

**General Council**  
**27 and 29 July 2005**  
**Item 6**

**DEDICATED SESSION OF THE COMMITTEE ON TRADE AND DEVELOPMENT  
WORK PROGRAMME ON SMALL ECONOMIES**

Report by the Chairman

1. This report on the Work Programme on Small Economies is submitted on the Chairman's own responsibility.
2. Since the last formal meeting of the Dedicated Session, on 25 May, work had continued through informal consultations with groups of interested Members. The Work Programme in the Dedicated Session is now approaching a key juncture in its work. Earlier this year, Members had agreed to move ahead using a three-step approach. This approach provides, as per the mandate in paragraph 35 of the Doha Declaration, a way of examining the issues relating to the trade of small, vulnerable economies with the objective of framing responses to trade-related issues identified for the fuller integration of these economies into the multilateral trading system, without creating a sub-category of WTO Members.
3. The first two steps of this approach were to identify the characteristics of the small, vulnerable economies and the trade-related problems which could reasonably be attributed to those characteristics. The Dedicated Session has made good progress in considering the characteristics and examining the trade-related problems. It is important to point out that Members have been deliberating on aspects of these two steps in a manner that would not specifically identify a sub-category of countries.
4. The third step, the one which the Dedicated Session is just about to start examining, involves trying to frame responses to those trade-related problems. In the most recent proposal discussed in the Committee, Members examined some "elements of responses" which could help to pave the way for making certain recommendations. Members are now poised to begin work on what some of the proponents have called the "solution phase".
5. Another aspect of the work on small economies is related to the fact that many issues of concern to small and vulnerable economies are actually the subject of negotiation in other bodies. The Dedicated Session is not a negotiating group *per se*, but it is part of the Doha Work Programme. Some Members believe that some of the specific issues raised in the Dedicated Session may be dealt with by the relevant negotiating groups while others wish to avoid a possible duplication of work. I am of the view that the Dedicated Session can act in a parallel process alongside the negotiating bodies.
6. The examination of the proposals of the small economies by the negotiating bodies should be done in light of the respective mandates and framework agreed by Members in the Doha Ministerial Declaration and the General Council Decision of 1 August 2004. While noting that some of the negotiating bodies may not be ready to consider these proposals until the main elements in their

respective areas have been clarified, it is necessary to recognize that the negotiating groups should consider the proposals which address the trade-related problems of small, vulnerable economies in an expeditious and timely manner, in order to comply with paragraph 35 of the Doha Declaration. The Dedicated Session will monitor this process to ensure an arrangement is found to address the concerns of small, vulnerable economies in an appropriate and balanced manner in the negotiations.

7. I remain optimistic about addressing the mandate of the Dedicated Session and about finding solutions to the trade-related problems of small and vulnerable economies. With this objective, it is my intention to intensify our work in the coming months. I urge all Members to stay engaged in this process, so that we can arrive at appropriate recommendations to the General Council in time for the 6<sup>th</sup> Ministerial Conference.

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