



14 June 2019

(19-4083)

Page: 1/2

Council for Trade in Goods

Original: English

REQUEST FOR EXTENSION OF THE WAIVER FOR PREFERENTIAL TARIFF TREATMENT FOR LEAST DEVELOPED COUNTRIES

COMMUNICATION FROM CHILE, CHINA, INDIA, AND THAILAND

The following communication, dated 13 June 2019, is being circulated at the request of the Delegations of Chile, China, India, and Thailand.

1 BACKGROUND

1. Recognizing the necessity for a legal instrument that would allow developing country Members to grant unilateral tariff preferences to least developed countries, the General Council adopted a Decision, on 15 June 1999, to grant a waiver pursuant to the provisions of paragraph 3 of Article IX of the WTO Agreement.
2. Noting that the aforementioned waiver was scheduled to expire on 30 June 2009 but that the exceptional circumstances that justified the initial granting of such waiver continue to exist, the General Council adopted a Decision, on 27 May 2009, to grant aforementioned waiver to extend until 30 June 2019.
3. Under abovementioned waiver Decisions, some developing country Members are currently implementing their preferential tariff access schemes for least developed countries. Other developing country Members have also since progressed towards finalizing their preferential tariff access schemes for least developed countries.

2 CIRCUMSTANCES JUSTIFYING THE WAIVER

4. Since the adoption of the abovementioned waiver Decisions, Ministers have repeatedly stressed the particular vulnerability of the least developed countries and the special structural difficulties they face in the global economy. The Doha Ministerial Declaration, and the Declarations and Decisions adopted at the Ministerial Conferences held since then, committed Members to address the marginalization of least developed countries in international trade and to improve their effective participation in the multilateral trading system. They recognized that the integration of the least developed countries into the multilateral trading system required meaningful market access, support for the diversification of their production and export base, and involved efforts by all WTO Members.

3 CONCLUSION

5. Given the importance of this Decision in providing a legal basis so that developing country Members may be able to further implement preferential tariff access schemes for the least developed countries, co-sponsors of this proposal seek the extension of the Decision by a period of 10 years, i.e., it shall remain valid from 1 July 2019 until 30 June 2029.
 6. No other changes are proposed to the Decision.
 7. A draft Decision to this effect is annexed for adoption by Members.
-

ANNEX

**PREFERENTIAL TARIFF TREATMENT FOR
LEAST DEVELOPED COUNTRIES**

DRAFT DECISION ON EXTENSION OF WAIVER

Adopted on ... ¹

The General Council,

Having regard to paragraphs 3 and 4 of Article IX of the Marrakesh Agreement Establishing the World Trade Organization (the "WTO Agreement"), the Understanding in Respect of Waivers of Obligations under the General Agreement on Tariffs and Trade 1994, and the Guiding Principles to Be Followed in Considering Applications for Waivers adopted on 1 November 1956²;

Conducting the function of the Ministerial Conference in the interval between meetings pursuant to paragraph 2 of Article IV of the WTO Agreement;

Considering the decision adopted on 15 June 1999 granting a waiver of paragraph 1 of Article I of the GATT 1994 to the extent necessary to allow developing country Members to provide preferential tariff treatment to products of least developed countries, designated as such by the United Nations, without being required to extend the same tariff rates to like products of any other Member³;

Considering the decision adopted on 27 May 2009 extending the aforementioned waiver until 30 June 2019⁴;

Noting that the exceptional circumstances that justified the initial granting of the aforementioned waiver continue to exist;

Decides as follows:

The waiver contained in the decision of 15 June 1999 (WT/L/304) is hereby extended from 1 July 2019 until 30 June 2029.

¹ Adopted in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed by the General Council (WT/L/93).

² L/532 (BISD 5S/25).

³ WT/L/304.

⁴ WT/L/759.