/GC/M/28)

In July 1997, the General Council established a working party to examine Azerbaijan's application for accession to the WTO Agreement, and authorized its Chairman to designate the Chairperson of the Working Party in consultation with representatives of Members and with the representative of Azerbaijan.

At its meeting on 24 April 1998, the Chairman informed the General Council that Mr. W. Höynck (Germany) had agreed to chair the Working Party.

The representative of Japan, and the Secretary of the General Council spoke.

The General Council took note of this information and of the statements.

(c) Georgia (WT/GC/M/31)

At its meeting on 14, 16 and 23 October 1998, the Chairman informed the General Council that Mrs. Anderson (Ireland) had agreed to replace Mrs. Herfkens (Netherlands) as chair of the Working Party on the Accession of Georgia.

(d) Kazakhstan (WT/GC/M/31)

At its meeting on 14, 16 and 23 October 1998, the Chairman informed the General Council that Mr. Huhtaniemi (Finland) had agreed to replace Mr. Ekblom (Finland) as chair of the Working Party on the Accession of Kazakhstan.

(e) Kyrgyz Republic (WT/GC/M/31)

In April 1996 the General Council had established a Working Party to examine the Kyrgyz Republic's request for accession to the WTO Agreement.

At its meeting on 14, 16 and 23 October 1998, the General Council approved the text of the Protocol of Accession (WT/ACC/KGZ/29) and the text of the draft Decision on the Accession of the Kyrgyz Republic 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 the Kyrgyz Republic (WT/ACC/KGZ/28). The General Council then adopted the report of the Working Party (WT/ACC/KGZ/26 and Corr.1, Add.1, Add.1/Corr.1 and Add.2).

(f) Laos (WT/GC/M/26, 28)

At its meeting on 19 February 1998, the General Council considered a communication from Laos (WT/ACC/LAO/1) concerning its interest in acceding to the WTO Agreement pursuant to Article XII.

The representative of Laos (as an observer), Brunei Darrusalam (on behalf of the ASEAN Members), Japan, and Australia spoke.

The General Council took note of the statements and agreed to establish a working party to examine the application by Laos, and authorized its Chairman to designate the Chairperson of the Working Party in consultation with representatives of Members and with the representative of Laos.

The Chairman invited Laos, 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 in which the Working Party was carrying out its work.

At its meeting on 24 April 1998, the Chairman informed the General Council that Mr. G. Raby (Australia) had agreed to chair the Working Party.

The General Council took note of this information and of the statements by Japan, the Chairman and the Secretary of the General Council.

(g) Latvia (WT/GC/M/29, 31)

At the General Council meeting on, 15, 16 and 22 July 1998, the Chairman said that this item was on the Agenda at the request of the European Communities.

The representatives of the European Communities, the United States, the Czech Republic (also on behalf of Hungary, Poland, Romania, the Slovak Republic, Slovenia and Bulgaria) Mexico, Japan, Australia, Latvia (as an observer), Jamaica and Norway spoke.

The General Council took note of the statements, including the proposal by Jamaica for an agenda item on the next regular General Council meeting to deal with the progress in the accession process of the various acceding countries.

In December 1993 the GATT 1947 Council had established a Working Party to examine Latvia's request for accession to the General Agreement on Tariffs and Trade. Subsequently, in pursuance of the decision regarding requests for WTO accession adopted by the WTO General Council on 31 January 1995,<sup>4</sup> the GATT 1947 Accession Working Party had been transformed into a WTO Accession Working Party.

At its meeting on 14, 16 and 23 October 1998, the General Council approved the text of the Protocol of Accession (WT/ACC/LVA/35) and the text of the draft Decision on the Accession of Latvia 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 Latvia (WT/ACC/LVA/34). The General Council then adopted the report of the Working Party (WT/ACC/LVA/32, Add.1 and Add.2).

(h) Samoa (WT/GC/M/29)

At its meeting on 15, 16 and 22 July 1998, the General Council considered a communication from Samoa (WT/ACC/WSM/1) concerning its interest in acceding to the WTO Agreement pursuant to Article XII.

The General Council agreed to establish a working party to examine the application by Samoa, and authorized its Chairman to designate the Chairperson of the Working Party in consultation with representatives of Members and with the representative of Samoa.

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<sup>4</sup> See WT/GC/M/1, item 4(g).

The Chairman invited Samoa, 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 in which the Working Party was carrying out its work.

(i) Uzbekistan (WT/GC/M/32)

At its meeting on 9-11 and 18 December 1998, the Chairman informed the General Council that Mr. Alejandro de la Peña (Mexico) had agreed to chair the Working Party on the Accession of Uzbekistan.

The General Council took note of this information.

(j) State of play in accession working parties (WT/GC/M/31, 32)

At the General Council meeting on 14, 16 and 23 October 1998, the Chairman recalled that at the July meeting of the General Council a request had been addressed to the Secretariat to prepare a factual note on the state of play in various accession working parties. This note had been circulated in WT/GC/W/100.

The General Council took note of this information.

At the General Council meeting on 9-11 and 18 December 1998, the Chairman drew attention to the fact that a non-paper (Job No. 6787) on this matter had been circulated at the request of Jamaica.

The representatives of Egypt, Jamaica, Japan, Pakistan, Australia, the United States, the European Communities, Canada, the Czech Republic (also on behalf of Bulgaria, Hungary, Poland, Slovakia and Slovenia), Bangladesh, Cuba, Norway, the People's Republic of China (as an observer) and the Russian Federation (as an observer), and the Director-General spoke.

The General Council took note of the statements, agreed to ask the Secretariat to prepare a technical note on the accession process, and agreed to revert to this item at a future meeting.

**14. Outcome of the major review of the implementation of the Agreement on Textiles and Clothing (WT/GC/M/26)**

At the meeting of the General Council on 19 February 1998, the Chairman of the Council for Trade in Goods recalled that he had informed the General Council in December 1997 that the Goods Council had conducted the major review of the implementation of the Agreement on Textiles and Clothing in meetings held from October to December, and that in spite of determined efforts by many, it had not been possible to arrive at sufficient common ground on the summary of the discussions and on a set of conclusions to the review that would attract consensus. In January 1998, consultations had been held with a number of delegations and, as a result of the spirit of compromise and flexibility shown by the Members that had participated actively in the subsequent informal consultations, it had been possible to reach substantive agreement on a text containing a detailed summary of the discussions and conclusions, which had been adopted by the Council for Trade in Goods on 16 February 1998 (G/L/224).

The General Council took note of the statement.

**15. End-of-year review of developments in international trade and the trading system (WT/GC/M/31)**

At the General Council meeting on 14, 16 and 23 October 1998, the Chairman made suggestions as to how to handle the end-of-year review of developments in international trade and the trading system, so as to provide more time for delegations to address this matter.

The General Council took note of the statement.

**16. Ecuador - Commitments under the Protocol of Accession (WT/GC/M/26)**

At its meeting on 19 February 1998, the General Council considered a communication from the United States (WT/GC/W/76) expressing concern that Ecuador had not yet implemented certain commitments in its Protocol of Accession.

The representatives of the United States, Ecuador<sup>5</sup> and the European Communities spoke.

The General Council took note of the statements.

**17. Appellate Body Report on "European Communities – Customs Classification of Certain Computer Equipment" (WT/GC/M/29)**

At its meeting on 15, 16 and 22 July 1998, the representative of the United States asked the General Council to consider two issues raised in the Appellate Body Report on "European Communities – Customs Classification of Certain Computer Equipment" (WT/DS62/AB/R-WT/DS67/AB/R-WT/DS68/AB/R). These were: (1) the role of tariff treatment in tariff negotiations, and (2) the fact that the Appellate Body had questioned the extent to which Members could rely on the tariff treatment practices of individual member States of the European Communities. The United States was concerned that the Appellate Body Report might be interpreted in a manner that would ignore the basic practicalities of tariff negotiations or would undermine Members' reliance on tariff nomenclature as a basis for determining future tariff bindings. Therefore, the United States believed that the General Council should consider how best to reaffirm certain principles that should be part of tariff negotiations.

The representatives of the European Communities, India, the United States and Jamaica, and the Chairman spoke.

The General Council took note of the statements.

**18. India's tariff increases (WT/GC/M/29)**

At the General Council meeting on 15, 16 and 22 July 1998, the representative of the European Communities expressed concern about the recent tariff increases by India in the form of the Special Additional Customs Duty introduced in the 1998/99 budget, urged India to bring its tariffs and charges into conformity with its obligations and sought clarification with regard to India's intentions.

The representatives of Canada, Japan, the United States, Switzerland, Turkey, India, the European Communities, Jamaica and Mauritius, and the Chairman spoke.

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<sup>5</sup> The full text of Ecuador's statement presenting its second annual report on the status of implementation of its accession commitments was subsequently circulated as WT/GC/COM/4.



The General Council took note of the statements.

**19. United States export restrictions vis-à-vis India (WT/GC/M/32)**

At the General Council meeting on 9-11 and 18 December 1998, the representative of India expressed concern over what he said were unjustified United States export restrictions vis-à-vis India.

The representatives of the United States and Pakistan spoke.

The General Council took note of the statements.

**20. Decision of APEC meeting in Kuala Lumpur (WT/GC/M/32)**

At the General Council meeting on 9-11 and 18 December 1998, the representative of Malaysia informed Members of a decision taken at the recent APEC meeting in Kuala Lumpur.

The representative of New Zealand spoke.

The General Council took note of the statements.

**21. Notification obligations and procedures (WT/GC/M/26)**

In November 1996, the Council for Trade in Goods, having considered the report of the Working Group on Notification Obligations and Procedures and the recommendations contained therein (G/L/112), made certain recommendations to the General Council. At its meeting in November 1996, the General Council approved the recommendations of the Council for Trade in Goods and agreed to revert to this matter at a future meeting.

At the General Council meeting on 19 February 1998, the Chairman proposed that (i) on the basis of discussions held by the former Chairman of the Working Group on Notification Obligations and Procedures, certain recommendation of the Council for Trade in Goods be kept under review and reverted to at a future date as appropriate; and that (ii) in pursuance of the recommendation that the General Council take steps to eliminate the notification obligation relating to import licensing procedures (L/3756 and SR/28/6), the General Council adopt the draft decision in the Annex to WT/GC/W/75.

The representative of the United States spoke.

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

**22. Global electronic commerce (WT/GC/M/26, 28, 29, 30, 31<sup>6</sup>, 32<sup>7</sup>)**

At its meeting on 19 February 1998, the General Council considered a proposal by the United States regarding global electronic commerce (WT/GC/W/78).

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<sup>6</sup> In these minutes, this item was called "Work Programme on Electronic Commerce".

<sup>7</sup> See footnote 6.

The representatives of the United States, Egypt, Japan, Australia, the European Communities, Canada, New Zealand, Nigeria, Switzerland, India, Pakistan, Brunei Darussalam (on behalf of the ASEAN Members), Norway, Turkey, Hungary and Hong Kong, China, and the Chairman spoke.

The General Council took note of the statements.

At its meeting on 24 April 1998, the General Council considered a proposal by Canada regarding a tariff standstill for electronic commerce (WT/GC/W/82), and heard a presentation by the European Communities regarding a recently circulated communication on electronic commerce (WT/GC/W/85).

The representatives of Canada, the United States, Japan, the European Communities, Norway, Switzerland, New Zealand, Argentina, the Czech Republic, Pakistan, Brunei Darussalam (on behalf of the ASEAN Members), Australia, Egypt, India, Brazil, Chile, Korea, Hungary, Iceland, Poland and Hong Kong, China spoke.

The General Council took note of the statements.

At the General Council meeting on 15, 16 and 22 July 1998, the Chairman recalled that the Ministerial Declaration on Global Electronic Commerce required the General Council to establish a comprehensive work programme to examine all trade-related issues relating to global electronic commerce including those issues identified by Members. He said that delegations would need to work together to develop a possible work programme in the present month so that Governments would have an opportunity to reflect on that in capitals before the Special Session in September.

The representatives of Egypt, the European Communities, India, the United States, Japan, Norway, Canada, Brazil Turkey, the Czech Republic (also on behalf of Hungary, Poland, Romania, the Slovak Republic, Slovenia and Bulgaria), Switzerland, Indonesia (on behalf of the ASEAN Members), Venezuela, Jamaica, Pakistan, Chile, Australia, Uruguay, New Zealand, Morocco, Korea, Peru, Uganda, Panama and Hong Kong, China spoke.

The General Council took note of the statements, agreed to revert to this matter at the Special Session of the General Council in September, and also agreed that, in the meantime, further informal consultations be held by the Chairman.

At the General Council meeting on 24-25 September 1998, the Chairman said that on the basis of informal open-ended consultations that had been held over the past two months, a draft comprehensive work programme had been circulated to delegations for consideration (Job No. 5099 of 23 September 1998). Regarding the penultimate sentence of paragraph 1. 1 of the draft work programme as contained in that document, which read "Further issues may be taken up at the request of Members by any of these bodies", he made clear his understanding that the words "request of Members" meant request of any Member.

The representatives of the United States, the Dominican Republic, Norway, Japan, Indonesia (on behalf of the ASEAN Members), Peru, Cuba, India, Uruguay, Egypt, Argentina, Pakistan, Uganda, Israel, Brazil, Jamaica and Colombia spoke.

The General Council took note of the statements and adopted the Work Programme on Electronic Commerce in Job No. 5099 of 23 September 1998 with the understanding that the Chairman had proposed at the outset of the discussion on this item.

At the General Council meeting on 14, 16 and 23 October 1998, the Secretariat was requested to provide information on work on electronic commerce carried out elsewhere<sup>8</sup>.

At its meeting on 9-11 and 18 December 1998, the General Council considered this item.

The representative of the United States spoke.

The General Council took note of the statement.

**23. Guidelines for the scheduling of meetings (WT/GC/M/32)**

At the General Council meeting on 9-11 and 18 December 1998, the representative of Mexico (on behalf of the Informal Group of Developing Countries) expressed concern over the number of formal and informal meetings in the WTO.

The representatives of Egypt (on behalf of the African Group), India, Pakistan and Jamaica spoke.

The General Council took note of the statements, agreed that the Chairman would undertake consultations on this matter in advance of the next meeting, and agreed to revert to this matter at its next meeting.

**24. High-level meeting on trade and environment (WT/GC/M/31, 32<sup>9</sup>)**

At the General Council meeting on 14, 16 and 23 October 1998, the representative of the European Communities raised the matter of the Community's initiative to convene a high-level meeting on trade and environment under the auspices of the WTO (WT/L/273).

The representatives of Norway, the United States, Indonesia (on behalf of the ASEAN Members), Egypt, Australia, Brazil, India, New Zealand, Canada, Switzerland, Pakistan, Mexico, Korea, Cuba, Argentina and Hong Kong, China spoke.

The General Council took note of the statements.

**25. High-level meeting on trade and development (WT/GC/M/31, 32<sup>10</sup>)**

At the General Council meeting on 14, 16 and 23 October 1998, the representative of Egypt made a proposal to convene a high-level meeting on trade and development and said that a written submission on this subject would be made in due course.

The representative of Indonesia (on behalf of the ASEAN Members) spoke.

The General Council took note of the statements.

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<sup>8</sup> Information on OECD activities on electronic commerce was subsequently provided in Job No. 5626 and 5708.

<sup>9</sup> This item and item 25 were taken together at this meeting.

<sup>10</sup> See footnotes 9.

At its meeting on 9-11 and 18 December 1998, the General Council considered a paper on this subject from Egypt (WT/GC/W/109) and the Director-General made a statement on the organization of the high-level meetings on trade and environment and on trade and development.

The representative of Indonesia (on behalf of the ASEAN Members) spoke.

The General Council took note of the statements.

**26. Transparency and derestriction (WT/GC/M/26, 28, 31<sup>11</sup>, 32<sup>12</sup>)**

At the General Council meeting on 19 February 1998, the representative of the United States said that the time had come to evaluate the General Council's decision of July 1996 regarding procedures for the circulation and derestriction of documents (WT/L/160/Rev.1), paragraph 7 of which called on the General Council to review and if necessary modify the procedures not later than July 1998. In order to permit the General Council to carry out its responsibilities in relation to the required review, the United States proposed that the General Council agree to organize informal open-ended consultations amongst interested delegations with the aim of considering possible modifications to these procedures.

The representatives of Canada, the European Communities, Mexico, Norway, India and Egypt, and the Chairman spoke.

The General Council took note of the statements and agreed that its Chairman consider ways and means to advance the proposal by the United States.

At the General Council meeting on 24 April 1998, the representative of the United States recalled her delegation's suggestion at the 19 February meeting for informal open-ended consultations to consider possible modifications to the July 1996 Decision on procedures for the circulation and derestriction of WTO documents, and asked if the Chairman could inform Members as to his ideas on this matter.

The representatives of Canada and Mexico, and the Chairman spoke.

The General Council took note of the statements.

At the General Council meeting on 14, 16 and 23 October 1998, the Chairman said that he had requested Mr. Hoda, Deputy Director-General, to conduct consultations on the review of procedures for circulation and derestriction of WTO documents.

At the General Council meeting on 9-11 and 18 December 1998, the Chairman informed the General Council of developments in this area, and introduced a Chairman's proposal (Job No. 6871) aimed at bridging the differences on this matter.

The representatives of Mexico, Indonesia (on behalf of the ASEAN Members), the United States, Japan, India and Canada spoke.

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

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<sup>11</sup> In these minutes this item is called "Review of procedures for the circulation and derestriction of WTO documents".

<sup>12</sup> See footnote 11.

**27. Transparency in WTO work (WT/GC/M/29)**

At the General Council meeting on 15, 16 and 22 July 1998, the Chairman recalled that in paragraph 4 of the 1998 Ministerial Declaration (WT/MIN(98)/DEC), Ministers had recognized the importance of enhancing public understanding of the benefits of the multilateral trading system and, in this context, had indicated that it was their intention to consider how to improve the transparency of WTO operations. He would continue to hold consultations on these matters.

The representatives of the United States, the European Communities, Canada, Egypt, Indonesia (on behalf of the ASEAN Members), Norway, Turkey, Peru, New Zealand, Brazil, Australia, Mexico, Uruguay, Jamaica, Chile, Cuba, Japan, Pakistan, Uganda, Mauritius, Korea, India, Switzerland, Panama, Burundi, Argentina and Hong Kong, China, and the Director-General spoke.

The General Council took note of the statements, agreed to proceed in the manner proposed by the Chairman, and further agreed to revert to this matter at its next regular meeting.

**28. Accreditation of Permanent Representatives to the WTO (WT/GC/M/26)**

At the General Council meeting on 19 February 1998, the Chairman said that he had been encouraged to note that a number of Members had adjusted their WTO accreditation practices to the international practice in respect of representation to international organizations -- outlined in a Note by the Secretariat of 4 December (WT/GC/W/72) -- and hoped that more Members would begin to move in this direction.

The General Council took note of the statement.

**29. Comments being directed to individual cases brought before the dispute settlement system (WT/GC/M/26)**

At the General Council meeting on 19 February 1998, the Director-General expressed concern that a number of comments had been directed over the past few months to individual cases brought before the dispute settlement system. While these comments had no doubt been made in good faith, in some cases they had not been made on the basis of all the relevant facts. Comments based on a less than complete knowledge of a particular case, or made while it was still in progress, were an unfair challenge to the integrity of the dispute settlement system, to the WTO's rule-based procedures, and to the multilateral trading system. He wished to increase the awareness of this problem among all Members, and would call it to the attention of the appropriate WTO bodies in the context of the review of the dispute settlement system that had to be undertaken before the end of 1998.

The General Council took note of the statement.

**30. Premature disclosure of dispute settlement panel reports (WT/GC/M/28)**

At the General Council meeting on 24 April 1998, the Director-General expressed concern that the premature disclosure of dispute settlement panel reports threatened to undermine the WTO's Dispute Settlement Understanding, and hoped that Members would discuss this matter in the review of the DSU later in the year.

The representatives of the United States, Indonesia, Japan, Mexico, Tunisia, Thailand and Colombia spoke.

The General Council took note of the statements.

### **31. WTO Secretariat and Senior Management Structure<sup>13</sup> (WT/GC/M/28, 29, 31)**

In April 1997, the General Council decided: (i) to request the Director-General to submit a report with his recommendations not later than October 1997 on how the functioning and operational efficiency of the Secretariat might be enhanced to meet challenges facing the Organization, including through a rationalization of the senior management structure in the light of Members' intention to reduce significantly the number of Deputy Directors-General; and (ii) that consideration of the matters referred to in (i) above would be initiated before the end of 1997, so that decisions might be taken before the appointment of the next Director-General and reflected in the 1999 Budget of the WTO (WT/L/207). In December 1997, the General Council took note that the Director-General's report (WT/GC/W/74) had recently been discussed in informal consultations and that the Chairman intended to hold further consultations early the following year.

At its meeting on 24 April 1998, the Chairman informed the General Council that it had been his intention to propose, on the basis of consultations he had held, that the General Council agree to reduce the number of posts of Deputy Directors-General in the future senior management structure of the Secretariat to two, and that other aspects of the Director-General's report remain open for further consideration. However, one delegation was firmly of the view that agreement on this aspect should only be reached in conjunction with an understanding to undertake a further study on how the Secretariat should respond to the challenges outlined in the Director-General's report. He proposed to consult on this matter as soon as possible and to revert to it when the meeting of 2 and 14 April was reconvened in early May.

The General Council took note of the statement.

At the General Council meeting on 15, 16 and 22 July 1998, the Chairman said that in the light of the informal consultations he had held on this matter, he proposed that the General Council agree that: (1) the WTO senior management structure would be composed of one Director-General and two Deputy Directors-General; (2) the question of appointing an Assistant Director-General or a Senior Director to deal with administrative questions would be left within the purview of the Director-General's authority to determine the structure of the Secretariat; of course, any appointment would need to be consistent with the resource allocations determined by the Budget Committee; (3) in October the General Council would revert to other broader issues in the Director-General's report contained in Section B of the report on how to respond to the major challenges ahead of the WTO: namely the composition of this new organization, the accession within the next few years of a significant number of candidates, and the evolution of the system itself, as well as on the issues contained in Section D of the report concerning "Functioning and Operational Efficiency of the Secretariat". Additionally, he proposed that the General Council invite the Director-General to report to it before the end of the year on action taken under Article VI, paragraph 3 of the WTO Agreement in response to these challenges. He also proposed that the General Council further invite the Director-General to submit to it, before the end of the year, suggestions or recommendations he might have in light of the discussions at the October General Council meeting.

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<sup>13</sup>In the Annual Report of the General Council for 1997 this item was called "Institutional reform and restructuring of the Secretariat."

The representatives of Egypt, Japan, Uganda, Indonesia (on behalf of the ASEAN Members), Jamaica, Australia, Cuba, Turkey, the United States and Venezuela, and the Director-General and Mr. Lavorel, Deputy Director-General, spoke.

The General Council took note of the statements and agreed that the meeting be adjourned after the discussion on the items under "Other Business", to allow for further consultations to be held on the present Agenda item.

At its meeting on 14, 16 and 23 October 1998, prior to the adoption of the Agenda, the General Council agreed that the meeting on 15, 16 and 22 July 1998 be considered closed and that the question of WTO Secretariat and Senior Management Structure be taken up at a future meeting of the General Council.

The representatives of Pakistan, India and Egypt spoke.

The General Council took note of the statements.

### **32. International Trade Centre UNCTAD/WTO**

#### **(a) Reports of the Joint Advisory Group (WT/GC/M/18, 21)**

At its meeting on 7 February 1997, the General Council considered the report of the Joint Advisory Group of the International Trade Centre UNCTAD/WTO on its twenty-ninth session (ITC/AG(XXIX)/157).

The Vice-Chairman of the Group introduced the report. The representatives of Egypt, Jamaica, India, Singapore (on behalf of the ASEAN Members), and Japan, and the Executive Director of the ITC and the Chairman spoke.

The General Council took note of the statements and adopted the report.

At its meeting on 16 July 1997, the General Council considered the report of the Joint Advisory Group of the International Trade Centre UNCTAD/WTO on its thirtieth session (ITC/AG(XXX)/164).

The Chairman of the Group introduced the report, and the representative of Pakistan spoke.

The General Council took note of the statements and adopted the report.

At its meeting on 14, 16 and 23 October 1998, the General Council considered the report of the Joint Advisory Group on its thirty-first session (ITC/AG(XXXI)/171).

The Chairman of the Group introduced the report, and the representative of Chile (on behalf of GRULAC) spoke.

The General Council took note of the statements and adopted the report.

### **33. Arrangements for effective cooperation with other intergovernmental organizations**

- (a) Relations between the WTO and the International Monetary Fund and the World Bank (WT/GC/M/31, 32<sup>14</sup>)

At the General Council meeting on 14, 16 and 23 October 1998, the Chairman recalled that the General Council's Decision on the Agreements between the WTO and the IMF and the World Bank (WT/L/194) provided that the Director-General, should, *inter alia*, hold consultations with Members under the auspices of the Chairman of the General Council on matters relating to the implementation of the Agreements.

The Director-General made a report to the General Council.

The representative of Jamaica, and the Chairman spoke.

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

At the General Council meeting on 9-11 and 18 December 1998, the Director-General introduced the report of the managing Director of the IMF, the President of the World Bank and the Director-General of the WTO on Coherence (WT/GC/13).

The representatives of Jamaica, Mexico, Japan, Canada, Egypt, Korea, Bangladesh, Norway, India, Uganda, Switzerland, Australia, Ghana, the United States and Bolivia spoke.

The General Council took note of the statements and of the report (WT/GC/13).

### **34. Administrative matters**

- (a) Appointment of the next Director-General (WT/GC/M/29, 31, 32)

At the General Council meeting on 15, 16 and 22 July 1988, the Chairman said that in keeping with the terms of the procedures for the appointment of the Director-General, he had initiated a process of consultation on this matter. He suggested that Members aim to have identified the new Director-General by consensus by the end of November, and to use the December meeting of the General Council to confirm the appointment. In order to ensure that this important process was conducted in an atmosphere free of any question about its integrity, he intended to ask Mr. William Rossier (Switzerland) to consult with Members on how one might best proceed in the circumstances, and to make any recommendations which the latter might consider appropriate in the light of those consultations. He suggested that Members meet informally to take stock of the various aspects of this matter immediately after the 1 October deadline.

The representatives of Brazil, Egypt, Norway, Tanzania, Jamaica, Hungary, Mexico, Mauritius, Indonesia, Japan, Australia, Turkey, Argentina, the United States, Morocco, and Hong Kong, China spoke.

The General Council took note of the statements and agreed to the procedure outlined by the Chairman.

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<sup>14</sup> At this meeting the item was called "Agreements between the WTO and the IMF and the World Bank".



At the General Council meeting on 14, 16 and 23 October 1998, Mr. Rossier reported on his consultations on the appointment of individuals to carry out consultations on the selection of the next Director-General. This included the recommendation that the Chairman undertake consultations with a view to identifying two individuals, or failing that one individual, who would be jointly charged with the conduct of the consultations on the selection of the next Director-General.

The representatives of the United States, Mexico, Brazil and Jamaica spoke.

The Chairman requested the General Council to agree to invite the candidates to come and meet informally in Geneva, and to authorize him to undertake consultations with the delegations that had nominated the candidates in order to determine the best arrangements for organizing such a meeting as early as possible.

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

At the resumed General Council meeting on 23 October, the Chairman reported in detail on his consultations and proposed that the General Council invite Mr. Rossier and Mr. Celso Lafer (Brazil) to jointly assume responsibility for the conduct of the consultations on the appointment of the next Director-General. He also proposed how to describe the task conferred on Messrs. Rossier and Lafer, and proposed several points which he said would serve as guidance to them for the conduct of the consultations.

The representatives of Jamaica, Norway and Egypt spoke.

The General Council took note of the statements and agreed to the proposals set out by the Chairman.

At the General Council meeting on 9-11 and 18 December 1998, Mr. Lafer informed the General Council that he and Mr. Rossier had made a report (WT/GC/W/125) to the General Council at an informal meeting of the latter on 2 December 1998. He made a further report describing the state of affairs as he and Mr. Rossier saw it (Job No. 6888).

The representatives of Jamaica, Chile (on behalf of GRULAC), Egypt (on behalf of the African Group), Pakistan, Norway, Mexico, Indonesia (on behalf of the ASEAN Members), Hungary, Australia, Japan, India, Colombia, the European Communities, the Czech Republic, the United States, Norway, Morocco and Hong Kong, China, and the Chairman spoke.

The General Council took note of the report and of the statements and agreed to suspend discussion of this item and to revert to it at a reconvened meeting.

At the reconvened meeting of the General Council on 18 December 1998, Messrs. Lafer and Rossier made a further report on their consultations. The Chairman made a summing up of the meeting (WT/GC/W/130).

The representatives of Egypt (on behalf of the African Group), Mexico (on behalf of the Informal Group of Developing Countries), Chile (on behalf of GRULAC), Argentina, Jamaica, Norway, the Czech Republic (also on behalf of Bulgaria, Poland, Hungary, Slovakia and Slovenia), Australia, Pakistan, India, Côte d'Ivoire, Haiti, Switzerland, Senegal, Romania, Iceland, Bangladesh, Indonesia (on behalf of the ASEAN Members), Tunisia, Zambia, Turkey, Mauritania, Colombia, Japan, Venezuela, the United States, Uruguay and Hong Kong, China spoke.

The General Council took note of the statements, agreed to the points in the summing up by the Chairman (WT/GC/W/130) and agreed to reconvene its meeting in January 1999<sup>15</sup>.

(b) Conditions of service of WTO staff (WT/GC/M/28, 29, 31, 32)

At its meeting on 14 November 1997, the General Council invited the Chairman of the Working Group on Conditions of Service to prepare a revised draft decision on this matter for the consideration of Members taking into account the latest developments, and agreed that its meeting be adjourned and reconvened at the earliest possible date with a view to taking a decision thereon. On 19 February 1998, the General Council agreed to a proposal by its Chairman that the 14 November meeting be considered closed, and that the question of conditions of service be taken up again at a future meeting of the General Council as and when it became ready for consideration.

At its meeting on 24 April 1998, the General Council considered a draft decision on this matter (WT/GC/W/83).

The Chairman read out a statement with regard to the draft decision, which was intended to clarify the intention of certain parts of the draft decision. He then proposed that the Draft Decision be adopted in the light of his statement.

The General Council adopted the draft decision in the light of the Chairman's statement (WT/L/269).

The representatives of Germany, the United Kingdom, the United States, France, Venezuela, Egypt, Norway, Korea, Brunei Darussalam (on behalf of the ASEAN Members), Bangladesh, the Netherlands, and Hong Kong, China, and the Director-General spoke.

The General Council took note of the statements.

At the General Council meeting on 15, 16 and 22 July 1998, Mr. Farrell (New Zealand), Chairman of the Working Group on Conditions of Service of WTO Staff, reported on the Group's activities and sought the approval of the General Council to appoint a panel of independent actuaries to provide an actuarial assessment of the Chair's current draft compensation and personnel scheme.

The representatives of Jamaica, the United Kingdom, Japan, Germany, Brazil, Turkey, Tunisia and Hong Kong, China, and the Chairman of the General Council spoke.

The General Council took note of the statements and approved the appointment of the two actuaries proposed by the Chairman of the Working Group.

At its meeting on 14, 16 and 23 October 1998, the General Council considered a draft decision (WT/GC/W/102/Rev.1), the report by the Chairman of the Working Group (WT/GC/W/101) and background documentation (WT/GC/W/103).

The Chairman of the Working Group introduced the Group's report (WT/GC/W/101).

The representatives of the United States, Jamaica, the United Kingdom, the Netherlands, Japan, Egypt, India, France, Germany, Switzerland, Norway, Australia, Canada, Tunisia, Korea, Turkey and Hong Kong, China, and the Chairman of the General Council, the Director-General and Mr. Lavorel, Deputy Director-General, spoke.

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<sup>15</sup> Although the subsequent meeting of the General Council on 12 January 1999 was in effect a resumption of the 18 December 1998 meeting, it is covered by a distinct set of Minutes (WT/GC/M/33).

The Chairman read out a text in connection with the draft decision.

The General Council took note of the statements, took note of the report by the Chairman of the Working Group in document WT/GC/W/101, took note of the certification provided by the panel of independent actuaries in document WT/GC/W/103, and adopted the draft decision in document WT/GC/W/102/Rev.1<sup>16</sup>.

At the General Council meeting on 9-11 and 18 December 1998, the Chairman, reporting on progress in the implementation of the General Council's Decision of 16 October 1998, said that the WTO staff had accepted the proposed conditions of service and that on 12 and 13 November the Board of UNJSFP had decided to recommend the termination of ICITO's membership in the Fund.

The representatives of Jamaica, Norway and Japan spoke.

The General Council took note of the statements.

### **35. WTO Daily Bulletin (WT/GC/M/28)**

In July 1997, the General Council agreed that the Secretariat should issue a Daily Bulletin, in English only, for a trial period of three months beginning in September 1997, and that the issuance of the Bulletin be reviewed in the light of experience and financial implications if any. In December 1997, the General Council agreed that the Bulletin be issued for a further trial period of three months in English only, since its issuance in French and Spanish would have financial implications that would have to be examined by the Budget Committee.

At the General Council meeting on 24 April 1998, the Chairman said it appeared that delegations regarded the issuance of the Daily Bulletin as useful, and proposed that the Daily Bulletin continue to be issued by the Secretariat.

The General Council so agreed.

### **36. Observer status**

(a) Governments

(i) *Bhutan (WT/GC/M/28)*

At its meeting on 24 April 1998, the General Council considered a request from Bhutan (WT/L/262) for observer status in the General Council and its subsidiary bodies, and agreed to grant the request.

The representatives of India, Bangladesh, Brunei Darrusalam (on behalf of the ASEAN Members), Pakistan and Bhutan (as an observer), and the Chairman spoke.

The General Council took note of the statements.

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<sup>16</sup> The Decision was circulated in document WT/L/282.

(ii) *Cape Verde (WT/GC/M/26)*

At its meeting on 19 February 1998, the General Council considered a request from Cape Verde (WT/L/258) for observer status in the General Council and its subsidiary bodies, and agreed to grant the request.

(b) International intergovernmental organizations (WT/GC/M/26)

At the General Council meeting on 19 February 1998, the Chairman recalled that at the General Council meeting in December 1997, he had reported that consultations had recently been held on the pending requests from international organizations for observer status in the General Council, and that further consultations would need to be held early in 1998. He urged delegations to give further thought to this matter so that it could be settled rapidly.

The General Council took note of the statement.

**37. Appointment of officers to WTO bodies (WT/GC/M/26, 32)**

At the General Council meeting on 19 February 1998, the Chairman said that in accordance with the guidelines for appointment of officers to WTO bodies approved by the General Council in January 1995 (WT/L/31), he had held informal consultations on this matter, on the basis of which he considered that there was a consensus on the following slate of names:

|  |   |
|--|---|
| General Council  | Mr. John Weekes (Canada)                  |
| Dispute Settlement Body  | Mr. Kamel Morjane (Tunisia)               |
| Trade Policy Review Body   | Mr. Ali Said Mchumo (Tanzania)            |
| Council for Trade in Goods   | Mr. Ronald Saborio Soto (Costa Rica)      |
| Council for TRIPS  | Mr. Istvan Major (Hungary)                |
| Council for Trade in Services  | Mr. Nobutoshi Akao (Japan)                |
| Committee on Trade and Environment                                       | Mr. Chak Mun See (Singapore)              |
| Committee on Trade and Development                                       | Mr. Iftekhar Ahmed Chowdhury (Bangladesh) |
| Committee on Budget, Finance and<br>Administration                       | Mr. Wilhelm Meier (Switzerland)           |
| Committee on Balance-of-Payments<br>Restrictions                         | Mr. Peter R. Jenkins (United Kingdom)     |
| Committee on Regional Trade Agreements                                   | Mr. Jean-Marie Noirfalisse (Belgium)      |
| Working Group on the Relationship between<br>Trade and Investment        | Mr. Krirk-Krai Jirapaet (Thailand)        |
| Working Group on the Interaction between<br>Trade and Competition Policy | Mr. Frédéric Jenny (France)               |
| Working Group on Transparency in<br>Government Procurement               | Mr. Werner Corrales Leal (Venezuela)      |

The representative of Norway spoke.

The General Council took note of the statements and of the consensus on the above slate of names.

At the General Council meeting on 9-11 and 18 December 1998, the Chairman said that he would need more time for consultations on this matter, and asked the General Council to waive the ten-day rule for the convening of its meetings to allow him the possibility of convening a meeting on short notice to adopt a slate of names.

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

**38. Election of Chairperson (WT/GC/M/26)**

At the General Council meeting on 19 February 1998, the Chairman, as the outgoing presiding officer of the General Council, made a statement (WT/GC(98)/ST/1).

The General Council then unanimously elected Mr. Weekes (Canada) to the Chair.

**39. Review of WTO activities (WT/GC/M/32)**

At its meeting on 9-11 and 18 December 1998, the General Council conducted a review of WTO activities in pursuance of the Decision concerning procedures for the overview of WTO activities and for reporting under the WTO (WT/L/105). In so doing, the General Council considered annual reports for 1998 from WTO bodies.

The Chairpersons of the respective WTO bodies presented the annual reports submitted by those bodies.

The General Council adopted the report of the Committee on Trade and Development (WT/COMTD/15), took note of the reports from WTO bodies in documents WT/GC/W/110, WT/DSB/14 and Add.1, WT/TPR/59, G/L/285, S/C/6, IP/C/15, WT/BOP/R/44, WT/BFA/37, WT/REG/7, WT/CTE/13, WT/GTI/2, WT/WGTCP/2, WT/WGTGP/2, GPA/25 and WT/L/291, and took note of the statements. The General Council took the following decisions and made the following recommendations:

- (1) With respect to the review of the Dispute Settlement Understanding, the General Council decided to continue and to complete the review process including the preparation of the report by the end of July 1999.
- (2) The General Council decided that the Working Group on the Relationship between Trade and Investment shall continue the educational work that it has been undertaking on the basis of the mandate contained in paragraph 20 of the Singapore Ministerial Declaration. The work of the Working Group, which shall be reviewed by the General Council, shall continue to be based on issues raised by Members with respect to the subjects identified in the Checklist of Issues Suggested for Study. It is understood that this decision is without prejudice to any future decision that might be taken by the General Council, including in the context of its existing work programme.
- (3) The General Council decided that the Working Group on the Interaction between Trade and Competition Policy shall continue the educative work that it has been undertaking pursuant to paragraph 20 of the Singapore Ministerial Declaration. In the light of the limited number of meetings that the Group will be able to hold in 1999, the Working Group, while continuing at each meeting to base its work on the study of issues raised by Members relating to the interaction between trade and competition policy, including anti-competitive practices, would benefit from a focused discussion on: (i) the relevance of fundamental WTO principles of national treatment, transparency, and most-favoured-nation treatment to competition policy and vice versa; (ii) approaches to promoting cooperation and communication among Members, including in the field of technical cooperation; and (iii) the contribution of competition policy to achieving the objectives of the WTO, including the promotion of international trade. The Working Group will continue to ensure that the

development dimension and the relationship with investment are fully taken into account. It is understood that this decision is without prejudice to any future decision that might be taken by the General Council, including in the context of its existing work programme.

The representatives of Honduras, Jamaica, India, the Dominican Republic and Brazil, and the Chairman spoke.

The General Council took note of the statements.

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