



Committee on Market Access

**MINUTES OF THE COMMITTEE ON MARKET ACCESS
16 AND 17 OCTOBER 2023**

CHAIRPERSON: MS RENATA CRISTALDO OVIEDO

The Committee on Market Access (CMA, or the Committee) adopted the agenda as reproduced in document [WTO/AIR/MA/19/Rev.1](#), with the inclusion of the following item under Other Business: (i) presentation of the changes to the annotated agenda; and (ii) dates of next meetings. In addition, the European Union requested to be added as a co-sponsor to Agenda Item 13. The United States requested to be removed as a co-sponsor of Agenda Item 14. Finally, Argentina requested to be added as a co-sponsor to Agenda Item 24. An annotated agenda had been circulated in document [JOB/MA/169](#).

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1 INTRODUCTION OF HARMONIZED SYSTEM CHANGES TO SCHEDULES OF CONCESSIONS – STATUS REPORT (G/MA/W/158/REV.7; RD/MA/118; RD/MA/119)

1.1. The Chairperson drew Members' attention to the Secretariat report which had been circulated in document [G/MA/W/158/Rev.7](#). The report provided an overview of the status of work regarding

the introduction of Harmonized System (HS) changes in Members' Schedules. The full version of the Secretariat's report and presentation on the various transpositions of WTO Schedules had been made available in document [RD/MA/118](#) and [RD/MA/119](#), as well as on eAgenda¹ prior to the meeting.

1.2. The Secretariat (Mrs Alya Belkhodja) reported that a revised version of the status report had been circulated in document [G/MA/W/158/Rev.7](#). It provided in one single document an overview of the overall state of play of the different HS transposition exercises as of 27 September 2023, including the results of the previous multilateral review held on 3 July 2023.

- **HS96 ([L/6905](#))**

1.3. The Secretariat (Mrs Alya Belkhodja) recalled that there was one file that remained pending since February 2009 in HS 1996, which was the file of the Bolivarian Republic of Venezuela. This was an ongoing procedure under the separate procedure in GATT document [L/6905](#).

1.4. The Committee took note of the Secretariat's report.

- **HS2002 ([WT/L/605](#), [WT/L/807](#))**

1.5. The Secretariat (Mrs Alya Belkhodja) recalled that a revised written report had been issued as document [JOB/MA/42/Rev.26](#), dated 11 September 2019. The status of the HS2002 transposition files after the multilateral review of 3 July 2023 was as follows: 116 files had been certified or were in the process of certification; and one draft file had been completed and sent to the Member for its first review. Finally, 18 Members had not been affected by the transposition, as eight Members had acceded to the WTO with a Schedule of concessions in HS 2002, another eight Members in HS 2007, and two Members in HS 2012.

1.6. The Committee took note of the Secretariat's report.

- **HS2007 ([WT/L/673](#), [WT/L/830](#))**

1.7. The Secretariat (Mrs Alya Belkhodja) recalled that a revised written report had been issued as document [JOB/MA/104/Rev.33](#), dated 26 June 2023. The status of the HS2007 transposition files after the multilateral review of 3 July 2023 was as follows: 113 files had been certified or were in the process of certification; one file had been released for multilateral review but would be examined at a future meeting as the Member concerned had provided comments; four draft files had been completed and sent to Members for their first review; and seven draft files remained to be prepared. Finally, 10 Members had not been affected by the transposition as eight Members had acceded to the WTO with a Schedule of concessions in HS 2007 and two Members in HS 2012.

1.8. The Committee took note of the Secretariat's report.

- **HS2012 ([WT/L/831](#))**

1.9. The Secretariat (Mrs Alya Belkhodja) recalled that a revised written report had been issued as document [JOB/MA/129/Rev.19](#), dated 26 June 2023. The status of the HS 2012 transposition files after the multilateral review of 3 July 2023 was as follows: 105 files had been certified or were in the process of certification; two files had been released for multilateral review and had received comments from other Members; one file had been released for multilateral review; six draft files had been completed and sent to Members for their first review; and 19 draft files remained to be prepared. Finally, two Members had not been affected by the transposition as they had acceded to the WTO with a Schedule of concessions in HS 2012.

1.10. The Committee took note of the Secretariat's report.

- **HS2017 ([WT/L/995](#))**

1.11. The Secretariat (Mrs Alya Belkhodja) recalled that a revised written report had been issued as document [JOB/MA/143/Rev.10](#), dated 26 June 2023. The status of the HS 2017 transposition files

¹ <https://agenda.wto.org/en/cma>.

after the multilateral review of 3 July 2023 was as follows: 89 files had been certified or were in the process of certification; five files had been released for multilateral review and had received comments from other Members; three files had been released for multilateral review; five draft files had been completed and sent to Members for their first review and 33 draft files remained to be prepared.

1.12. The Committee took note of the Secretariat's report.

- HS2022 ([WT/L/1123](#))

1.13. The Secretariat (Mrs Alya Belkhodja) informed the Committee that work concerning the introduction of HS 2022 changes to Schedules of concessions using the CTS database ([WT/L/1123](#)), had begun with the development of the programmes to prepare the draft HS 2022 transposition files.

1.14. The Committee took note of the Secretariat's report.

2 EXTENSION OF THE HS-RELATED WAIVERS

2.1. The Chairperson recalled that the General Council had agreed to extend the waivers granted to a number of Members regarding HS transpositions by means of a "collective decision". The most recent waivers had been circulated in the following documents: [WT/L/1160](#) for HS 2002; [WT/L/1161](#) for HS 2007; [WT/L/1162](#) for HS 2012; [WT/L/1163](#) for HS 2017; and [WT/L/1164](#) for HS 2022. She noted that these exemptions would expire on 31 December 2023 and that not all Members covered by the collective waivers had completed the relevant procedures for the transposition of their Schedules.

2.2. She therefore proposed that the Committee extend all of these collective waivers until 31 December 2024 and forward to the General Council, through the Council for Trade in Goods, the draft waiver decisions granting the extensions, as contained in documents [G/C/W/831](#), [G/C/W/832](#), [G/C/W/833](#), [G/C/W/834](#), and [G/C/W/835/Rev.1](#), for appropriate action.²

2.3. It was so agreed.

3 THE HARMONIZED SYSTEM AND THE WORK OF THE WORLD TRADE ORGANIZATION

3.1. The Chairperson welcomed Ms Gael Grooby, Acting Director of the Tariff and Trade Affairs Directorate of the World Customs Organization (WCO), who reported on the meeting of the Harmonized System Committee that had taken place in September 2023, and which had included an item on its agenda relating to the communication that this Committee had sent to the WCO Committee on the subject of COVID-19 (document [G/MA/406](#)).

3.2. The representative of the World Customs Organization indicated the following:

3.3. I would like to update the Committee on three areas today: (i) the extension to the review cycle; (ii) the HS study progress; and (iii) the WTO matters currently before the Harmonized System Committee (HSC) or the Review Sub-Committee (RSC).

3.4. Let us start with the extension of the current HS Review Cycle. The most important update is the extension of the current HS review cycle by one year, to change HS 2027 to HS 2028. As you all are aware, the year 2020 presented us with an unprecedented challenge in the form of the COVID-19 pandemic, affecting the functioning of the World Customs Organization (WCO) working bodies from 2020 to 2022. This pandemic compelled the cancellation of in-person meetings, creating substantial obstacles to the progress of the review cycle. The WCO adapted by transitioning to virtual and hybrid meetings, ensuring the continuity of the work, but at a cost in productivity. The constraints imposed by the reduced hours of virtual meetings have resulted in a significant loss of verbal negotiating hours, equivalent to the loss of three meetings between 2020 and 2022. Despite

² The General Council Decisions were adopted on 13 December 2023 and circulated in the following documents: [WT/L/1181](#) (HS2002); [WT/L/1182](#) (HS2007); [WT/L/1183](#) (HS2012); [WT/L/1184](#) (HS2017); and [WT/L/1185](#) (HS2022).

determined efforts to push forward, the RSC found itself facing considerable challenges in finalizing amendments for HS 2027, which were due to be finalized this November.

3.5. In just one negotiating meeting, the 63rd session, scheduled for November 2023, there would be nearly 50 items still under negotiation, many of them major proposals encompassing multiple changes. In response to this situation, at the end of the 71st session of the HSC, in March 2023, the RSC Chair had introduced a proposal from the floor to extend the current HS review cycle by one year. He noted that the alternatives were that either HS 2027 would contain only a few amendments, with major proposals with much support delayed until 2032, or discussions would be rushed, potentially leading to problematic drafting that could not be repaired until 2032. Either scenario was undesirable. The possibility of this was foreshadowed during the June sessions of the WCO Policy Commission and Council. At the 72nd HSC session, in September 2023, the matter was debated, and the HSC had unanimously agreed to the extension, with the following conditions: (i) it was made clear that this was due to exceptional circumstances, and hence it set no precedent for future late changes; (ii) existing proposals were strictly prioritized; and (iii) the following cycle returned to a five-year cycle, giving HS 2028 followed by HS 2033.

3.6. The next update I would like to give is on the Exploratory Study for a Possible Strategic Review of the HS. The HS study project is a two-year project that has been running for 14 months, that is, since last September. The project team completed the draft interim report and presented it to the HSC session in October. This report outlined the preliminary assessment of the issues and potential strategies that had arisen from the consultation with stakeholders and the research.

3.7. The input identified four major areas where introduction or improvement of HS capabilities would be required for the HS system to better meet the future needs identified by stakeholders. These were as follows: (i) a greater capacity to identify goods more specifically; (ii) the ability to identify goods using a broader range of non-physical criteria; (iii) improved alignment with the development of global policies and policy analysis needs; and (iv) increased simplicity of use.

3.8. A wide range of specific problems had also been identified, such as the lack of wide understanding of the General Rules of Interpretation, confusing language, lack of free accessibility of the major HS tools, the need for early and more informative correlation tables, and so on.

3.9. The report outlined the preliminary assessment of both the issues and problems raised and of the feasibility of potential strategies for future improvements that may address the gap between demand and capacity. The input at the HSC has been supplemented by further written input from Members and this will be reflected in the final interim report, which will be presented at the WCO Policy Commission in December 2023. The draft final report will be presented to the March 2024 HSC and then to the WCO Council in June 2024.

3.10. The final matter that I would like to update you on concerns matters before the HSC or RSC originating at the WTO. Indeed, there are a number of items under consideration at the HSC and RSC that originated from the WTO.

3.11. The following is a brief update on exploring options for HS amendments intended to improve transparency in the trade flow of plastic products. This arose from the Dialogue on Plastic Pollution and Environmentally Sustainable Plastics Trade (DPP). The request to the HSC was to provide more specificity on plastics. As there were no specific draft provisions, the WCO Secretariat worked informally with the Secretariats of the WTO and of various UN bodies to develop a starting set of proposals. These targeted certain problematic plastic products and a few alternatives. The HSC agreed to accept this draft proposal as an item to be sent to the RSC for discussion. It will be discussed in November at the RSC.

3.12. There are two items that came under one agenda item here. We had changes to allow *ad hoc* meetings of the HSC for global emergencies, and the classification of essential medical goods and possible amendments to the Harmonized System for such goods (request by the Committee on Market Access (WTO)).

3.13. There was agreement on the ongoing work on amendments to the HS for medical goods at the last HSC. On the matter of arranging *ad hoc* meetings, there was no support for the amendments to the Rules of Procedures as they were presented. However, the HSC did agree to continue its

conversation on the matter on the basis of a new working document. It was also decided to separate the issues of the HS amendments and the possibility of *ad hoc* meetings for the next session, and that the working document on the possibility of *ad hoc* meetings would incorporate the input from the HSC.

3.14. Broadly, there was limited support for this despite some understanding of the need for it. There were also some interesting proposals raised, affording the Secretariat a greater ability to create lists in the case of an emergency, as guidance lists, without having to wait for negotiations for approval to be able to depart from normal practice. We will continue working on this and return to the next HSC with some new proposals.

3.15. Regarding the possible amendment to the nomenclature in respect of certain facemasks and respirators (a proposal coming from the Committee on Market Access), due to the size of the agenda, this matter was postponed at the last RSC. It will, however, be further discussed at the RSC in November. This was one of those matters that I alluded to before, where time was against us if we had an HS 2027. At this stage, it appears to be slowly moving towards a positive outcome. I hope to have more positive news after this or the next RSC, in May 2024.

3.16. There is a new item, that is indirectly from this Committee, which is the possible amendment to the nomenclature in respect of vaccines (proposal by the WHO) This item arose out of the "Classification of Essential Medical Goods and Possible Amendments to the Harmonized System for Such Goods (Request by the Committee on Market Access (WTO))" item. While the original request to amend the HS to cover pandemic vaccines was rejected by the HSC, informal talks between the Secretariats of the WTO, the WCO, and the WHO produced a new request, with more specificity and wider impact. It will be discussed at the RSC in November. Thank you for the opportunity to update you on the work in the HSC and RSC relevant to the CMA.

3.17. The Chairperson reminded Members that, at the Committee's formal meeting in April, the previous Chairperson had been asked to share with the Harmonized System Committee the document on lessons learned from the experience-sharing sessions on trade in COVID-19-related products (document [G/MA/409](#)). The Chairperson was pleased to inform Members that this document had been shared with the HS Committee at its September meeting and been reflected in the final report of that session. Regarding the other essential medical products that had been listed in the CMA communication to the HSC as deserving of clearer classification in the HS, she informed the Committee that the Secretariat had begun work, in collaboration with the WCO and the World Health Organization, on a proposal to improve the classification of vaccines in the next version of the nomenclature, and that the Committee would be kept informed of any development.

3.18. The representative of Ecuador indicated the following:

3.19. Firstly, I would like to thank Ms Grooby for the report and information shared. I would like to better understand the current situation regarding the proposal on vaccines, which I understand had initially been rejected. What is the current situation and the WCO's analysis?

3.20. The representative of the World Customs Organization indicated the following:

3.21. Yes, the idea had originally been rejected. The view of the HSC was that there was no knowledge of what a next pandemic might be, so it was difficult to target, and also that it was of limited use once we managed to reduce the need for the COVID-19 vaccine. After discussions with the WHO, a new and far more specific proposal was sent to the WCO last Friday, which lists a wide variety of vaccines, enabling us to better understand trade in essential vaccines for both endemic diseases and diseases with epidemic or pandemic potential. While the proposal does not specifically cater for new vaccines for pandemics, since it is very specific in the types of vaccines covered, you will be able to target very precisely any new vaccines for diseases that currently do not have vaccines. The WCO Secretariat is currently preparing the working document, and it will be discussed at the November RSC, which will be held in the last two weeks of November. I hope this clarifies the matter, but if there is any further question, do please feel free to ask it.

3.22. The Committee took note of the WCO report and the statements made.

4 OPERATION OF THE INTEGRATED DATA BASE (IDB) AND THE CONSOLIDATED TARIFF SCHEDULES (CTS) DATABASE ([RD/MA/118](#); [RD/MA/119](#))

4.1. The Chairperson indicated that there were four issues to be examined: (i) the status of implementation of the Decision on the "Modalities and Operation of the Integrated Data Base (IDB)"; (ii) the status of communications to the IDB; (iii) the list of Members' official websites; and (iv) the status of the Consolidated Tariff Schedules (CTS) database. In relation to these issues, the Secretariat had prepared comprehensive reports and a presentation that had been circulated prior to the meeting in documents [RD/MA/118](#) and [RD/MA/119](#), and which were also available on eAgenda. She proposed that the Committee consider the four issues individually.

4.1 Status of implementation of the 2019 IDB Decision ([G/MA/367](#))

4.2. The Secretariat (Mr Thomas Verbeet) reported that the Secretariat was updating and redesigning the dissemination tool known as "Tariff Analysis Online" (TAO – <http://tao.wto.org>). In recent months, significant progress had been made by using more efficient information and cloud computing technology, and through the redevelopment of an updated user interface. In close cooperation with the WTO's Information Technology Solutions Division (ITSD), the primary goal was to evaluate a more efficient data storage and access by reviewing the calculations for the indicators for publication. A prototype was expected to be presented to Members in early 2024.

4.3. He further informed the Committee that three Members (Canada, Mauritius, and Uruguay) had successfully reached agreements with the Secretariat for the automatic electronic transmission of data, as outlined in paragraph 8 of document [G/MA/367](#). The Secretariat remained actively involved in discussions with interested delegations, both in Geneva and Capitals, regarding similar agreements. Notably, discussions with Norway on an API-based data transfer were advancing well. In addition, the Secretariat has met with the Philippines. Meanwhile, a parallel project relating to automatic data notification for Members utilizing the Automated System for Customs Data (ASYCUDA) had come to a project finish. An ASYCUDA data module had been implemented in Côte d'Ivoire and Madagascar. Despite the signature of a Memorandum of Understanding (MoU) with Togo, the project had not yet been finalized.

4.4. Regarding the third item, on notification reminders, the Secretariat informed the Committee that a "reminder" to notify outstanding data had been sent to Members at the beginning of September. Following the wish expressed by certain Members at the CMA's previous meeting, those reminder letters had also been addressed to the delegate contact details identified for CMA matters, through the WTO e-registration platform (<https://eregistration.wto.org/e-directory>). He invited Members to verify and update all the information in the e-directory.

4.5. Finally, he reminded Members that the current status of data notifications to the IDB could be consulted at any time on the WTO's online Notification Portal.³ The information contained in the Notification Portal was very similar to the information in the upcoming agenda item, in document [G/MA/IDB/2/Rev.58](#), but given that it was an online database, the information there was always up to date.

4.6. The Committee took note of the Secretariat's report.

4.2 Status of IDB notifications ([G/MA/IDB/2/Rev.58](#))

4.7. The Chairperson drew Members' attention to the Secretariat's report on Members' tariffs and imports, which had been circulated in document [G/MA/IDB/2/Rev.58](#). A full version of the Secretariat's report and presentation had been made available in documents [RD/MA/118](#) and [RD/MA/119](#), which had been uploaded to eAgenda prior to the meeting.

4.8. The Secretariat (Mr Thomas Verbeet) reported that, overall, IDB disseminated data consisted of about 3,000 country periods of either applied tariffs or import data at the national tariff line level. When examining all the expected annual notifications since 1996, the presently accessible data demonstrated an 83% completion rate. By the cut-off date of 25 September 2023, which had been communicated in the reminders sent to Members, and which fed into document [G/MA/IDB/2/Rev.58](#),

³ <https://notifications.wto.org/en/notification-status/integrated-database>.

about half of all applied tariffs, that is, 67 out of 136, were available. Regarding the import data for the year 2021 (the data for 2022 was not officially due yet as it could be submitted until end-October 2023), out of 136 Members expecting to report import data, the Secretariat had received 60, which represented a little under 44%.

4.9. The presentation available in document [RD/MA/119](#) showed the number of Members that were compliant with their notification obligations on tariff and import data. Currently, 44 Members were up to date with respect to their tariff data. There were complete sets of 44 Members. The data sets of 21 Members were mostly complete, with only one or two annual periods missing. 25 Members had between three and five years of outstanding data. Finally, 46 Members had outstanding tariff data of six years or more. He indicated that information on the import data side was similar.

4.10. The Secretariat further noted that, since the issuance of document [G/MA/IDB/2/Rev.58](#), the following additional notifications had been received:

- Brazil 2022 import data;
- Madagascar 2022 tariffs and import data; and
- United States of America import data with preferential duty schemes for 2020, 2021, and 2022.

4.11. All the data was integrated in the IDB database and the current status of submissions could be consulted on the Notification Portal.

4.12. The Committee took note of the Secretariat's report.

4.3 List of Members' official websites with tariff information and import statistics (G/MA/IDB/W/13/Rev.9)

4.13. The Chairperson recalled that the 2019 IDB Decision requested the Secretariat to prepare a list of Members' official websites containing tariff information and import statistics. The Secretariat had prepared a further revision of that document, had consulted Members informally on it, and had circulated it as document [G/MA/IDB/W/13/Rev.9](#). This information had also been made available on the WTO website.⁴

4.14. The Secretariat (Mr Simon Neumueller) indicated the following:

4.15. The Secretariat thanks Members that sent updates or confirmed that the information is still correct. Updates are available not only in this document, but also on the WTO website. When a Member clicks on their profile, there is a section on the left-hand side where this can be seen.

4.16. The Chairperson urged delegations to verify the relevant links and to inform the Secretariat of any changes as soon as possible in order to keep the information up to date. In particular, Members should contact the Secretariat when information was missing.

4.17. The Committee took note of the Secretariat's report.

4.4 Status of the CTS database

4.18. The Chairperson drew the Committee's attention to the Secretariat's report on the status of the CTS database. A full version of the Secretariat's report and presentation had been made available in documents [RD/MA/118](#) and [RD/MA/119](#), and on eAgenda prior to the meeting.

4.19. The Secretariat (Ms Alya Belkhodja) indicated the following:

4.20. The Secretariat had made CTS files available to all Members on the Tariff Analysis Online system (<https://tao.wto.org>). Of the 135 CTS files: 83 had been made available in HS 2017; 21 had been made available in HS 2012; 18 in HS 2007; 11 in HS2002; and two remained in HS 96. All

⁴ https://www.wto.org/english/tratop_e/markacc_e/tariffandimpofwebsites_e.htm.

legal instruments are available through the Goods Schedule e-Library (<https://goods-schedules.wto.org>).

4.21. Within the framework of revamping TAO, the MAIS team is working on developing a program for additional verification of the CTS database in order to improve and standardize information in the CTS files.

4.22. In addition, the complete CTS database in MS Excel is available on TAO. Each Member's file reflects the latest information on its bound commitments as included in the CTS MS Access files. However, the CTS files in Excel follow the presentation used in the legal instruments, as in, for example, the Uruguay Round Schedule of concessions. The CTS files in Excel are also available on the Members' page of the Goods Schedule e-library website. An updated version of the CTS Excel files was posted to TAO on 22 September 2023.

4.23. The Committee took note of the Secretariat's report.

5 NOTIFICATIONS PURSUANT TO THE DECISION ON NOTIFICATION PROCEDURES FOR QUANTITATIVE RESTRICTIONS ([G/L/59/REV.1](#))

5.1. The Chairperson drew Members' attention to the notifications of quantitative restrictions from 11 Members, two of which had been submitted for the first time and as a result of the training workshop that the Secretariat had organized in April. The Secretariat had informed the Chairperson that a third notification resulting from the workshop, the complete notification from Montenegro, had been received after the meeting's agenda had closed and would therefore be considered at the Committee's following formal meeting. The Chairperson proposed that the Committee consider each notification in the order in which they were listed in the English version of the Airgram. She proposed that, once the Committee had finished with the notifications, it would consider the Secretariat's annual report circulated in document [G/MA/QR/13](#).

5.1 Notifications

- *Australia*

5.2. The Chairperson drew Members' attention to a new notification from Australia that had been circulated in document [G/MA/QR/N/AUS/6/Add.1](#).

5.3. The Committee took note of the notification.

- *The Gambia*

5.4. The Chairperson drew Members' attention to a new notification from the Gambia that had been circulated in document [G/MA/QR/N/GMB/2](#). It was the first complete notification prepared by the Gambia as a result of its participation in the training workshop on notifications of quantitative restrictions. On behalf of the Committee, she congratulated the Gambia for complying with this notification requirement.

5.5. The Committee took note of the notification.

- *Hong Kong, China*

5.6. The Chairperson drew the Members' attention to two new notifications from Hong Kong, China circulated in documents [G/MA/QR/N/HKG/6/Add.1](#) and [G/MA/QR/N/HKG/6/Add.2](#).

5.7. The Committee took note of the notifications.

- *Kazakhstan*

5.8. The Chairperson drew Members' attention to a new complete notification from Kazakhstan for the biennial period 2022-2024 that had been circulated in document [G/MA/QR/N/KAZ/4](#).

5.9. The Committee took note of the notification.

- *Kyrgyz Republic*

5.10. The Chairperson drew Members' attention to three new notifications from the Kyrgyz Republic circulated in documents [G/MA/QR/N/KGZ/1/Add.25](#), [G/MA/QR/N/KGZ/1/Add.26](#), and [G/MA/QR/N/KGZ/1/Add.27](#).

5.11. The Committee took note of the notifications.

- *Thailand*

5.12. The Chairperson recalled that, at its previous meeting, the Committee had agreed to revert to the notifications from Thailand in documents [G/MA/QR/N/THA/2](#), [G/MA/QR/N/THA/2/Add.1](#), [G/MA/QR/N/THA/2/Add.2](#), [G/MA/QR/N/THA/2/Add.3](#), [G/MA/QR/N/THA/2/Add.4](#), [G/MA/QR/N/THA/2/Add.5](#), [G/MA/QR/N/THA/2/Add.6](#), [G/MA/QR/N/THA/2/Add.7](#), and [G/MA/QR/N/THA/3](#). Questions remained pending from the European Union.

5.13. The representative of India indicated the following:

5.14. India refers to Thailand's notification in [G/MA/QR/N/THA/3](#), dated 27 March 2023. We seek more inputs for the following notifications:

- Row 5 – Notification of the Ministry of Commerce on the import prohibition of Household refrigerator, Combined refrigerator – freezers utilizing CFCs in the production process, dated 13 March 2006 (B.E. 2549);
- Row 12 – Notification of the Ministry of Commerce on the export of rice, dated 11 April 2012 (B.E. 2555);
- Row 23 – Notification of the Ministry of Commerce on the import prohibition of HCFC-22 (Chlorodifluoromethane) based air conditioning equipment with cooling capacity under 50,000 BTU/hr., dated 16 January 2018 (B.E. 2561).

5.15. India requests Thailand to clarify details of the measures undertaken, the policy objectives that they serve, and the HS codes impacted by these measures. We appreciate that Thailand's delegation may take some time to revert back to us on these questions, so we will request to keep this item on the agenda of the Committee's next meeting.

5.16. The representative of Thailand indicated the following:

5.17. Thailand would like to thank India for their interest in our QR notification. Your comments will be conveyed to Capital for consideration.

5.18. The Committee took note of notifications [G/MA/QR/N/THA/2](#), [G/MA/QR/N/THA/2/Add.1](#), [G/MA/QR/N/THA/2/Add.2](#), [G/MA/QR/N/THA/2/Add.3](#), [G/MA/QR/N/THA/2/Add.4](#), [G/MA/QR/N/THA/2/Add.5](#), [G/MA/QR/N/THA/2/Add.6](#), [G/MA/QR/N/THA/2/Add.7](#), and agreed to revert to notification [G/MA/QR/N/THA/3](#) at the Committee's next meeting.

- *Trinidad and Tobago*

5.19. The Chairperson drew Members' attention to a new notification from Trinidad and Tobago circulated in document [G/MA/QR/N/TTO/1](#). This was the first notification prepared by Trinidad and

Tobago as a result of its participation in the training workshop on notifications of quantitative restrictions. On behalf of the Committee, she congratulated Trinidad and Tobago for this notification.

5.20. The representative of Trinidad and Tobago indicated the following:

5.21. Thank you for this opportunity briefly to introduce our notification, as contained in document [G/MA/QR/N/TTO/1](#). The notification relates to measures affecting exports of ferrous and non-ferrous waste and scrap. Through the introduction of these measures, an export licence is required for exports of ferrous waste and scrap and an export restriction is in place in respect of copper waste and scrap, in particular. As detailed in the notification, these measures were implemented: (i) through amendment of the Export Negative List by means of Legal Notice No. 163, thereby requiring an export licence for ferrous waste and scrap; (ii) through Legal Notice No. 66 of 2023. In this regard, only manufacturers in possession of copper by virtue of it being a by-product or surplus material in respect of their manufacturing process would be allowed to export this non-ferrous scrap or waste and would need to apply for and secure the requisite licence to do so; and (iii) through proclamation of the Scrap Metal Act, 2022 on 8 May 2023. As detailed in the Act, anyone wishing to export scrap metal (with the exception of copper waste and scrap) would need to submit an application for the requisite export licence from the Ministry of Trade and Industry.

5.22. As outlined in the notification, the introduction of these measures followed on from the implementation prior to that of a temporary measure, which was effective in reducing incidences of criminality relating to the scrap metal industry, including theft and vandalism. It also provided a space for work to progress relating to efforts to regulate the sector. The notification points to Article XX of the GATT, and specifically to paragraphs (a), (b) and (d) should be noted in this regard. After careful consideration, the measures outlined in the notification were introduced with the aim of curbing illegal and dangerous activity plaguing the domestic scrap metal industry. As stated in the notification, a marked increase in scrap metal exports occurred at the same time as a noticeable uptick in theft and damage in respect of State-owned infrastructure, including infrastructure relating to telecommunications, power generation, the energy sector, and critical road infrastructure. The negative implications of such activity for national security in Trinidad and Tobago are evident.

5.23. Finally, as outlined in this notification, work is under way regarding the preparation of another notification relating to additional measures. The intent is for a submission to be made in this regard in the period ahead. Broadly speaking, and in keeping with what we have highlighted in this house on several occasions, limited compliance with notification and transparency requirements is largely due to resource and capacity constraints, as opposed to wilful neglect. In this regard, and in relation to this instance in particular, which is our first notification to this Committee, we take this opportunity to recognize and commend the capacity-building-related support of the WTO Secretariat for our efforts to comply, despite constraints, with our notification-related commitments and obligations.

5.24. The Committee took note of the notification and statement made.

- *Ukraine*

5.25. The Chairperson drew the Committee's attention to four new notifications from Ukraine circulated in documents [G/MA/QR/N/UKR/6/Add.5](#), [G/MA/QR/N/UKR/6/Add.6](#), [G/MA/QR/N/UKR/6/Add.7](#), and [G/MA/QR/N/UKR/6/Add.8](#).

5.26. The representative of Ukraine indicated the following:

5.27. Allow me to make a brief explanation of Ukraine's notifications. Despite Russia's ongoing war of aggression against Ukraine, my country continues to fulfil its notification obligations to demonstrate our commitment to the fundamental rules of this Organization and to ensure the transparency of measures adopted by the Government of Ukraine under martial law.

5.28. The introduction of restrictions on export of certain products was a step necessary to ensure national food security under constant Russian military action and destruction of our agricultural infrastructure ([G/MA/QR/N/UKR/6/Add.6](#)). At the same time, the relevant export restricting measures were regularly reviewed and, to the extent possible, replaced by less restrictive ones, or abolished altogether ([G/MA/QR/N/UKR/6/Add.5](#), [G/MA/QR/N/UKR/6/Add.7](#), and [G/MA/QR/N/UKR/6/Add.8](#)). At present, there are no quantitative restrictions on exports of sugar.

This measure was in effect for only three months and has not been applied since 15 September 2023.

5.29. In order to ensure proper preparation for the autumn-winter period of 2022/2023, the Government of Ukraine introduced a coking coal licensing and quota regime, that was duly notified previously. There was also a need to ensure balance in the energy sector of Ukraine under martial law. When the situation became relatively stabilized, the quota for coking coal export was additionally increased to 900,000 tonnes ([G/MA/QR/N/UKR/6/Add.8](#)).

5.30. Undoubtedly, Russia will continue its abhorrent terrorist attacks against Ukraine's energy infrastructure in the autumn-winter period of this year. On the grounds of security exceptions, fuel oil was also subjected to export restrictions. However, the quota for this product is now set at the level of 540,000 tonnes ([G/MA/QR/N/UKR/6/Add.5](#)). We express our gratitude to all Members that stand together with Ukraine in this most difficult and distressing time of Russia's armed invasion of my country. Ukraine will continue to comply with all its obligations as a reliable WTO Member.

5.31. The representative of [Canada](#) indicated the following:

5.32. Canada wants to reiterate our appreciation to Ukraine for continuing to update their quantitative restriction notifications to the WTO and carrying out their obligations while under an illegal invasion. Canada continues to unequivocally condemn Russia's illegal, unprovoked, and unjustifiable invasion of Ukraine, a blatant violation of international law and the rules-based international order. While the invasion threatens Ukraine's participation at the WTO, Ukraine continues to carry out its obligations as a Member as best it can. Ukraine's commitment to the multilateral trading system and upholding the rule of law while under attack is commendable and an example to us all. Canada's support for Ukraine and its people is unwavering, and we will continue to find ways for trade to support Ukraine to rebuild its economy and its society. This includes the recently signed, modernized Canada-Ukraine Free Trade Agreement (CUFTA), which we aim to enter into force as soon as possible. Finally, we once again call for Russia to immediately cease all hostile actions against Ukraine and withdraw from Ukraine's territory.

5.33. The representative of the [Russian Federation](#) indicated the following:

5.34. This is to remind Members that the Committee on Market Access is not a platform to raise political issues. Discussions in the Committee are guided by the terms of reference adopted by the General Council, and therefore approved by all Members. Over previous meetings, this document was quoted multiple times, and hence all Members are familiar with it. For this reason, I will refrain from citing the terms of reference of the Committee. I urge those Members that took the floor, and those that are going to take the floor under this item, to exercise self-restraint in wilfully violating the Committee's mandate.

5.35. The representative of the [European Union](#) indicated the following:

5.36. The European Union once more commends Ukraine for its effort and commitment to transparency through the notification procedure for quantitative restrictions even at a time when the country continues to suffer daily from Russia's unprovoked and unjustified aggression.

5.37. This commitment to following the WTO rules, even in these extremely difficult circumstances, is highly commendable and underscores the continued fundamental importance of the rules-based international trading system, based on international law.

5.38. The European Union once again expresses its full solidarity with Ukraine and the Ukrainian people and reiterates its resolute condemnation of the Russian Federation's war of aggression against Ukraine, which deliberately violates the UN Charter and disregards the rules-based international order. It undermines international security and stability and has no place in the 21st century. The European Union's support for Ukraine's independence, sovereignty, territorial integrity, and right of self-defence is unwavering.

5.39. The representative of the United States indicated the following:

5.40. The United States again commends Ukraine on its QR notifications and its steadfast efforts to maintain its WTO obligations in the face of Russia's deadly, brutal, unprovoked, and unjustified war of aggression against Ukraine.

5.41. The United States continues to support Ukraine's courageous effort to defend itself, uphold its territorial integrity, and protect its population. And we applaud Ukraine for its commitment to transparency in this body, in light of all the challenges it faces.

5.42. The representative of Switzerland indicated the following:

5.43. Switzerland would like to thank Ukraine once again for its efforts to respect its notification obligations despite the situation it finds itself in. In line with preceding delegations, Switzerland extends its condemnation of the military aggression against Ukraine in the strongest possible terms. The annexation of Ukrainian territory by the Russian Federation attacks Ukraine's territorial integrity and sovereignty. These are violations of international law.

5.44. The representative of Australia indicated the following:

5.45. Australia would like to thank Ukraine for its notifications and its commitment to WTO transparency under very difficult circumstances. We join others in condemning Russia's illegal and immoral full-scale invasion of Ukraine, which is a gross violation of international law. We strongly support Ukraine's sovereignty and territorial integrity. We again call on Russia to withdraw its forces from Ukraine's territory.

5.46. The representative of Japan indicated the following:

5.47. Japan strongly condemns Russia's aggression against Ukraine and its attacks against civilian infrastructure and cities across Ukraine. As the only country to have ever suffered atomic bombings during wartime, Japan absolutely cannot accept Russia's nuclear threats, let alone its use of nuclear weapons under any circumstances. Japan strongly urges Russia once again to stop the aggression and withdraw its forces from the territory of Ukraine within its internationally recognized borders immediately. Japan will also continue to work firmly on the two pillars of imposing severe sanctions against Russia and providing robust support to Ukraine, in cooperation with the international community.

5.48. The representative of the Republic of Korea indicated the following:

5.49. The Republic of Korea thanks Ukraine for its continued efforts to provide its notifications for transparency in the WTO. Korea joins others in strongly condemning Russia's armed invasion against Ukraine, as a violation of the principles of the UN Charter. Ukraine's sovereignty, territorial integrity, and independence should be respected.

5.50. The representative of the Russian Federation indicated the following:

5.51. It is shameful that the productive work of the Committee is continuously held hostage by a handful of WTO Members to promote their biased views through their deliberate politicization of work and confrontational rhetoric. Such unfortunate developments harmfully affect practical activities within this Committee and other WTO working bodies to the detriment of activity to address global challenges. Such interventions clearly violate the mandate of the Committee, waste delegates' time, and aim to justify illegitimate unilateral trade-restrictive coercive measures with extraterritorial effect. Such measures are a reason for the breaking of global supply chains, the increased energy costs, and the cost of freight and insurance, that have led to growing price levels across the world. Widescale economic repercussions in the world could have been avoided if the WTO Members that have just taken the floor had not breached basic WTO obligations. I will not list thousands of trade-restricting unilateral coercive measures introduced by a number of Members that we have just heard from, as we have spoken about these measures multiple times in different WTO bodies. I would just underscore that all additional costs due to unilateral measures are passed on to consumers resulting in growing global price levels, including for food prices.

5.52. The representative of Ukraine indicated the following:

5.53. Ukraine took note of the comment made by the Russian Federation, which basically makes a tremendous effort to beg for the lifting of the sanctions imposed in response to the invasion of Ukraine. Unlike the Russian delegation, I would like to ensure Members that our intervention was made within the mandate of this Committee, dealing specifically with the notifications within the realms of our work.

5.54. The Committee took note of the notifications and statements made.

- *United Kingdom*

5.55. The Chairperson drew the Committee's attention to a new notification from the United Kingdom circulated in document [G/MA/QR/N/GBR/2/Add.2](#).

5.56. The representative of the United Kingdom indicated the following:

5.57. The United Kingdom will intervene on notifications by Ukraine and the United Kingdom. The notification listed under this agenda item covers measures implemented since our last biennial QR in September, in relation to sanctions on the Russian Federation. We also applaud the Delegation of Ukraine for fulfilling its commitments to this Committee and the rules-based trading system. But the context of these measures could not be further from "business as usual" at the WTO.

5.58. The United Kingdom condemns Russia's illegal and unprovoked assault on Ukraine, as it seeks to use violence to rewrite the rules, redraw borders, and impose its will on the Ukrainian people.

5.59. Members of this Committee also bear witness to the coercive restrictions on trade by the Russian Federation on Ukraine, through its blockade of Ukrainian ships in the Black Sea and subsequent attacks on Ukrainian grain production facilities. Ukrainian grain has been a lifeline for countries on the cusp of famine, supplying 80% of the World Food Programme's global wheat grain delivered to Somalia, Sudan, and Yemen, among others. But in just one month, Russia destroyed enough grain to feed one million people for a year. To be clear, Russia destroyed more grain in a month than all the grain it has promised to donate to African countries.

5.60. The global trading system cannot return to "business as usual" until Russia ceases this aggression. Until that time, the United Kingdom is committed to standing in support of Ukrainian sovereignty and the Ukrainian people.

5.61. The Committee took note of the notification and statements made.

- *United States*

5.62. The Chairperson recalled that, at its previous meeting, the Committee had agreed to revert to the notifications from the United States circulated as documents [G/MA/QR/N/USA/2](#), [G/MA/QR/N/USA/3](#), [G/MA/QR/N/USA/4](#), [G/MA/QR/N/USA/4/Add.1](#), [G/MA/QR/N/USA/4/Add.2](#), [G/MA/QR/N/USA/5](#), [G/MA/QR/N/USA/5/Add.1](#), [G/MA/QR/N/USA/5/Add.2](#), [G/MA/QR/N/USA/5/Add.3](#), and [G/MA/QR/N/USA/6](#). Questions were pending from the European Union, circulated as documents [G/MA/W/116](#) and [G/MA/W/127](#), as well as from China.

5.63. The representative of China indicated the following:

5.64. China noted that the United States had notified its import quotas on steel and aluminium products from the Republic of Korea, Argentina, and Brazil, under section 232 in its QR notifications [G/MA/QR/N/USA/4](#), [G/MA/QR/N/USA/5](#) and [G/MA/QR/N/USA/6](#). However, the tariff rate quotas that the US applies on the steel and aluminium products from the European Union, Japan, and the United Kingdom since 2022 have not yet been included in the QR notifications. We would like to receive clarification from the US about why the TRQs from the EU, Japan, and the UK are not yet covered in the QR notifications, and when the US will submit the relevant notifications.

5.65. The representative of the United States indicated the following:

5.66. The United States takes note of the comments and questions raised by China regarding the WTO consistency of the Section 232 quotas. The United States has invoked Article XXI(b) of the GATT 1994 and the actions are therefore wholly consistent with the WTO. Regarding questions related to the operation of the Section 232 quotas, we refer Members to the relevant proclamations issued under Section 232, and to quota implementation information published on the website of US Customs and Border Protection.

5.67. The Committee took note of the statements made and agreed to revert to these notifications at its next meeting.

- *Uruguay*

5.68. The Chairperson drew the Committee's attention to a new complete notification from Uruguay for the biennial period 2022-2024, circulated in document [G/MA/QR/N/URY/5](#).

5.69. The Committee took note of the notification.

5.2 Report from the Secretariat ([G/MA/QR/13](#))

5.70. The Chairperson drew the Committee's attention to document [G/MA/QR/13](#), entitled "Status of Notifications under the Decision on the Notification Procedure for Quantitative Restrictions", which provided an overview of the status of notifications of quantitative restrictions as of 29 September 2023. The document showed a slight improvement in the notifications as compared to previous years, in particular for the last three biennial periods (2018-2020; 2020-2022; and 2022-2024).

5.71. She observed that, although the volume and quality of notifications had been increasing over the past few years, the overall level of compliance with the Quantitative Restrictions Notification Decision remained relatively low. To the date of the report, 78 Members had never submitted a notification of their quantitative restrictions. In addition, there were Members that had notified measures introduced in response to the COVID-19 pandemic that had indicated that they would submit a full notification with all quantitative restrictions in place at a later date, but had not yet done so.

5.72. She noted that the workshop organized by the Secretariat in April had been an opportunity for Members to better understand how this notification worked, and as mentioned previously, three new notifications had been received as a result of that workshop. She therefore urged Members to comply with this notification obligation and to contact the Secretariat should they need assistance.

5.73. The Committee took note of the Secretariat's report.

6 MC12 IMPLEMENTATION MATTERS: IMPROVING THE FUNCTIONING OF THE COMMITTEE ON MARKET ACCESS - REPORT BY THE CHAIRPERSON ([JOB/MA/170](#))

6.1. The Chairperson informed the Committee about the discussions that Members had had on the various proposals to improve the functioning of the Committee on Market Access and then invited the Committee to consider the report that had been prepared by the Secretariat at the request of the Council for Trade in Goods (CTG), circulated in document [JOB/MA/170](#).

6.2. The Chairperson noted that, following the mandate set out in paragraph 3 of the MC12 Final Document, which mandated the General Council and its subsidiary bodies to "conduct the work, review progress and consider decisions, as appropriate, to be submitted to the next Ministerial Conference" ([WT/MIN\(22\)/24](#)), and upon instruction of the CTG Chairperson, who had requested the Chairpersons of the 14 subsidiary bodies to organize discussions in their respective bodies, in the context of their formal or informal meetings, on the functioning of their committees ([JOB/CTG/23](#)), the Committee on Market Access was among the first bodies to initiate such discussions, at its first informal meeting, on 21 February 2023 ([ICN/MA/9](#) and [ICN/MA/9/Add.1](#)).

6.3. She recalled that, as reported to Members during previous informal meetings, on the basis of suggestions made by Members, on 20 April 2023, the previous Chairperson had drawn up a preliminary list of issues proposed for discussion by the Committee, which had been circulated in document [JOB/MA/162](#). In that document, the issues had been grouped taking into account the Secretariat's comparison matrix ([G/C/W/824/Rev.1](#)), as well as the structure proposed in the preliminary list circulated by the CTG's Chairperson ([ICN/CTG/9](#)).

6.4. The preliminary list of issues had been included on the agenda of the formal meeting of the Committee held on 26-27 April 2023.⁵ At that formal meeting, it had been noted that the Committee on Market Access was a committee that was constantly improving its working procedures and had already been implementing some of the proposals that had been identified in document [JOB/MA/162](#). At the same time, it had been noted that there were areas in which the Committee could still improve its operation. Due to the lengthy agenda of the April formal meeting, the Committee had agreed to organize discussions on this item at its subsequent informal meeting to allow Members sufficient time to review the list, propose new ideas, and have a more in-depth discussion under each item.

6.5. The Chairperson recalled that, following her appointment as Chairperson of the Committee, and in preparation for the informal meeting on 3 July ([ICN/MA/10](#)), she had asked the Secretariat to convert the preliminary list of issues contained in document [JOB/MA/162](#) into a table showing the current status of each proposal to inform Members' discussions going forward. The draft table had been emailed to Members in the WTO's three official languages on 29 June 2023, and had been used during the informal meeting on 3 July to record the discussions held and proposed course of action for each item.

6.6. On 6 July 2023, as a follow-up to the informal meeting, the revised draft table was sent to all Members with an opportunity to check the contents and provide comments ([ICN/MA/10/Suppl.1](#)). The revised table was officially circulated on 18 July 2023, in document [JOB/MA/165](#). In this document, Members' proposals were divided into three groups: (i) proposals that could be implemented, or could continue to be implemented, without further action by the Committee; (ii) proposals for adoption by the Committee through written procedures; and (iii) proposals for which no specific follow-up was required because they were being discussed in other bodies ("horizontal issues") and/or were not dependent on action by the Committee, the Chairperson, or the Secretariat. The document also identified proposals whose implementation had budgetary implications, and which might not be implemented or might be delayed due to resource constraints.

6.7. She recalled that, as a result of this process, and based on proposals from Members, the Committee had agreed to introduce 12 improvements to the way in which it operated, of which three had been proposed for adoption by the Committee, and nine where the Secretariat had been asked to introduce changes in the way it supported the work of the Committee.

6.8. As discussed during the Committee's July informal meeting, and as reflected in document [JOB/MA/165](#), it was proposed to use written procedures for the adoption of three proposals, in line with the practice of other bodies. On 20 July 2023, the Secretariat had circulated document [JOB/MA/166](#) explaining the written procedures and proposing that the three proposals contained in the annex to this document would be considered adopted by the Committee unless any written objection were to be received by the Secretariat by 4 August 2023. As she had already reported to Members at the informal meeting of 18 September 2023, no Member had objected to the adoption of these proposals by the deadline.

6.9. The Chairperson explained that, before circulating the final decision, it had nonetheless been considered important to clarify the language of one of the three proposals, and in particular the proposal to set the deadline for closing the agenda to 15 days prior to a formal meeting. This clarification had been needed more accurately to reflect what the Committee had agreed at the July informal meeting, and to avoid divergences in the procedures of this Committee from those of the CTG, which had already adopted the same decision. For this reason, the Secretariat had circulated a corrigendum to document [JOB/MA/166](#), on 8 August 2023 with an extension to receive comments on this corrigendum until 15 August 2023.

⁵ See document [G/MA/M/78](#), Agenda Item 10.2.

6.10. Following the circulation of the corrigendum, the Chairperson had been contacted by the delegation of Cambodia, on behalf of the LDC Group, with some queries regarding the written procedure and the proposal to change the date for closing the agenda. On 11 September 2023, the Chairperson had met with the delegations of Cambodia and Djibouti to answer their questions and clarify their doubts. The Chairperson informed the Committee that, on 15 September 2023, the Cambodian delegation had confirmed that the LDC Group no longer had any outstanding queries regarding this procedure.

6.11. Therefore, at the informal meeting of the Committee held on 18 September 2023, the Chairperson had indicated that there were no objections to the adoption of the three proposals, and that the final document would be circulated under the symbol [G/MA/411](#). At the same meeting, the Committee was also briefed on the progress that had been made in other areas since the July meeting. In particular, the following improvements had already been made to the work of the Committee on Market Access:

- i. The Secretariat had implemented a series of changes and new features to the eAgenda to allow delegates to download, from the "download all statements" section, a document that compiled all the information shared by Members and the Secretariat during a formal meeting. It was explained that the purpose of this document was not to replace the minutes of the meeting, which the Secretariat would continue to prepare, but to provide delegates with a compilation of all the information available in the eAgenda under each agenda item with a view to facilitating their work in following a formal Committee meeting. The Chairperson noted that the usefulness of this document depended very much on the information that would be available on eAgenda. If, for its part, the Secretariat would upload all its reports, the Chairperson's statements, as well as opening and closing remarks under each item of a meeting's agenda as statements, it was up to Members also to do their part by uploading their statements into the system. The more information that would be shared on eAgenda, the more complete a picture of the discussions held would be provided in the subsequently generated report. In her view, this could be very useful for delegates who had to report back to their Capitals on what had occurred at the meeting, and also for the Secretariat in preparing the meeting's minutes⁶;
- ii. with respect to periodic reminders, the Chairperson indicated that, since the July meeting, the Secretariat had begun sending reminders about (i) notifications to the Integrated Data Base; and (ii) notifications of quantitative restrictions to the email accounts of CMA delegates, in addition to the email accounts of missions. The Secretariat had made arrangements for this practice to continue in the future. She therefore reminded delegates to select the Committee on Market Access in e-Registration in order to receive this information as well as any future communications from the CMA Chairperson or Secretariat, on their own account;
- iii. with regard to the creation of a Committee on Market Access web page that consolidated all information relating to the Committee, including a description of the digital tools used by the Committee itself, in one single webpage, the Secretariat had already introduced new web pages for the Council's subsidiary bodies, and the new CMA page was available online since 19 September 2023.⁷ This page contained very useful information for delegates, such as: (i) contacts for the Secretariat team; (ii) meeting dates; (iii) the Secretariat's annual presentation to delegates on the functioning of the Committee; (iv) instructions on the work of the Committee; (v) a description of the key digital tools and links to access these tools directly from the Committee's webpage; (vi) an explanation of the documents published by the Committee, including notifications; and (vii) other resources. She reminded Members that it was necessary to log in with their WTO credentials to view much of this information. She indicated that the Secretariat would continue to develop material for this web page and invited Members to contact the Secretariat should they have any comments or suggestions for improvement;

⁶ The Secretariat's presentation on the changes to the CMA eAgenda is available in document [RD/MA/117](#).

⁷ https://www.wto.org/english/tratop_e/markacc_e/markacc_com_e.htm

- iv. with regard to the [online notification system for quantitative restrictions](#) and the suggestion to send a communication to the Committee on Budgetary Affairs (CBFA), the Chairperson recalled that she had met, together with the delegation of Ecuador, as proponent of document [JOB/MA/158/Rev.1](#), with the Chairperson of the CBFA to discuss this matter. On that occasion, the CBFA Chairperson had indicated that delegations interested in obtaining additional resources for the implementation of the "reform-by-doing" improvements should make sure to participate in CBFA meetings as this was the best way for them to secure such resources in the budget discussions. She therefore encouraged those delegations interested in expediting the implementation of the online notification system for quantitative restrictions to inform their CBFA counterparts of this interest; and
- v. with regard to the [thematic sessions](#), the Chairperson recalled that, following the good results of the CMA experience-sharing sessions on trade in COVID-19 goods, Members had agreed that the Committee should continue with the practice of organizing thematic sessions based on proposals from Members.⁸

6.12. Finally, the Chairperson recalled that more information on the proposals for improvements that could eventually be included in the work of the Committee was provided in the draft CMA report to the CTG, which had been circulated in document [JOB/MA/170](#). This report had been prepared at the request of the Chairperson of the CTG and was expected to be submitted no later than the first week of November, for the CTG's consideration at its next formal meeting, which had been scheduled for 30 November 2023. The purpose of the report was to provide an update to the Council regarding discussions on measures to improve the functioning of the CMA. She had instructed the Secretariat to email the draft report to Members on 4 October 2023, with one week for review and comments. She informed the Committee that no Member had submitted comments by 11 October 2023. She therefore proposed that the Committee adopt the draft report, as contained in document [JOB/MA/170](#), and submit it to the Council for Trade in Goods for its consideration.

6.13. It was so [agreed](#).

7 CMA THEMATIC SESSIONS – REPORT BY THE CHAIRPERSON

7.1. The [Chairperson](#) recalled that, following the positive experience of the COVID-19 pandemic-related trade in goods sessions, the Committee had been discussing since the beginning of the year whether to continue technical discussions, either in the form of experience-sharing sessions or in other formats, and on what topics. The proposals for thematic sessions submitted by Members had been compiled by the former Chairperson in a preliminary and non-exhaustive list circulated in document [RD/MA/110](#). Based on this list, at the informal meeting of 3 July 2023 she had invited interested Members to submit concrete proposals for additional sessions so that the Committee could consider such proposals and proceed with the organization of possible thematic sessions.

7.2. Following the Chairperson's request, the following three delegations had expressed their interest in organizing thematic sessions: (i) the United Kingdom; (ii) Ecuador; and (iii) Thailand. The delegation of the United Kingdom had submitted a written proposal on supply chain resilience, which had been circulated in document [JOB/MA/167](#), and which was presented at the CMA's informal meeting of 18 September 2023. At that same meeting, the delegation of Ecuador had taken the floor to express its interest in the topic "Greening the HS", and the delegation of Thailand had suggested a thematic session on quantitative restrictions and how to improve the transparency of QR measures. She informed the Committee that the delegation of Thailand had withdrawn its proposal on quantitative restrictions. With respect to Ecuador's proposal, she asked the delegation of Ecuador to submit its proposal in writing so that the Committee could discuss it at its next informal meeting, on 21 November.

7.3. Regarding the United Kingdom's proposal on supply chain resilience, she recalled that the Committee had heard a first presentation of this proposal at its informal meeting on 18 September. Recognizing the interest of Members in addressing this topic at a technical level within the framework of the CMA, she proposed that the Committee begin to consider whether and when to hold thematic sessions on this topic. To this end, on 2 October 2023, the Chairperson had invited all Members to

⁸ See Agenda Item 7.

open informal consultations in which the following four questions were to be addressed: (i) what specific topics in relation to supply chain resilience would Members like to explore in the Committee on Market Access, taking into account the Committee's terms of reference; (ii) what format should these sessions take; (iii) should the Committee invite external stakeholders (such as other international organizations, the private sector, and academia) to share their views on the topic; and (iv) what could be a possible schedule for these sessions?⁹

7.4. The Chairperson reported that, as a result of Members' interventions at the consultations, there was support for the organization of thematic sessions on supply chain resilience in the Committee on Market Access.

7.5. With regard to the specific topics that the Committee could explore, and taking into account the Committee's terms of reference, she reported that Members had indicated that supply chain resilience was a very broad concept that could mean different things to different Members. For this reason, it had been suggested to start with an introductory session, with presentations by international organizations, that could define what is meant by resilience of supply chains and which related topics may be relevant to the work of the Committee.

7.6. It had also been suggested that external stakeholders, and in particular other international organizations, be invited as speakers to the introductory session to provide their definition of supply chain resilience and lay the groundwork for subsequent experience-sharing sessions among Members. In considering which stakeholders to invite, Members felt that it would be important to invite a variety of organizations, and also to include the perspectives of both developed and developing Members, including those of least developed Members.

7.7. In terms of format, delegations had agreed to use the same format that was used for the experience-sharing sessions on COVID-19, in particular as concerned the technical focus of the discussions. With regard to a possible schedule for these sessions, it had been pointed out that the next few months would be very intense and full of meetings due to the preparations for the WTO's 13th Ministerial Conference; therefore, in order to ensure the active participation of Members, it was suggested to postpone such sessions until after the Ministerial Conference. She reported that, at the same, there was no opposition to the organization of an introductory session with the international organizations in November 2023, in conjunction with the informal meeting of the Committee.

7.8. The Chairperson therefore asked whether the Committee could agree to proceed with the organization of a first introductory session on the definition of supply chain resilience with the participation of other international organizations on 21 November 2023, in conjunction with the Committee's next informal meeting. The objective of this introductory session would be to better understand what was meant by supply chain resilience in order to provide Members with a conceptual framework from which they could take up and develop some issues in the framework of the Committee.

7.9. The representative of Canada indicated the following:

7.10. Canada supports holding an introductory session, as proposed by the Chair. A focused discussion on defining the concept of supply chain resilience will help to ensure future discussion and experience-sharing sessions remain within the scope of the Committee.

7.11. The representative of India indicated the following:

7.12. India appreciates the efforts taken by you, Chair, and supported by the Secretariat, to move this discussion forward. The informal discussions on 2 October were constructive. We support inter-governmental organizations presenting their views on supply chains, such that the Member-driven characteristic of the WTO is preserved. We remain open to the idea of scheduling this discussion in November, such that the CMA can organize thematic discussions on resilient supply chains after MC13.

7.13. The representative of the European Union indicated the following:

⁹ See document [ICN/MA/12/Suppl.1](#).

7.14. The European Union would once again express our appreciation to the Chair for bringing this process forward, as well as to the United Kingdom for their proposal on holding thematic sessions on supply chain resilience in the CMA. The European Union agrees with the proposed timeline, starting with holding a first introductory session on the concept with the participation of other international organizations at the Committee's next informal meeting, in November.

7.15. The representative of China indicated the following:

7.16. China thanks the Chair for the report. We also appreciate your consultation on this matter. We have tabled a proposal regarding the supply chain issue in the General Council, which shows our great interest in this topic. We support this thematic session.

7.17. As for the time-frame of this thematic session, considering the heavy workload Members have before MC13, China prefers to have these thematic sessions after MC13, to allow Members to have enough time to prepare for the discussions. We can go along with the suggestion regarding inviting international organizations to have an introductory session on the supply chain issue in November.

7.18. China thinks further consultations are needed to collect Members' ideas about the format and content of the thematic session. We have some areas of interest to us, such as supply chain logistics, private sector experiences and practices, and regional cooperation. We will continue actively participating in the relevant discussions.

7.19. The representative of the United States indicated the following:

7.20. The United States thank the United Kingdom for its proposal of a thematic discussion on supply chain resilience and we thank other Members for sharing their views at the open-ended consultations and for the Chair for facilitating that conversation.

7.21. The United States supports holding the first introductory session on 21 November 2023. We very much look forward to this and the future sessions, and remain ready to assist with their planning and preparation.

7.22. The representative of the United Kingdom indicated the following:

7.23. The United Kingdom would like to convey our thanks to the Chairperson, to the Secretariat, and to the wider Membership in supporting these discussions, which we think are incredibly valuable already, even at a technical level. We would also very much welcome the momentum that a session on 21 November, led by international organizations, could help to bring, and look forward to support on that.

7.24. The representative of Ecuador indicated the following:

7.25. I would like to thank the Chair for your efforts, and the United Kingdom for their proposal on supply chain resilience. As Ecuador said during the informal consultations, we believe it would be useful to have a meeting in November to set the scene and identify relevant issues that could be developed further into thematic sessions for 2024. My delegation is working on the details of its proposal on "Greening the HS", which we will submit before the November meeting.

7.26. The representative of Thailand indicated the following:

7.27. Thailand thanks the United Kingdom and Ecuador for their submissions. It is unfortunate that we have had to drop our earlier proposal, but we are more than willing to support and actively participate in an introductory session and the discussions or organization of this thematic session. We support the idea of having an introductory session in November. We also support the idea of having a discussion regarding the organization of these thematic sessions after MC13.

7.28. The Chairperson proposed that the Committee take note of the statements made and agreed to organize a first session with the participation of other international organizations on 21 November 2023, on the margins of the Committee's next informal meeting. To this end, she invited delegations to contact her or the Secretariat (cma@wto.org) to indicate which organizations should be invited as speakers no later than Tuesday, 31 October 2023. She also indicated that the

session would be confirmed once there were enough speakers, and that an email confirming the session and proposing a draft programme would be sent to all Members in due course.

7.29. It was so agreed.

8 TRADE-RELATED MEASURES TAKEN BY INDIA IN RESPONSE TO THE COVID-19 PANDEMIC AND PREPAREDNESS FOR FUTURE PANDEMICS ([JOB/MA/168](#)) – STATEMENT BY INDIA

8.1. The Chairperson recalled that this agenda item had been included at the request of India.

8.2. The representative of India indicated the following:

8.3. The COVID-19 pandemic was a difficult time for the world, with unprecedented collective suffering, significant loss of human life, and unprecedented economic losses. This Committee was at the forefront of pandemic-related discussions in the WTO, organizing extremely valuable informal, thematic discussions on how different WTO Members were handling the crisis. For this effort, we commend the previous two Chairpersons of the CMA, as well as the Secretariat.

8.4. As a developing country with the world's second-largest population of about 1.4 billion people, India was also impacted by the COVID-19 pandemic. The Government of India responded to the COVID-19 crisis with a whole-of-government approach, including the effective use of relevant trade policy instruments. The policy measures undertaken by India in the area of healthcare, food security, services sector, trade facilitation, and international cooperation were significant for us in responding to, and recovering from, the pandemic. These measures can also be used as a trigger-ready mechanism to respond to future pandemics. Given the mandate of paragraphs 23 and 24 of the WTO's Ministerial Declaration on the response to the pandemic ([WT/MIN\(22\)/31](#)), my delegation submitted document [JOB/MA/168](#) for information on such pandemic response measures. While the document is detailed, I would highlight the following areas related specifically to trade:

- Supplying COVID-19 vaccines to around 100 countries/customs destinations and medicines to around 150 countries/customs destinations;
- domestically administering 2.2 billion doses of vaccines, ensuring that India does not crowd out the market for a supply-restricted commodity;
- efforts made alongside South Africa in the WTO for a TRIPS waiver for COVID-19 vaccines, therapeutics and diagnostics with the cooperation of a large number of WTO Members;
- leveraging digital healthcare within the country to promote and develop the telemedicine sector;
- sharing healthcare-related Digital Public Goods expertise with other countries;
- keeping India's thriving services sector open for business through the pandemic, which ensured business-as-usual operations in several critical sectors of the global economy;
- ensuring food security for the large Indian population, demonstrating that public stockholding is a critical aspect of agriculture trade policy. This effort also ensured that India did not crowd out international food stocks, thus making the scarce commodities accessible, available and affordable for other Members;
- rapid digitalization of border customs measures and trade processes, promoting trade facilitation using technology; and
- working with many other countries through the pandemic towards keeping supply chains open amidst a tough operational environment. For this cooperation, we thank our international trade partners.

8.5. India hopes that this document compilation is helpful in the spirit of experience-sharing and information exchange. We remain available to address any queries.

8.6. The representative of the United Kingdom indicated the following:

8.7. The United Kingdom wants to thank India for circulating this paper and we commend them for the level of detail they have provided. The importance of transparency was a key reflection throughout the pandemic experience-sharing sessions, and this paper sets the tone for the degree of transparency and the spirit of cooperation that should characterize the work of this Committee. Members stand to benefit from this paper as a useful case study to reflect on their own approaches to the COVID-19 pandemic and future pandemics, so we would encourage all to read it.

8.8. The Committee took note of the statements made.

9 UPDATE ON G20 TRADE AND INVESTMENT MINISTERS' MEETING OF AUGUST 2023 AND JAIPUR CALL FOR ACTION FOR ENHANCING ACCESS TO INFORMATION FOR MSMEs – STATEMENT BY INDIA ([RD/MA/120](#), [RD/MA/121](#))

9.1. The Chairperson recalled that this agenda item had been included at the request of India.

9.2. The representative of India indicated the following:

9.3. Under the ongoing G20 presidency of India, the G20 Trade and Investment Ministerial Meeting (TIMM) was held in August 2023. This meeting focused on easing barriers to international trade and investment; helping boost productivity and output and fostering economic growth and prosperity for all. While addressing the opening session of TIMM in Jaipur, Rajasthan, Honourable Minister of Commerce and Industry Shri Piyush Goyal encouraged the Ministers from G20 and other invitee countries to work collectively to achieve concrete, decisive and action-oriented outcomes. This session resulted in a TIMM declaration, which also included the Jaipur Call for Action for enhancing access to information for MSMEs. This agenda item has been added to share an update with the WTO delegates from this declaration, with the outcomes being relevant to our ongoing work in this Organization.¹⁰

9.4. The Committee took note of the statement made.

TRADE CONCERNS

New trade concerns

10 THAILAND – LICENSING REGIME FOR WHEAT (ID [104](#)) – STATEMENT BY THE EUROPEAN UNION

10.1. The Chairperson recalled that this agenda item had been included at the request of the European Union.

10.2. The representative of the European Union indicated the following:

10.3. First of all, the European Union would like to note that, while this item appears under new trade concerns, it is in fact a long-standing item that had been previously discussed under Agenda Item 5 (Notifications Pursuant to the Decision on Notification Procedures for Quantitative Restrictions). As highlighted in previous meetings, Thailand's import licensing requirements for feed wheat are non-automatic licensing requirements and should have been included in Thailand's QR notification. The EU also reiterates its long-standing deep concerns on the import procedures for feed wheat, including the local corn purchase requirement, introduced by Thailand in late 2016. These have been in place for more than six years, although presented as of "temporary nature" – and remain, despite the increase in average domestic corn prices over the last years.

¹⁰ The presentations by India can be found in documents [RD/MA/120](#) and [RD/MA/121](#).

10.4. Thailand put in place temporary suspensions of its local corn purchase requirement from May to July 2022 and for imports of 130,000 tonnes of feed wheat in 2023 for seven shrimp feed millers in response to complaints over increasing production costs. These are a clear indication that the measure is not temporary. The system in place raises questions in terms of its WTO compatibility, as well as in terms of transparency in the decision-making process. The EU welcomes the announcement by the new Prime Minister of Thailand that his government will not pursue any agriculture price intervention measures as they are market distortive.

10.5. The European Union asks Thailand about the timeline for the discontinuation of the corn deficiency payment scheme. The EU requests Thailand to discontinue, in the same vein, the distortive feed wheat import licence regime in place since 2017. The EU refers to the detailed points raised in the last meeting of the Committee on Import Licensing. We urge Thailand to address the concerns that we have repeatedly expressed.

10.6. The representative of Thailand indicated the following:

10.7. Thailand thanks the European Union for its continued interest and enquiries regarding Thailand's import policy for wheat. We greatly appreciate the EU's engagement on this matter. We wish to confirm that Thailand has taken good note of the concerns raised by the European Union today, as well as those previously discussed in the meetings of the Committee on Market Access and Committee on Import Licensing. These concerns have been duly conveyed to our Capital for careful consideration.

10.8. Thailand wishes to reaffirm our commitment to our obligations under the WTO. We would like to refer to our previous statements made in the recent meetings of the Committee on Market Access and the Committee on Import Licensing. We wish to reiterate that the review of the wheat import measure is an ongoing process, and that consultations with the relevant stakeholders on this important crop are currently in progress.

10.9. The Committee took note of the statements made.

11 INDIA – IMPORT RESTRICTIONS ON PCS, TABLETS, AND OTHER ELECTRONIC PRODUCTS (ID 105) - STATEMENT BY CHINA

11.1. The Chairperson recalled that this agenda item had been included at the request of China.

11.2. The representative of China indicated the following:

11.3. On 3 August 2023, India abruptly announced that a licensing requirement for importing laptops, tablets, and personal computers would be imposed immediately. One day after the initial announcement, India decided to delay the implementation of the licensing requirement until 1 November 2023. Recently it has been reported that an import registration management system may be implemented instead of the import licensing requirement. We would like to seek clarifications from India with regard to these rapidly changing measures, and an explanation of the purpose of these policies. We encourage India to ensure that its relevant measures comply with WTO rules.

11.4. The representative of the United States indicated the following:

11.5. The United States is concerned that India's new import licensing requirements for computers, tablets, and servers will have a significant impact on trade in these products, including for US exports to India, once implemented. We are also concerned about the manner in which these new regulations were developed. There was no notice or opportunity for public comments. Detailed information about how the requirements would operate has not been provided, creating uncertainty for exporters and downstream users. We welcomed the news that implementation may be delayed, but request that India rescind the requirements, in light of their potential impact on trade and WTO requirements. The surprise announcement of these import licensing requirements, without notice or opportunity for public comment, prompts US and other firms to think twice about doing business in India, making it harder for India to generate the type of manufacturing jobs it is intending to create.

11.6. The representative of Chinese Taipei indicated the following:

11.7. Chinese Taipei would like to echo the concern about India's announcement to impose import measures on personal computers, laptops, tablets and other electronic items falling under HS Code 8471, starting from 1 November 2023. Such adopted measures have the effect of quantitative restrictions, leading to protection of India's domestic industry. We urge India to explain the rationale behind this restrictive measure. We also urge India to cease adopting any import licensing measures that create trade distortive or restrictive effects. We also call on India to adhere to the relevant provisions of the Agreement on Import Licensing Procedures. This is crucial to ensure that non-automatic licensing regimes not have any trade restrictive or distortive effects. We further request India to observe the principle of transparency by publishing sufficient information to enable other Members and traders to know its basis for granting licences, as well as details relating to the administration of the restrictions.

11.8. The representative of the Republic of Korea indicated the following:

11.9. The Republic of Korea shares the concerns expressed by previous speakers regarding India's import restrictions on PCs, tablets, and other electronic products. Korea believes that the proposed measures seem inconsistent with the WTO's rules, specifically Article XI of the GATT 1994, and could consequently create unnecessary trade barriers. While the implementation has been delayed until 31 October, once enacted, from 1 November, they will present significant challenges by limiting imports. Therefore, the Republic of Korea requests that India reconsider the implementation of these measures and provide detailed clarification and information on this issue, including its timeline.

11.10. The representative of India indicated the following:

11.11. India has taken good note of the statements made by the delegations of China, the Republic of Korea, Chinese Taipei, and the United States today. Our Capital will examine the issue and the questions raised.

11.12. The Committee took note of the statements made.

12 CHINA; HONG KONG, CHINA; MACAO, CHINA - RESTRICTION ON IMPORTS OF AQUATIC PRODUCTS FROM JAPAN AFTER THE DISCHARGE OF ALPS-TREATED WATER INTO THE SEA (ID 106) - STATEMENT BY JAPAN

12.1. The Chairperson recalled that this agenda item had been included at the request of Japan.

12.2. The representative of Japan indicated the following:

12.3. On 24 August, China; Hong Kong, China; and Macao, China imposed an import restriction measure on Japanese aquatic products, and on other foodstuffs in Macao, China, following the discharge of Japan's Advanced Liquid Processing System (ALPS) treated water. Japan's position is as set out in the communications circulated by the Secretariat on 4 and 27 September respectively, and we will not go into details on our position again today. However, Japan would like to stress that the discharge of ALPS-treated water into the sea has been carried out, in accordance with international safety standards and practices, after taking all possible safety precautions. Furthermore, as the International Atomic Energy Agency (IAEA)'s comprehensive report indicates, the discharge of ALPS-treated water into the sea has negligible impact on human health and the environment.

12.4. In addition, following the discharge of the ALPS-treated water, the Government of Japan, with the support of independent international experts from the IAEA Task Force, and with the continuous involvement of the IAEA, including IAEA-led reviews, has carried out monitoring relating to the concentration of radioactive substances and has also published the results in a timely and transparent manner.

12.5. Japan is committed to taking appropriate measures, including the suspension of any discharges in the event that the monitoring indicates that the concentration of radioactive material exceeds the level at which discharges should cease. The fact that these three Members have imposed import suspension measures on Japanese aquatic products and on other foodstuffs in Macao, China is not based on scientific grounds and is totally unacceptable. In fact, the value of Japanese seafood exports to China this August fell by approximately 66% compared to the same month last year.

Thus, access to markets for Japanese fishery products and foodstuffs has been significantly hampered, causing significant economic damage to domestic fishermen and other stakeholders. These measures are clearly contrary to Article XI:1 of the GATT (General elimination of quantitative restrictions) and Japan strongly urges China; Hong Kong, China; and Macao, China to immediately cease such measures.

12.6. Furthermore, today, Russia announced its intention to join China's measure and its decision to strengthen import restriction measures for Japanese aquatic products. This measure is unjustified, is not based on scientific grounds, and is also totally unacceptable as it goes against the international trend towards easing or eliminating import restrictions on foodstuffs from Japan. Japan strongly urges Russia to immediately cease such a measure.

12.7. The representative of the United States indicated the following:

12.8. The United States takes note of Japan's intervention, and its concern that China; Hong Kong, China; and Macao, China continue to apply a trade restrictive measure to suspend imports of Japan's aquatic products without justification. The US reiterates that it shares Hong Kong, China's concerns. We urge China; Hong Kong, China; and Macao, China to immediately repeal their measure.

12.9. The United States agrees with the position of the IAEA and other international bodies, after rigorous safety reviews, that the discharge of ALPS-treated water from the Fukushima Daiichi Nuclear Power Station does not pose a concern to public safety, and that the discharge will have a negligible impact on any concentrations of elements in international waters. The three Members' implementation of the measure cannot be regarded as being based on scientific principles. The US notes reports that China's own active nuclear power plants annually release several times more of certain radioactive compounds, such as tritium, than will be released by the Fukushima Daiichi Nuclear Power Station. This undermines claims from China about their concern over the same compounds for safety reasons.

12.10. The United States further notes evidence of numerous Chinese-flagged vessels fishing in the same waters China has banned Japanese imports and subsequently selling their seafood in China as domestic products. These reports further corroborate the position of Japan that there is no legitimate scientific-based concern underlying this measure. The United States reiterates our systemic concern with the broad range of restrictive measures China has imposed upon a number of WTO Members in an abusive, arbitrary, or pretextual manner.

12.11. The representative of the United Kingdom indicated the following:

12.12. The United Kingdom would like to reiterate its full support for the Government of Japan's decision to discharge Advanced Liquid Processing System (ALPS) treated water from the Fukushima Daiichi Nuclear Power Plant into the Pacific Ocean. We would also like to restate our full satisfaction with the International Atomic Energy Agency (IAEA)'s monitoring and judgement that Japan's release of treated water from the Fukushima Daiichi nuclear site is safe and consistent with internationally accepted nuclear safety standards. We are therefore troubled by the imposition of new import restrictions on all aquatic products from Japan by China, as well as new partial import restrictions by Hong Kong, China and by Macao, China, despite the fact that this practice is scientifically robust, safe, and compliant with international regulations.

12.13. The United Kingdom asks China to clarify its concerns in light of the decision of the IAEA and the routine nature of the aqueous discharges of tritium, which is a standard practice throughout the nuclear industry globally. We hope that China will engage constructively and transparently with these concerns, raised both here and in other Committees.

12.14. The representative of Canada indicated the following:

12.15. Canada acknowledges the conclusions of the International Atomic Energy Agency (IAEA)'s Comprehensive Report on the Safety Review of the ALPS-Treated Water at the Fukushima Daiichi Nuclear Power Station. Canada's veterinary and public health authorities have concluded that the release of this treated water by Japan does not constitute a food safety concern. Canada believes that SPS-related trade measures should rely on science-based evidence, in accordance with the obligations of the WTO SPS Agreement.

12.16. The representative of the European Union indicated the following:

12.17. The European Union takes note of the Japanese government's decision to release treated water from the Fukushima power plant into the sea. Any analysis must be based solely on facts and scientific grounds. The comprehensive report of the International Atomic Energy Agency (IAEA) of 4 July 2023 assessed that the Japanese approach is consistent with the highest nuclear international safety and radioactivity standards. The EU supports the IAEA's continuous efforts to provide technical assistance in reviewing the safety of the discharge of treated water and to provide continued independent monitoring. The involvement of the IAEA is key to ensuring science-based credibility and transparency in the monitoring process. We invite the Japanese authorities to continue providing regular updates on the Fukushima status in a timely and transparent manner.

12.18. The representative of Australia indicated the following:

12.19. Australia acknowledges Japan's statement and its concerns regarding this measure. Australia notes the importance of measures being based on evidence and scientific risk assessments. We are following this development closely.

12.20. The representative of Macao, China indicated the following:

12.21. Macao, China has noted Japan's communications in document [G/SPS/GEN/1233/Rev.6/Add.3](#). I do not have any information off-hand for the time being, but it will be reported to the home government for consideration.

12.22. The representative of China indicated the following:

12.23. China thanks the relevant Members who mentioned International Atomic Energy Agency (IAEA) report just now. However, the IAEA's Director General said in July that the IAEA report is neither a recommendation nor an endorsement of Japan's decision to release the treated water stored at the Fukushima Daiichi power station.

12.24. As regards to the data on the nuclear contaminated water discharged by Japan into the sea, due to the limited number of water samples being examined, the data cannot ease public concerns on environmental and food safety and the public health. China is a neighbouring Member of Japan and an important importer of Japanese aquatic products. China has repeatedly raised serious concerns on this matter because we believe that nuclear-contaminated water discharged into the ocean will impose serious risks to environmental safety, food safety, and public health. We have taken precautionary emergency measures to suspend the import of aquatic products originating from Japan since 24 August, in accordance with relevant Chinese laws and regulations, and the SPS Agreement of the WTO.

12.25. The measures that we are taking are to protect the health of Chinese consumers and to ensure the safety of imported food. They are fully justified, reasonable, and necessary. We reiterate that the measures that we are taking are precautionary emergency measures. We urge Japan to assess the huge risks to global food safety caused by Japan's discharge of nuclear-contaminated water into the ocean, in a science-based, responsible, sincere, and transparent manner. We request Japan to comprehensively collect data and conduct risk assessments, and to provide the relevant assessment reports to China in a timely manner. China will exam and analyse the relevant data and reports provided by Japan and take appropriate action based on our assessment.

12.26. The representative of Hong Kong, China indicated the following:

12.27. Despite the repeated concerns that Hong Kong, China has conveyed to Japan at the bilateral level, the Japanese government has persisted in its decision to proceed with the discharge of nuclear-contaminated water from the Fukushima Nuclear Power Station. This water has been in direct contact with the active raw materials of the nuclear reactors, and contains a high concentration of various types of radioactive substances, including some with long half-lives. The discharge of treated nuclear-contaminated water is an unprecedented action and will last for 30 years or more. It is essential to note that, while tritium can be diluted, it cannot be entirely removed from the water. Consequently, the risk of other radioactive substances potentially escaping along with tritium into the treated nuclear-contaminated water at any moment in time cannot be entirely ruled out.

12.28. Given the uncertainty over the effects of the radionuclides on the food chain, which may have harmful effects on human health, and the need to further observe whether the dilution and discharge system will operate as intended, Hong Kong, China can only have a more accurate assessment of the impact of the discharge sometime after the commencement of the discharge, when more surveillance data is available.

12.29. Considering the aforementioned risks, Hong Kong, China must take corresponding precautionary measures to prevent or reduce the possibility of danger to public health or to mitigate any adverse consequence of a danger to public health. As a result, in response to Japan's initiation of the discharge of treated nuclear-contaminated waste, Hong Kong, China has made the decision to suspend the import of aquatic products, sea salt, and seaweeds originating from Fukushima and nine nearby metropolises/prefectures. Hong Kong, China will continue to maintain close communication with Japan to closely monitor the latest situation regarding import of food from Japan and the discharge plan of the Fukushima Nuclear Power Station, and perform risk assessments to help safeguard the food safety and public health of citizens in Hong Kong, China.

12.30. The representative of Japan indicated the following:

12.31. Japan appreciates the comments made by Australia, Canada, the European Union, the United Kingdom, and the United States. With regard to the comments of China; Macao, China; and Hong Kong, China, Japan's position is as already stated and will not be repeated, but the measures in question are not based on scientific evidence and are totally unacceptable. These measures are clearly contrary to Article XI:1 of the GATT 1994, and Japan strongly urges China; Hong Kong, China; Macao, China; and the Russian Federation to immediately repeal such measures.

12.32. The representative of China indicated the following:

12.33. China would like to point out that Japan's discharge of 1.3 billion tonnes of nuclear-contaminated water into the ocean for 30 years is unprecedented in history. This creates huge uncertainty in terms of food safety and public health. China is a neighbouring Member of Japan and imports a lot of aquatic food from Japan. It is fully justified, reasonable, and necessary for China to take precautionary emergency measures to protect its consumers' health and environmental safety. It also needs to be pointed out that the water discharged by Japan into the ocean is nuclear-contaminated water resulting from an accident, which is completely different from water normally produced by nuclear power plants worldwide.

12.34. The Committee took note of the statements made.

13 CHINA – EXPORT CONTROL MEASURE ON GALLIUM AND GERMANIUM PRODUCTS (ID 107) – STATEMENTS BY THE EUROPEAN UNION AND JAPAN

13.1. The Chairperson recalled that this agenda item had been included at the request of the European Union and Japan.

13.2. The representative of Japan indicated the following:

13.3. On 1 August, the Ministry of Commerce of the People's Republic of China enforced a measure to impose a permit system for the export of gallium and germanium-related items on the grounds of protecting national security and interests, and Japan is concerned about the intention of this measure. While there is information that export permissions to some companies have been granted, Japanese companies have expressed concerns that it is taking a very long time to obtain export licences. We request an explanation of the status of the examination from China and request that the permit procedure is carried out fairly and promptly.

13.4. The representative of the European Union indicated the following:

13.5. On 3 July, China's Ministry of Commerce announced that exports from China of items containing gallium and germanium will require a dual-use export licence as of 1 August 2023, on the alleged basis of "national security and interests". At the Council for Trade in Goods on 7 July 2023, the European Union pointed out that the scope of the announced export restrictions was very broad. China has not defined any technical parameters for these items that would relate to their use in

military applications. Instead, China seems to restrict all exports of products containing gallium and germanium, regardless of any specific dual-use concerns. The EU has still not received a satisfactory response to our request that China provide information on the scope, including on the technical parameters, for these controls, and the security-related rationale of the measures. The EU calls upon China to tailor its controls to relevant security considerations, in compliance with WTO rules, and to ensure that its controls do not unduly interfere with civilian trade and value chains.

13.6. The European Union recalls that China stated expressly that it would be granting export licences, and that trade in germanium and gallium would continue. The EU is monitoring the markets and trade flows very attentively in order to assess developments. However, industry representatives indicate that licences are taking a long time to process. The EU requests an explanation of the status of the review process on the Chinese side, and requests that the permit procedure is carried out fairly and promptly.

13.7. The representative of Australia indicated the following:

13.8. Australia notes the statement by Japan in relation to China's Export Control Law. As set out in Australia's submissions to China's consultations on these then proposed laws and regulations, we welcomed efforts to codify the regulatory framework for defence export controls. However, Australia still has concerns about the broad scope of the export control law, including China's recent announcement on the implementation of export controls on gallium and germanium-related items on the basis of "national security".

13.9. Australia is closely monitoring this latest measure in regard to its WTO-consistency and its impact on global supply chains. We encourage China to continue to provide greater clarity in relation to key elements of the law, including jurisdiction, the scope of administrator powers, how these measures safeguard China's national security, and confirmation that the law is consistent with China's international commitments including WTO rules and the China-Australia Free Trade Agreement (ChAFTA). We continue to urge China to take account of the concerns of foreign businesses and WTO Members in the implementation of this law and development of any associated measures.

13.10. The representative of Switzerland indicated the following:

13.11. Switzerland would also like to refer to the recent announcement made by the Chinese Authorities with regards to the export control of gallium and germanium for reasons of national security. This measure is likely to have a strong impact on global supply chains and the multilateral trading system. Switzerland therefore welcomes further clarifications in order to analyse the measure and its implementation, especially with regard to its WTO compatibility.

13.12. The representative of Canada indicated the following:

13.13. Canada thanks Japan for raising the 3 July 2023 announcement by the Chinese Ministry of Commerce and the General Administration of Customs on the Export Control of Gallium and Germanium-Related Items on the grounds of protecting national security and interests. Canada will closely monitor the implementation of these new measures, in particular their consistency with WTO commitments.

13.14. The representative of the United Kingdom indicated the following:

13.15. The United Kingdom supports Japan in raising this concern and we join the calls for further transparency from China around the implementation of this measure. We have noted media reports that Chinese exports of gallium and germanium dropped to zero in August, compared to 5.15 metric tonnes and 8.63 metric tonnes in July, respectively. We continue to seek clarification on what China would define as its "national interest" for the purposes of this measure. And we call on China to provide a justification for these controls with regards to its WTO commitments, for example, through notification to this Committee. We would also welcome confirmation that export licences will continue to be approved promptly.

13.16. The representative of the United States indicated the following:

13.17. The United States shares similar concerns with the imposition of this export measure on gallium and germanium. We are concerned with the lack of transparency around this restriction and the uncertainty it is causing for traders. We urge China to notify this measure in accordance with its WTO commitments and we will continue to monitor this situation closely.

13.18. The representative of the Republic of Korea indicated the following:

13.19. The Republic of Korea shares the concerns raised by others regarding China's export control measure on gallium and germanium products. Korea is closely monitoring the measure's potential ramifications on global supply chains and the multilateral trading system. Korea expresses its desire for the measure to be implemented in a fair and transparent manner, in accordance with WTO principles.

13.20. The representative of China indicated the following:

13.21. Gallium and germanium-related items can be used for both military and civilian purposes. Export controls on gallium and germanium-related items is international customary practice. Since 1996, gallium and germanium-related items have been gradually included in the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Good and Technologies and 42 member States of The Wassenaar Arrangement have implemented the Arrangement.

13.22. China imposes export controls on gallium and germanium-related items in a justified, reasonable and non-discriminatory manner under the framework of the WTO, with the aim to better fulfil its international non-proliferation obligations. It should be noted that export control does not prohibit exports, and exports that are used for lawful purposes and meet the relevant regulations will be allowed. We have already approved a number of export applications since the implementation of the export control. We will continue reviewing the export applications and make proper decisions in accordance with the relevant regulations in an open, transparent, and non-discriminatory manner.

13.23. The Committee took note of the statements made.

Previously raised trade concerns

14 ANGOLA - IMPORT RESTRICTING PRACTICES (ID 46) - STATEMENT BY THE EUROPEAN UNION

14.1. The Chairperson recalled that this agenda item had been included at the request of the European Union.

14.2. The representative of the European Union indicated the following:

14.3. Angola's import restrictions on a list of over 50 products is a long-standing trade concern. In view of lack of progress both at the multilateral (i.e., no notification at the WTO) and at the bilateral level, including in particular the lack of answers by Angolan authorities to questions posed by the European Union, the EU underscores once again its concern about the compatibility of Presidential Decree 23/19 with WTO rules. To recall, on 14 January 2019, Angola published Presidential Decree 23/19, which included a set of import restrictions on a list of 54 products, mainly agricultural products for day-to-day consumption, such as rice, beans, potatoes, or pork. Such restrictions take the form of quantitative restrictions and import licensing requirements that appear to prioritize the use of domestic production, similar to an import substitution policy. In practice, priority is given to products produced in Angola by requiring that importers demonstrate that they either cannot find a product domestically or have already purchased domestically.

14.4. The European Union remains supportive of Angola's intention to diversify its economy and to develop its domestic industry. Nevertheless, the EU maintains its deep concern over Presidential Decree 23/19 aiming to protect domestic industries in a manner that could prove detrimental to foreign investments. The EU strongly urges Angola once again to review the relevant measures in order to ensure their compliance with WTO rules.

14.5. The representative of Angola indicated the following:

14.6. Before starting our statement, Angola acknowledges with gratitude the important message received at the beginning of this meeting from the United States. We believe that the US has given to the dialogue the relevance it deserves, while taking into consideration the high level of the bilateral relations we are enjoying today. With this positive step taken by the US, Angola assures you that we will continue making all efforts to comply with the rules of the multilateral trading system. Hopefully we will also continue to count on your generous support.

14.7. Angola thanks the European Union for the concerns raised, and we consider Angola's previous statements made in this and other committees to remain valid. Given the need to increase national production and diversify exports, the Government of Angola adopted measures that aim to accelerate the diversification of national production and the generation of wealth, and in this way has implemented strategies to reduce foreign exchange expenditure and the import of inputs, such as fertilizers, seeds, and other means for the various productive sectors of the economy. Currently, Angola is a product-importing country but has been working to gradually change this situation by increasing its national production. In this context, more than simply making a statement, we would also like to present relevant statistical data on the volume of imports between Angola and the EU member States.

14.8. The largest and the main products originating from the European Union are sugar, rice, potatoes, chicken meat, onions, corn flour, wheat flour, spaghetti pasta, soybean oil, sunflower oil, frozen and dried miscellaneous fish, soap, common salt, and wheat grain. However, there is already some surplus in the production of wheat flour, corn flour, milk, spaghetti pasta, fish, and onions. After this declaration, we will send through the Permanent Mission of Angola the statistical data relating to the information provided on the volume of imports between Angola and the EU, proving that there is no restriction on imports.

14.9. New strategies are being implemented in Angola. In this way, Angola will be even more committed to the application and adherence to the rules, discipline, and transparency assumed in the WTO Agreements, thereby contributing to the better functioning of the multilateral trading system and trade liberalization.

14.10. The Committee took note of the statements made.

15 AUSTRALIA – MATURATION REQUIREMENTS FOR IMPORTED ALCOHOL (ID 94) – STATEMENT BY BRAZIL

15.1. The Chairperson recalled that this agenda item had been included at the request of Brazil.

15.2. The representative of Brazil indicated the following:

15.3. Brazil makes reference once again to STC 636, raised since May 2020, under the TBT Committee, regarding Australian Customs Notice No. 2007/19 on technical requirements for the importation of alcoholic beverages. This regulation directly violates Article XI:I of the GATT by imposing a minimum period of two years of maturation in wooden barrels for the importation of sugar cane alcoholic beverages, without exceptions. This technical requirement is not related to any sanitary or quality standard applicable to cachaça.

15.4. Therefore, Brazil urges Australia to adopt immediate action in order to eliminate this blatant quantitative restriction. Brazil poses two questions to Australia: (i) does Australia intend to notify the regulation as a quantitative restriction, as it implies a ban on the importation of cachaça that does not meet the maturation requirement; and (ii) when can we expect internal measures in Australia that will promote the necessary reform, namely the amendment of the legislation on importation of unmatured alcoholic beverages?

15.5. Brazil acknowledges the efforts from Australian officials to implement a permanent solution to this concern. This trade concern has been in place for years. We count on Australia's authorities to take action as soon as possible, so that this restriction can be overcome.

15.6. The representative of Australia indicated the following:

15.7. Australia acknowledges Brazil's interest in Australia's maturation requirements for certain imported alcohol products and its concern with how these requirements impact cachaça. We acknowledge Brazil has raised this as a long-standing issue in the TBT Committee. Australia established a whole-of-government working group in 2022 to consider trading partners' concerns regarding the maturation requirements for the importation of certain alcohol products into Australia. This working group continues to meet, most recently in August 2023. The working group is considering the legislative framework for the importation of certain unmatured alcohol products under section 105A of the Customs Act 1901 (Customs Act). The working group is also considering any relationship to corresponding domestic maturation requirements.

15.8. This is a complex issue which requires resourcing from multiple government portfolios. Any legislative changes to section 105A of the Customs Act and any other possible changes to requirements contained in other legislation need to be made in accordance with Australia's domestic regulatory reform processes. Australia takes these concerns seriously and has ensured that Australian Government Ministers remain updated on the status of this issue. We appreciate the patience shown while we work through the complexities of a resolution. The Australian government will notify WTO Members of any proposed changes to address the issue through the TBT Committee when we are able to do so, in accordance with Australia's obligations under the TBT Agreement.

15.9. The Committee took note of the statements made.

16 AUSTRALIA – DISCRIMINATORY MARKET ACCESS PROHIBITION ON 5G EQUIPMENT (ID [39](#)) – STATEMENT BY CHINA

16.1. The Chairperson recalled that this agenda item had been included at the request of China.

16.2. The representative of China indicated the following:

16.3. China's concern on this matter remains. The measures taken by Australia to restrict Chinese enterprises from providing 5G equipment and services to the Australian market violates the most-favoured-nation (MFN) principle and the general elimination of quantitative restrictions of the WTO, and undermines China's legitimate rights and interests under the WTO.

16.4. China urges Australia to correct its discriminatory and WTO-inconsistent practice and provide a fair, non-discriminatory and predictable business environment for Chinese enterprises.

16.5. The representative of Australia indicated the following:

16.6. Australia takes note of China's statement. China first raised this issue elsewhere in the WTO in 2018. Since that time, Australia has engaged constructively and in good faith with China to explain the rationale for its position. Australia also notes that other WTO Members have made similar decisions in their national interest on equipment for national 5G networks.

16.7. Australia reiterates that its position on 5G networks is country-agnostic, transparent, risk-based, non-discriminatory, and fully WTO consistent.

16.8. The Committee took note of the statements made.

17 CANADA – DISCRIMINATORY MARKET ACCESS PROHIBITION ON 5G EQUIPMENT (ID [79](#)) – STATEMENT BY CHINA

17.1. The Chairperson recalled that this agenda item had been included at the request of China.

17.2. The representative of China indicated the following:

17.3. In 2022, the Canadian government, without any evidence, announced that 5G equipment from Huawei and ZTE would be removed or terminated by June 2024, along with a deadline of December 2027 to remove existing 4G equipment provided by the Chinese companies. The

measures taken by Canada violate the MFN principle and the general elimination of quantitative restrictions of the WTO, and undermine China's legitimate rights and interests under the WTO.

17.4. China urges Canada to correct its discriminatory and WTO-inconsistent practice and provide a fair, non-discriminatory and predictable business environment for Chinese enterprises.

17.5. The representative of Canada indicated the following:

17.6. The Government of Canada takes the security of Canadians, their data and information, and its telecommunications system very seriously. Canada's decision to amend the Telecommunications Act was carefully considered and took into account a changing technological and global environment. Canada's critical infrastructure is becoming increasingly interconnected, interdependent, and integrated with cyber systems, particularly with the emergence of new technologies such as 5G. Every country, including China, has its own domestic laws and regulations on telecommunications.

17.7. The Government of Canada is taking important steps to further protect Canada's critical infrastructure systems in a way that is consistent with Canada's WTO commitments, while championing emerging technologies such as 5G.

17.8. The Committee took note of the statements made.

18 CHINA – TRADE DISRUPTIVE AND RESTRICTIVE MEASURES (ID 58) – STATEMENT BY AUSTRALIA

18.1. The Chairperson recalled that this agenda item had been included at the request of Australia.

18.2. The representative of Australia indicated the following:

18.3. Australia and China enjoy a mutually beneficial trading relationship. We are free trade partners through the China-Australia Free Trade Agreement, and the Regional Comprehensive Economic Partnership. We share the benefits, as do all WTO Members, of a stable, predictable, and open global trading system. That is why we continue to seek the resumption of normal trade between our two countries. Members are aware of Australia's ongoing concerns regarding China's trade disruptive and restrictive measures, applied without adequate transparency or justification, on a range of Australian commodities.

18.4. Australia has seen recent positive developments to our trading relationship with China. Some measures remain in place, including on bottled wine, live rock lobster, and some red meat establishments. Action should be taken to remove these measures without delay. While they remain in place, we will continue to raise our concerns here, and in other WTO committees. Australia looks forward to continuing our engagement with China on these issues, in the WTO and through our Comprehensive Strategic Partnership, to achieve further progress in the interests of both China and Australia.

18.5. The representative of the United Kingdom indicated the following:

18.6. The United Kingdom again supports Australia's concerns about trade restrictive measures taken by China. We note continued progress on measures being lifted by China and welcome a full resolution to follow.

18.7. The representative of Canada indicated the following:

18.8. Canada shares Australia's concerns with the ongoing challenges caused by China's continued adoption of trade disruptive and restrictive measures. As previously noted, Canada's agricultural market access in China continues to be negatively impacted by the lack of transparency and scientific justification for China's measures, by long delays in China's approval process for Canada's market access requests, and by discriminatory treatment compared to that provided to the same products from other Members. Canada again calls on China to engage in two-way technical dialogue to address and resolve ongoing trade concerns based on internationally recognized scientific principles and practices. We encourage all WTO Members, including China, to abide by their WTO commitments.

18.9. The representative of the United States indicated the following:

18.10. The United States takes note of Australia's intervention, including its report of recent bilateral developments and its concern that China continues to apply trade restrictive measures on a number of products without adequate transparency or justification. The US reiterates that it shares Australia's concerns. We remain deeply troubled by the information provided by Australia, and from other credible sources, including that Chinese authorities instructed importers not to purchase certain goods.

18.11. The United States again registers its systemic concern with the broad range of restrictive measures, both formal and informal, that China has imposed on certain Australian goods in an abusive, arbitrary, or pretextual manner. As noted previously, China's actions are not isolated to Australia. There are many instances of China using these harmful non-market practices against WTO Members in apparent retaliation for unconnected bilateral issues, including China's discrimination against Lithuanian goods, EU products with Lithuanian content, Chinese Taipei pineapples, and Canadian barley.

18.12. It is important to identify similarly coercive actions taken by China against other Members, as they demonstrate a broader pattern of behaviour. Specifically, China uses pretextual, non-transparent processes and spurious claims to impose economic costs and weaponize economic dependencies with the intent to pressure or influence the legitimate decision-making of other governments. China claims to uphold the "rules-based multilateral trading system", but its actions speak for themselves. China continues to exploit the rules-based system to its advantage, ignoring or breaking rules and exploiting grey zones in order to inflict harm on others to advance its geopolitical ends.

18.13. The representative of Chinese Taipei indicated the following:

18.14. Chinese Taipei thanks Australia for providing updates on this agenda item. We continue to share Australia's concerns about China's certain trade measures, which apparently have adverse implications on the rules-based multilateral trading system. We would like to emphasize that Members' trade measures, whether formal or informal, published or unpublished, should be implemented in a WTO-consistent manner and should never be based on unrelated issues. My delegation will continue to closely follow the development of this subject from a systemic perspective.

18.15. The representative of the European Union indicated the following:

18.16. As stated in previous meetings, the European Union shares the concerns which Australia and also others are once again raising in relation to these trade disruptive and restrictive measures by China. Australia has reported on some progress on some products and measures, while others have nevertheless remain unresolved now for a very long period of time, which keeps getting longer.

18.17. There is no technical justification that would permit these measures under the WTO Agreement. And many Chinese measures are informal, unpublished, and non-transparent, again in violation of WTO rules and principles. Based on the available evidence, and as reported in numerous independent studies, the measures were implemented, rather, as measures of economic coercion, in an attempt to force the Australian government to change policies that were fully within Australia's rights internationally.

18.18. As the European Union has also experienced, China, and also a number of other countries, is occasionally adopting such measures of economic coercion, which qualify as illegal interferences in the affairs of another State under general international law.

18.19. The representative of Japan indicated the following:

18.20. Japan shares Australia's concerns regarding China's trade measures, including trade remedies. If China is operating its trade measures in an arbitrary manner, as reported, it is contrary to a free and fair rules-based international trading system. We call on China to respond to Australia's concerns in good faith and in a timely manner. Japan has repeatedly expressed concern about

economic coercion that undermines the function and credibility of the rules-based multilateral trading system.

18.21. The representative of New Zealand indicated the following:

18.22. New Zealand continues to hold a systemic interest in the concerns that have been expressed on this topic by Australia and other WTO Members. We welcome the progress that has been made to date to resolve the issues raised. We remain concerned with the adoption of measures by WTO Members that cause widespread disruption to trade and lack transparency, including the actions taken by China against a range of exports from Australia – some of which remain in place.

18.23. As New Zealand has repeatedly noted in a number of fora, the multilateral rules-based trading system provides that all Members, regardless of their size or trading capacity, are subject to the same rights and obligations. We wholeheartedly endorse the view that, through the WTO, we share the benefits, as do all WTO Members, of a stable, predictable, and open global trading system.

18.24. This provides the predictability and certainty necessary to ensure that trade can take place efficiently and with the least friction possible. If Members step away from their commitments, or adopt remedies or other measures provided for under the WTO Agreements for unassociated purposes, this will undermine the predictability and certainty on which the system rests.

18.25. The representative of China indicated the following:

18.26. China would like to refer to its statements made in previous meetings. As pointed out by Australia just now, there is some positive progress on this matter. Australian exports of commodities, including coal, logs, barley and other products to China have resumed. We hope both sides can continue working together to improve, maintain, and strengthen bilateral economic and trade cooperation.

18.27. The Committee took note of the statements made.

19 CHINA – DRAFT OF CHINESE RECOMMENDED NATIONAL STANDARD (GB/T) FOR OFFICE DEVICES (INFORMATION SECURITY TECHNOLOGY-SECURITY SPECIFICATION FOR OFFICE DEVICES) (ID 80) – STATEMENT BY JAPAN

19.1. The Chairperson recalled that this agenda item had been included at the request of Japan.

19.2. The representative of Japan indicated the following:

19.3. Japan understands that this draft National Standard is currently under public comment procedure and opinions are being sought. Japan has previously raised concerns at various committee meetings about the draft National Standard on the grounds that the provisions requiring the development and production of multifunction peripherals (MFPs) and printers in China may violate WTO Agreements, including Article III.4 of the GATT.

19.4. However, it was noted that no such provisions exist in the current draft National Standard. We understand that discussions and procedures will be carried out to establish this National Standard in the future, but we continue to call on China to apply equal treatment to domestic and foreign products, and not to include content that could lead to demands for technology transfer.

19.5. In this respect, the provisions of this draft National Standard still pose concerns about a potential leakage of trade secrets or technological leaks depending on the content of the information provided by office equipment providers for the security testing of office equipment. For example, the draft National Standard requires the provision of materials on the supply chain, materials on third-party technologies, materials on the manufacturing process of office equipment, and so on, which contain information on trade secrets and sensitive technologies. In designing and operating the security test, we request that it be consistent with international law, including the WTO Agreements.

19.6. Japan plans to submit opinions on this draft National Standard in accordance with the public comment procedure, and we would like China to consider the content of those opinions. We request

that China take measures not only in the development of its regulations, but also in the actual operation, by ensuring that there are no discriminatory domestic or foreign requirements, including those that may entail the leakage of trade secrets or technological leaks.

19.7. The representative of China indicated the following:

19.8. As Japan pointed out just now, we published the draft Information Security Technology-Security Specification for Office Devices for public comment on 25 August 2023. Interested Members can submit comments before 24 October 2023.

19.9. The Committee took note of the statements made.

20 CHINA – DRAFT REVISION OF CHINESE GOVERNMENT PROCUREMENT LAW (ID 81) – STATEMENT BY JAPAN

20.1. The Chairperson recalled that this agenda item had been included at the request of Japan.

20.2. The representative of Japan indicated the following:

20.3. In July last year, China published a draft amendment to its Government Procurement Law. With regard to the scope to which the Law applies, Articles 2 and 12 of the draft amendment add "other procurement entities". We would like to request that the determination of "other procurement entities" by the State Council under Article 12 of the proposed amendments should not be expanded without limitation. If the Local Content Requirement (LCR) is implemented by this amendment in a manner that includes procurement beyond "procurement by government agencies", as stipulated in Article III:8(a) of the GATT, foreign products, including Japanese products, will be treated in a discriminatory manner, and this will violate Article III:4 of the GATT, which stipulates the principle of non-discrimination between domestic and foreign products.

20.4. Furthermore, with regard to Article 23 of the Draft Amendment, which specifies "support for home industries", a new local content requirement has been added, whereby products with a higher value-added ratio within China will be given preferential treatment in government procurement, which is also not permitted under the government procurement exception in Article III:8(a) of the GATT, unless they genuinely fall under government procurement, and may violate Article III:4 of the GATT and Article 2.1 of the TRIMs Agreement. In addition, local governments in Shaanxi, Hangzhou, Zhejiang, Anhui and other provinces have issued notices stating that, in government procurement, preference is given to domestic products and that expert opinions and submission of applications and approval from the relevant government finance department are required when purchasing imported products, which may violate Article III:4 of the GATT.

20.5. At November's meeting of the Council for Trade in Goods, China stated that it treated foreign and domestic Chinese companies equally in government procurement, except with regard to security matters; however, the examples above are contrary to such statements. In addition, these proposed amendments to the Government Procurement Law and local government notifications do not meet the standards required by the WTO's Government Procurement Agreement (GPA), which China has already been negotiating to join for many years, and these amendments are in fact a move in the opposite direction. We would like to add that China's application to join the GPA and other high-standard agreements must raise questions as to whether China is willing to meet those standards.

20.6. The representative of China indicated the following:

20.7. It appears to us that this item more appropriately belongs to another committee. We urge Japan to evaluate where this issue should be taken up so that the relevant committee with the appropriate terms of reference could address this issue.

20.8. China reiterates that supporting domestic products through government procurement is a customary international practice. China is willing to communicate with Japan on this issue within the framework of China's accession negotiation to the WTO Government Procurement Agreement.

20.9. The Committee took note of the statements made.

21 DOMINICAN REPUBLIC – DISCRIMINATORY TAXATION ON SOME FOOD IMPORTED PRODUCTS (ID 82) – STATEMENT BY THE EUROPEAN UNION

21.1. The Chairperson recalled that this agenda item had been included at the request of the European Union.

21.2. The representative of the European Union indicated the following:

21.3. The European Union maintains its concern regarding the discriminatory application of the Domestic Value Added Tax (ITBIS) of 18% on imported products, mostly on imported matured and cream cheeses, cooked hams, canned vegetables, and some other food products. The tax does not apply to "like" domestic products, resulting in a discriminatory treatment of imported products.

21.4. Although the authorities from the Dominican Republic have indicated that measures would be taken to eliminate the discrimination, there has been no tangible progress in resolving the matter. Recently, the Dominican Republic has focused its position on reiterating that there is no legal provision in the country underpinning the discriminatory application of the tax. Yet evidence at retailers indicates otherwise. We would insist that the principle of national treatment must be observed both *de jure* and *de facto*. EU operators are negatively affected by this discriminatory taxation.

21.5. We request the Dominican Republic to resolve the matter promptly. We would welcome clarifications as to what steps the Dominican Republic intends to take to that end, and within which timelines. We remain ready to engage with the Dominican Republic with a view to making progress on this issue but are looking at further ways to highlight the importance of this case.

21.6. The representative of the United States indicated the following:

21.7. The United States continues to share the concerns raised today by the European Union. We seek clarification from the Dominican Republic on the taxes applied to some food products and answers to the questions raised today.

21.8. The representative of the Dominican Republic indicated the following:

21.9. As stated at the Committee's meeting of 26-27 April 2023, the Dominican Republic's legal system does not include any discriminatory tax measures. Accordingly, we reiterate that the Tax on the Transfer of Industrialized Goods and Services (ITBIS) is levied at rates of 18% and 16% on goods and services that have been produced or supplied domestically and on those that have been imported.

21.10. To this end, and following the multiple communications and statements from the European Union, the Government of the Dominican Republic has been conducting a series of assessments of how this tax is being applied effectively across our country's various commercial sectors. As we indicated at previous meetings, this assessment showed that certain local food producers have been claiming tax exemptions for goods that are not eligible for such exemptions under the Tax Code. The Government of the Dominican Republic has therefore made the corresponding changes to their tax returns in a timely manner and applying penalties in accordance with the Dominican tax system.

21.11. Lastly, our delegation would like to reiterate the Dominican government's commitment to complying with the agreements signed by our country, and its willingness to continue working with the European Union and all our trading partners to resolve any issue identified in the area of trade, which we view as a fundamental instrument for promoting relations and strengthening the economic development of the Dominican Republic and its trading partners. We appreciate the European Union's collaboration to provide information to enable the Dominican tax system to be implemented more efficiently and to promote fair competition.

21.12. The Committee took note of the statements made.

22 EUROPEAN UNION – CARBON BORDER ADJUSTMENT MECHANISM (ID 69) – STATEMENTS BY CHINA, INDONESIA AND THE RUSSIAN FEDERATION

22.1. The Chairperson recalled that this agenda item had been included at the request of China, Indonesia, and the Russian Federation.

22.2. The representative of the Russian Federation indicated the following:

22.3. The Russian Federation reiterates its statements on the European Union's Carbon Border Adjustment Mechanism (CBAM) that were made during the previous meetings of the Committee on Market Access, Council for Trade in Goods, and Committee on Trade and Environment.

22.4. The Regulation on the establishment of the CBAM entered into force on 1 October 2023. Our analysis shows that the EU has failed to make it compatible with the WTO rules. The CBAM covers the most sensitive sectors of the EU's economy – cement, fertilizers, iron and steel, aluminium – those sectors which the EU usually protects with anti-dumping and safeguard measures.

22.5. By using the CBAM, the European Union seeks to ensure cross-border application of its Emission Trading System (ETS) or carbon pricing methodology, to protect its domestic industry from fair foreign competition, as well as to solve the potential problem of relocation of its production facilities to third countries. Such goals can hardly be justified by the WTO rules. The CBAM establishes a discriminatory trade regime for like products not only depending on their production method, but also depending on their country of origin. The CBAM will be applicable only to goods originating in the WTO Members which will not establish an emission trading system fully linked with the EU ETS or apply a carbon price without any rebates beyond those also applied in accordance with the EU ETS.

22.6. With this regulation, the European Union establishes not only additional charges on the importation of products, but also a substantial administrative burden and import restrictions. According to the CBAM Regulation, "goods shall be imported into the customs territory of the Union only by an authorized CBAM declarant". It will also be prohibited to import goods without CBAM certificates.

22.7. The CBAM cannot be justified by the provisions of the United Nations Framework Convention on Climate Change (UNFCCC) or the Paris Agreement. Introduction of unilateral trade measures contradicts the UNFCCC principles. The Convention, as well as the Paris Agreement, does not allow the use of climate change-related measures to restrict international trade. In our view, the CBAM is incompatible with Articles I, II, III and XI of the GATT 1994. We urge the EU to align the Regulation with the WTO rules.

22.8. The representative of China indicated the following:

22.9. China refers to its previous statements made in the Committee. We reiterate that climate change is a common challenge for all humanity and an important area of global governance. All Members should uphold multilateralism, adhere to the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC),, and work together to address climate change through greater international cooperation.

22.10. Since the European Union put forward its CBAM, many WTO Members have raised concerns and questions about it. Members stress that the CBAM should adhere to the principle of common but differentiated responsibilities, comply with the basic principles and rules of the WTO, and avoid constituting protectionist measures and green trade barriers.

22.11. China noted that, on 1 October 2023, the European Union's CBAM entered into application in its transitional phase. We are closely following the implementation of the EU's CBAM. We urge the EU to ensure that its CBAM be implemented in a fair, just and transparent manner, abide by WTO rules, and mitigate the negative impact on trade.

22.12. The representative of Indonesia indicated the following:

22.13. Indonesia again reiterates its objections to the European Union's CBAM. Indonesia is of the view that the CBAM is not in line with the WTO provisions, as well as the WTO principles of national treatment and most favoured nation (MFN). This mechanism also has the potential to be applied in a discriminatory and restrictive manner. Based on our understanding, the CBAM refers to the ETS, which has a free allowances ceiling for each sector. As a result, the tariffs imposed on EU domestic goods will be lower than those imposed on imported goods. Despite the European Union's promises to gradually phase out free allowances in all sectors, Indonesia has yet to receive clarification on when and how the reduction in allowances will be implemented.

22.14. Indonesia understands that not all WTO Members have a sufficient carbon market and carbon accounting system, especially for WTO Members who do not apply the ETS. Thus, the mechanism for determining carbon prices will also be different from one Member to another. The grouping of WTO Members with low or high emission reduction ambitions in determining carbon prices is also not based on clear criteria. Furthermore, the CBAM also has the potential to create additional burdens for producers outside the European Union, with additional levies beyond the tariffs under the EU's WTO Schedule of concessions.

22.15. We would like to request further clarification from the European Union regarding plans to expand the product sector covered by CBAM. Finally, Indonesia would also like to remind the EU that every policy relating to the environment should be aligned to the principles of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC), as contained in the UNFCCC and the Paris Agreement. The CBDR-RC principle stipulates that developing countries have fundamental responsibilities, capabilities and obligations that are different from developed countries.

22.16. The representative of Paraguay indicated the following:

22.17. Paraguay thanks the European Union for the information session held during the WTO Environment Week and for documents [WT/CTE/GEN/31](#) and [WT/CTE/GEN/32](#) circulated in this connection. However, Paraguay's systemic concerns, presented on numerous occasions, including at the last formal meeting of the Council for Trade in Goods, were not properly addressed, so I would like to reiterate them in this Committee.

22.18. Paraguay would like to know how the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) is taken into account in light of national circumstances and Nationally Determined Contributions in this measure for environmental purposes. How does CBAM take into account mitigation measures other than carbon pricing, especially in countries such as Paraguay, which are carbon sinks?

22.19. Paraguay would also like to know whether the European Union plans to introduce a mechanism to provide preferential access to products which, despite originating from countries that do not have a carbon pricing mechanism, have a lower carbon footprint or originate from developing countries, which are highly impacted by the negative effects of climate change and which are carbon sinks like Paraguay. On this, we have already heard the EU say that the CBAM takes into account the specific emissions of imported goods, but at most this would stop the additional tariff being imposed, but would not provide preferential access.

22.20. The industrial sector in Paraguay and in many other developing countries is very small. Measures such as the CBAM will not promote green industrialization without other elements and policies; rather, such measures will hamper it. Paraguay would like to know whether the European Union plans to redirect the revenue from the CBAM to support the green transition in developing countries, in line with its financing commitments, and provide the means of implementation laid out in international environmental law.

22.21. This regulation and other unilateral measures that supposedly have environmental objectives and a clear impact on trade are discussed in several WTO bodies, and the European Union even said that it would organize a new information session at the next meeting of the Committee on Trade and Environment. We therefore hope that the EU will be able to respond to the questions and concerns raised in one of these spaces, as Members need a dialogue and not a unilateral presentation on EU measures.

22.22. The representative of India indicated the following:

22.23. India has expressed its concerns about the CBAM on numerous occasions in various WTO bodies, like the Council for Trade in Goods, the Committee on Market Access, and the Committee on Trade and Environment. We have also been engaged with the European Union bilaterally, where these concerns have been explained in significant detail to our EU counterparts.

22.24. While the CBAM is now in force, we would like to reiterate our views raised in various forums. We remain concerned with the use of the concept of leakage. This concept is today being applied to carbon leakage, but we risk global trade fragmentation if the concept is extended horizontally or vertically.

22.25. The CBAM is a trade and environment hybrid, going even by the European Union's own explanation. Hence, well-established principles and rules of both the international trade law and the international environment law should have been followed in designing the CBAM. In not doing so, and ignoring the principle of CBDR-RC, this measure upends the hard-built consensus in the Multilateral Environment Agreements over the last 50 years. The CBAM forces an emissions reduction path on the EU's trading partners. It disregards the Nationally Determined Contributions made by the EU's trading partners and effectively impinges on sovereign decisions. The worst effects of the EU's CBAM will be felt by MSMEs, who will not be able to meet the complexities of emissions tracking, measuring, and reporting. Over time, MSMEs may be replaced by big firms in the EU's trading profile, thus having a negative impact on the sustainable development objective of the WTO enshrined in the Marrakesh Agreement.

22.26. India remains concerned about the CBAM reporting and implementation which has kicked in now. Given the realities of trade, we may encounter situations where businesses have to share their trade secrets or sensitive information with intermediaries and EU authorities or choose not to operate in the EU market. Our businesses remain concerned about such second-order problems. Given so many design and implementation issues, we are compelled to believe that the EU's CBAM is effectively a trade protectionist measure rather an environmental intervention.

22.27. Finally, India requests the European Union to notify its CBAM to the relevant WTO bodies, like the Committee on Technical Barriers to Trade.

22.28. The representative of the Republic of Korea indicated the following:

22.29. The Republic of Korea understands the European Union's objective in introducing the CBAM, which includes tackling carbon leakage. However, Korea is concerned that this measure might significantly diminish the market accessibility of the EU for foreign businesses.

22.30. Specifically, under the CBAM, external companies face stringent obligations relating to information disclosure. Additionally, EU importers are confronted with an increased administrative load and potential penalties in relation to reporting obligations, making them more likely to forego the importation of external products. Furthermore, if external businesses are forced to obtain a certificate from an official EU institution when assessing carbon emissions, it imposes a duplicative burden on them.

22.31. In response to this, the Republic of Korea suggests that the European Union recognize certifications from other official institutions based in where these foreign businesses operate, by establishing standards for mutual recognition. Korea stands ready to deepen its engagement with the EU to resolve this issue in a timely fashion.

22.32. The representative of Türkiye indicated the following:

22.33. Türkiye thanks China, Indonesia, and the Russian Federation for keeping this item on the agenda. We would like to refer to our previous statements in this Committee, as well as the CTG with regard to this issue.¹¹

¹¹ See, for example, document [G/MA/M/78](#), paragraphs 21.38–21.46, and document G/C/M/146, paragraphs 22.41–22.46.

22.34. Türkiye continues to closely follow the ongoing legislative and implementation processes under the European Green Deal, including the CBAM. Despite the fairly open process followed by the EU, for which we would like to express our appreciation, our concerns remain with regard to the compatibility of CBAM with international trade law as well as international environmental law.

22.35. Not repeating Türkiye's previously stated arguments in detail, we believe that trade-related measures for tackling climate change should pass the necessity test, prioritize international cooperation and collective action, should take into account different circumstances and historical responsibilities of countries, respect social and economic development needs of others, and not constitute arbitrary or disguised restriction and unjustifiable discrimination in international trade. Türkiye looks forward to further engagement and updates from the European Union in this regard.

22.36. The representative of Chinese Taipei indicated the following:

22.37. Chinese Taipei shares the understanding that climate change is a pressing global issue. We also recognize that avoiding any possible unnecessary intervention in international trade is of paramount importance. While we appreciate the efforts of the European Union to promote environmental sustainability, including its use of trade-related measures to achieve climate objectives, we also note the CBAM's significant impact on international trade. It is equally important that the CBAM is effective in achieving the goal of preventing carbon leakage and that the related measures are consistent with WTO rules. Ensuring the compliance of a CBAM with WTO rules and preventing the measures from being discriminatory or becoming a disguised restriction on international trade are the fundamental obligations of any WTO Member, regardless of the underlying purpose or nature of the measures.

22.38. With respect to the issue of discriminatory treatment, Chinese Taipei wishes to point out that CBAM applies to several downstream products in the iron and steel industry. In the European Union, carbon emissions of such downstream products were neither subject to the EU ETS scheme, nor subject to the obligations to report and verify their emissions. However, the EU's CBAM imposes obligations on foreign manufacturers of such downstream products to report, and, after 2026, to verify the embedded emissions for such products. There is a genuine concern about the measure incorporating discriminatory elements against imported like products.

22.39. Moreover, with respect to disguised restrictions on international trade, the European Union's CBAM involves perplexing implementing procedures. EU importers are required to obtain an array of information from foreign exporters which could potentially involve trade secrets. Substantial fines for submitting incorrect information could also be imposed, and there is a critical lack of EU-accredited verifiers to implement the mechanism. Collectively, these complicated procedures substantially and disproportionately increase compliance costs and create undue burdens for foreign exporters, especially small and medium-sized enterprises. They could give rise to a significant barrier and constitute a disguised restriction on international trade, hampering the rights of exporters seeking access to the EU market.

22.40. To ensure the effectiveness of the CBAM to combat climate change while preserving the principle of fairness and non-discrimination enshrined in the WTO rules, we urge the European Union to engage in comprehensive consultations with Members concerning the requirements and implementation of its CBAM. We also welcome any opportunity for in-depth bilateral discussions on this subject.

22.41. The representative of the European Union indicated the following:

22.42. The European Union takes due note of the interest and the concerns of our partners in the EU CBAM. During previous meetings, we had the opportunity to provide Members with an outline of the proposal, its objectives and its interaction with other EU policies targeted, such as ETS, at achieving environmental sustainability and carbon neutrality. We have been transparent throughout the design stage, and we will continue to engage, now that CBAM entered into the transitional period on 1 October 2023. We are going to present the CBAM methodology for the transitional period during the next meeting of the Committee on Trade and Environment in November.

22.43. The CBAM methodology for the transitional period was adopted on 17 August after a four-week-long consultation period where all stakeholders, including partner countries, had the

opportunity to comment. The European Union has also sent a communication to Members of the Committee on Trade and Environment, on 13 June 2023, informing them that the EU has published the text of the Implementing Regulation on the reporting obligations during the transitional period of the CBAM, for feedback.

22.44. Please note that the European Union has also rolled out an information campaign on its CBAM. The information campaign features online seminars, physical events, distribution of guidance documents, and direct assistance, aimed at assisting third-country operators and importers to the EU in performing all new obligations required by the CBAM Regulation and its secondary legislation. Members can already find relevant information and recordings of webinars on the European Commission's dedicated website.

22.45. Finally, the European Union underlines that the CBAM will only be introduced gradually. From October 2023 until the end of 2025, only reporting obligations under the Regulation will apply. The transitional period will involve extensive consultation of stakeholders, including international partners, to increase our mutual understanding of the instrument.

22.46. The Committee took note of the statements made.

23 EUROPEAN UNION – DEFORESTATION-FREE COMMODITIES (DFC) (ID 84) – STATEMENTS BY INDONESIA AND THE RUSSIAN FEDERATION

23.1. The Chairperson recalled that this agenda item had been included at the request of Indonesia and the Russian Federation.

23.2. The representative of the Russian Federation indicated the following:

23.3. The Russian Federation reiterates its position regarding the European Union's regulation on deforestation-free products, which was stated during the previous meetings of the Committee on Market Access, the Council for Trade in Goods, and the Committee on Trade and Environment.

23.4. The Regulation constitutes yet another example of the protectionist policy conducted by the European Union under the cloak of climate change. It introduces a prohibition to make available on the EU market or export products from the EU, unless all the following conditions are fulfilled by the products covered by the Regulation: (i) they are deforestation-free; (ii) they have been produced in accordance with the relevant legislation of the country of production; and (iii) they are covered by a due diligence statement. With this regulation, the EU seeks not only cross-border application of its regulation, but also to determine if an imported product complies, or not, with the legislation of the country of its origin. The role of the judge is assigned to the operator, who shall verify and analyse the collected information, as well as carry out a risk assessment in order to determine if there is a risk that the relevant products intended to be placed on the market are non-compliant, including with the relevant legislation of the country of production.

23.5. The risk assessment should include, *inter alia*: (i) the presence of indigenous peoples in the country of production or parts thereof; (ii) the consultation and cooperation in good faith with indigenous people in the country of production or parts thereof; and (iii) concerns in relation to the country of production and origin or parts thereof, such as level of corruption, prevalence of document and data falsification, lack of law enforcement, violations of international human rights, armed conflict or presence of sanctions imposed by the UN Security Council or the Council of the European Union.

23.6. The Regulation, up to the present moment, covers trade in live cattle, meat and meat products, cocoa, coffee, palm oil, rubber, soya, and wood. However, this list may be extended in the future. In our view, this Regulation is a simple quantitative restriction that violates the WTO's rules, in particular Article XI of the GATT 1994. Thus, we urge the European Union to bring its measures into consistency with the WTO norms.

23.7. The representative of Indonesia indicated the following:

23.8. Indonesia would like to express its deep concerns over the recent entry into force of the EU DFC policy, as also stated in the joint letter to the EU authorities by 17 developing country

Members, dated 7 September 2023.¹² The policy includes mandatory due diligence on seven products that are considered to have a potential impact on deforestation, namely: soya beans; beef; palm oil; wood; cocoa; rubber; and coffee. Indonesia believes that the DFC will discriminate against imported commodities in the EU. The unnecessary due diligence process has the potential to become a covert trade barrier, which limits import access of the seven products in the European market.

23.9. Furthermore, the DFC could affect developing countries' development efforts. We also note its potential inconsistencies with the European Union's commitment under the WTO provisions, considering that the regulations drawn up by the EU cannot be imposed by force on other WTO Members. Indonesia would like to request a further explanation from the EU regarding its basis for determining the commodities covered by the DFC, its plans to expand the list of DFC commodity coverage, as well as details of the mandatory due diligence mechanism.

23.10. Furthermore, Indonesia urges the European Union to review the DFC proposal so that it does not interfere with international trade and does not conflict with Article XI of the GATT 1994. Indonesia also emphasizes that the EU should take into account the CBDR-RC principle in every trade policy relating to the environment.

23.11. The representative of Brazil indicated the following:

23.12. On 7 September 2023, a joint letter was sent from 17 developing country Members regarding the entry into force, on 29 June 2023, of the European Union's so-called "anti-deforestation law" ("EU Deforestation Regulation") to the main authorities of the European Union. The letter was signed by a significant group of Members from Latin America and the Caribbean, Africa, and Asia. In addition to Brazil, Argentina, the Plurinational State of Bolivia, Colombia, Côte d'Ivoire, the Dominican Republic, Ecuador, Ghana, Guatemala, Honduras, Indonesia, Malaysia, Mexico, Nigeria, Paraguay, Peru and Thailand also signed the document.

23.13. The objective of the initiative is to reiterate concerns about the punitive and discriminatory nature of this particular European regulation, as well as to highlight the importance of the European Union maintaining an effective dialogue with producing countries, with a view to avoiding disruptions in trade and excessive burdens on producers of agricultural goods and derivatives covered by the measure. Since this is a trade measure that hinders access to the EU market, we firmly believe that it is in the interest of the Membership to be aware of it.

23.14. Brazil remains firmly committed to combating deforestation and has strengthened inspection and prevention activities in Brazilian forests, particularly in the Amazon. However, in Brazil's view, European law, in addition to conflicting with the principles that govern international trade, and with multilateral understandings on climate and biodiversity, imposes imbalances in the economic, social, and environmental aspects of the problem it aims to address, and jeopardizes sustainable development.

23.15. I will now read the full content of the joint letter: "We, the undersigned, wish to convey through this letter our deep concern regarding the recent entry into force of the European Union's regulation on deforestation-free products (EUDR), on 29 June 2023. As stated in the letter dated 27 July 2022 from a group of producing countries, this legislation disregards local circumstances and capabilities, national legislations and certification mechanisms of developing producing countries, their efforts to fight deforestation, and multilateral commitments, including the principle of common but differentiated responsibilities. It also establishes a unilateral benchmarking system that is inherently discriminatory and punitive, which is potentially inconsistent with WTO obligations. Considering that despite multiple manifestations of concern, particularly from developing countries, the legislation will enter into application in less than 18 months, and that the EU is still working on its implementing acts and guidelines, we urge the Commission and other EU institutions to engage in a more meaningful and open dialogue with producing countries than what has been undertaken so far.

23.16. The EU should work to repair this legislation, or, at a minimum, aim to mitigate its more harmful impacts through implementation guidelines that adequately value the current, as well as

¹² See document [G/AG/GEN/223](#) and its revisions.

developing local sustainable practices in agricultural value chains, and avoid trade disruption including the excessive administrative burden related to the geolocation and traceability requirements, certifications, and customs procedures. The EU's 'one-size-fits-all' approach, implemented through this model of due diligence and traceability, ignores the different local conditions and will inevitably impose immense costs on exporting and importing countries alike, as well as on producers and consumers. While these costs are certain, we consider that the legislation, by itself, will bear no positive impact on deforestation rates and may even produce other adverse effects, such as increased poverty, diversion of resources, and hindrance of the attainment of SDGs. Smallholders are especially vulnerable to the EUDR and require special support.

23.17. The EU should acknowledge the efforts made by developing countries to improve their livelihood and sustainability practices as well as the significant challenges faced by them regarding limited access to financing schemes, new technologies and technical training and assistance. Smallholders may end up being excluded from international value chains not because they have deforested their land but due to their inability to show compliance with the stringent requirements imposed by the EUDR. That would unfairly deprive smallholders of an important source of income and livelihood, and even impact their ability to adopt sustainable practices.

23.18. We call, therefore, on the Commission to formulate clear and detailed implementing acts and guidelines that include differentiated compliance and due diligence regimes for commodities and products originating from smallholders in developing countries, considering that EU SMEs will be granted more flexible treatment. In conclusion, we reiterate our commitment to the SDGs and to multilateral environmental agreements and goals. Given our shared objectives and the need to work together to tackle global challenges, we call on the EU to engage in effective cooperation and meaningful dialogue, with its partners in the areas of trade and sustainable development to jointly address the impact of EU legislation and its implementing instruments, including providing support to facilitate trade."

23.19. The representative of Peru indicated the following:

23.20. As expressed in other fora of this Organization, Peru wishes to express its concern about the approval and early entry into force of the aforementioned EU Regulation, due to its potential to create significant disruptions in the trade of products under its scope of application, which represent supply chains where mostly small producers participate.

23.21. In Peru's opinion, this unilateral measure does not take into account the different realities and efforts made by countries such as my own in terms of deforestation. In this sense, we believe that the multilateral arena is the most appropriate place to develop this type of initiative. We are sincerely concerned that there are many aspects regarding the implementation of the Regulation that remain unclear, or that require complementary regulations, making the effective deadline set for the adaptation of operators actually less than the 18 months established for implementation.

23.22. Peru's concerns are based on the experience we have had with the application of the EU standard that establishes a due diligence process for exports of timber. We have witnessed the lack of clarity on the documents that are required by customs authorities and the procedural deadlines. As a result, for example, we have had Peruvian containers detained in Belgium for more than a year and four months, without clear information on the reasons or the necessary requirements for releasing them.

23.23. Returning to the characteristics of the DFC Regulation, Peru considers that this regulation discriminates against third countries, given that, for example, it establishes a period of six months for EU Members to make a simple notification on which competent authorities will be responsible for compliance with the obligations of the Regulation, while it expects third countries to implement complex processes in only 18 months, which include traceability, geolocation, and monitoring of agricultural chains involving hundreds of thousands of producers.

23.24. Peru is also sincerely concerned about the unilateral rating of the level of deforestation risk, whose specific criteria and methodology have not been properly communicated and coordinated with potentially affected countries. In this regard, if this classification is based on general indices and does not take into account the particular situations that may arise within each of the countries, it

could negatively affect producers and exporters in low-risk areas, putting them at a disadvantage with respect to similar products in other countries.

23.25. Peru believes that there are multiple ways of tackling deforestation, and we regret that the European Union's regulation has chosen the least appropriate one, also taking away the opportunity for small producers, who find themselves in a harmonious coexistence between agriculture and care for the forests, to continue developing their economic activity in order to be able to escape from poverty. We must not lose sight of the fact that one of the causes of deforestation is poverty, against which international trade provides powerful tools. The fight against deforestation is in everyone's interest, and we must therefore bear in mind that it requires joint and coordinated action.

23.26. Peru believes that the implementation of this regulation should be carried out once it has undergone a thorough debate at the multilateral level, that there is complete clarity regarding the requirements and deadlines that have been established and that there is certainty that the European Union will have the necessary tools to resolve any issue that may arise in its implementation.

23.27. The representative of Guatemala indicated the following:

23.28. Guatemala would like to thank the delegations of the Russian Federation and Indonesia for including this item on today's agenda. Like other delegations, Guatemala wishes to reiterate the concern that has been raised at several fora about the implementation by the European Union of the Regulation on deforestation-free products.

23.29. This new legislation includes a comparative evaluation of the countries for which the European Union will perform an analysis and assign a risk level. Depending on the risk, operators will face certain requirements, including new procedures for our exporters.

23.30. This legislation will come into force in 2025, resulting in a period of approximately 15 months to make the applicable internal preparations. In our opinion, this legislation does not take into consideration the specific circumstances and capabilities of developing countries. This one-size-fits-all approach does not seek to solve the legitimate environmental concerns, but rather will result in other adverse effects.

23.31. Guatemala therefore encourages the European Union to engage in a dialogue with those producer countries that will be affected in order to mitigate the negative consequences of this new policy, and to take the implementation of support into consideration in order to ensure compliance with this new policy. We reaffirm our commitment to solve global problems, with account always being taken of the WTO Agreements in this regard.

23.32. The representative of Ecuador indicated the following:

23.33. Ecuador would like, once more, to express its concern regarding the development of policies under the Green Deal and deforestation-free products. In that respect, I would also like to make reference to the letter of 7 September signed by several Ambassadors to the European Union – including Ecuador's – and sent to the European Parliament, the European Council, and the European Commission, which outlines the main points of this concern, namely: (i) the Regulation on deforestation-free products disregards local capabilities and practices, as well as national legislations; (ii) the unilateral benchmarking system that is inherently discriminatory and punitive, which is potentially inconsistent with the EU's obligations within the framework of the WTO; (iii) smallholders are especially vulnerable to this Regulation, as they may end up being excluded from international value chains not because they have deforested their land but because they lack the skills and resources needed to show compliance with the Regulation; and (iv) implementing this Regulation will impose immense costs on exporters and importers alike, as well as on producers and consumers.

23.34. Ecuador therefore joins other Members in calling on the European Union to engage in a more meaningful dialogue than there has been to date, in which it properly assesses the practices developed in various producer countries to achieve the common and shared objective of environmental protection and sustainability. Ecuador renews its commitment to pursuing constructive dialogue.

23.35. The representative of Paraguay indicated the following:

23.36. Paraguay would like to express our appreciation to the delegation of Brazil for reading the letter sent on 7 September, by our country and others, to the European Union in connection with this regulation. Paraguay thanks the European Union for the information session held during the WTO Environment Week, the circulation of document [WT/CTE/GEN/30](#), the recent publication of a document with frequently asked questions, and for the bilateral discussions. However, Members' concerns and questions remain, as can be seen from the number of specific questions and trade concerns raised in relation to this measure.

23.37. This regulation and other unilateral measures that supposedly have environmental objectives and a clear impact on trade are being discussed in several bodies in this Organization. The European Union has already announced that it will even organize a new information session at the next meeting of the Committee on Trade and Environment. We therefore hope that the EU will be able to respond to the questions and concerns raised in one of these spaces.

23.38. Paraguay would like to call once again on the European Union to engage in effective cooperation and meaningful dialogue with its partners in the areas of trade and sustainable development to jointly address the impact of EU legislation and its implementing instruments, including providing support to facilitate trade. Moreover, I would like to say that we will be sending written questions to the EU on this measure.

23.39. The representative of India indicated the following:

23.40. India has raised its concerns on the proposed EU measures under the Green Deal, such as the Carbon Border Adjustment Mechanism (CBAM), the Deforestation-free Commodities (DFC), and other proposals, in various forums. Most recently, India submitted a paper [JOB/TE/78](#) to the Committee on Trade and Environment in March 2023, which pointed out that we are witnessing potential trade fragmentation if Members continue to take unilateral trade measures which apply extra-territorially. We also urged the need to act in accordance with the principles of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC), as well as honouring the Nationally Determined Contributions (NDCs).

23.41. It is not clear how the European Union will undertake the country risk classification and if there would be a nuanced approach of using a combination of product and sub-national classification, or if the classification would remain a standard national label irrespective of the product concerned or regional variations. Our businesses have also expressed concerns that there may be situations where business-critical information would have to be shared with EU importers and authorities. The EU suggestion that the importing entities look at geo-spatial imagery and satellite data is also concerning. Such intrusive measures do not respect the sovereignty of the EU's trading partners. The measure as proposed right now will hurt agriculture exports in the chosen commodities to the EU. Its worst effects will be felt by small and marginal farmers in the developing countries. The agriculture sector in developing countries, including India, is a key driver for employment as well as the economic well-being of a large part of the population, especially women and those associated with MSMEs. It is unfortunate that the EU is making policy choices, which directly harm the economic interests of these socioeconomic groups. Finally, we request the European Union to notify its Deforestation-free Commodities (DFC) measure to the relevant WTO bodies, like the Committee on Technical Barriers to Trade.

23.42. The representative of Argentina indicated the following:

23.43. Argentina would like place on record its support for this trade concern and thanks the delegations that included it on the agenda.

23.44. As Argentina has stated in other forums and bodies of this Organization, we are convinced that there is no single model for achieving environmental protection, and that environmental degradation, including climate change, must be addressed by respecting the core principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC). Solutions should therefore be geared towards local realities, and the policies and initiatives put forward with the legitimate purpose of protecting the environment must be flexible, pragmatic, implementable and

realistic, in addition to being the most effective for achieving the objective sought, while also being the least trade restrictive.

23.45. With respect to the DFC regulation in particular, we are concerned that it does not consider measures that could be less trade-restrictive in order to achieve the environmental objective sought. Instead, the regulation applies the same EU standards globally, without making clear the criteria established by the EU or the scientific basis for determining "high-", "standard" and "low-" risk countries, bearing in mind that there could be different local and regional realities in each country with respect to forest conservation, and that generalizations should therefore be avoided. Similarly, by imposing the proposed obligatory due diligence requirements on countries classified as "high risk" that are more onerous than those imposed on other countries, the EU will be applying more stringent and trade restrictive criteria to certain countries classified by the EU itself as "high risk", which could be inconsistent with the WTO rules.

23.46. Furthermore, the proposed approach is not in line with the historical responsibility for environmental degradation borne by developed countries, including the European Union, as it sets 2020 as the baseline, without taking into consideration land-use changes and deforestation in developed countries since the Industrial Revolution. This effectively penalizes developing countries, which is incompatible with the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC).

23.47. In short, Argentina would like to stress the importance of avoiding unilateral actions that lack any proper legal basis or multilateral support, or the required scientific basis, which result in disguised restrictions on international trade in the name of environmental protection.

23.48. The representative of Türkiye indicated the following:

23.49. Türkiye would like to refer to our previous statements in this Committee¹³ and in the Council for Trade in Goods¹⁴ with regard to this issue. Without repeating those, we would like to particularly emphasize the importance of working with partner countries in making risk classifications and use of solid scientific data. This is also valid for any possible extension in the scope of this legislation. Also, technical requirements like certification or verification that third country operators face should not be overly burdensome, discouraging small producers from participating in supply chains. We would appreciate a further update from the European Union on this and remain ready to cooperate.

23.50. The representative of the European Union indicated the following:

23.51. The European Union takes due note of the interest and concerns expressed also today by several Members.

23.52. The main driver of deforestation and forest degradation is the expansion of agricultural land, linked in particular to the production of a series of commodities of which the European Union is a major consumer. The seven commodities covered by the scope of the regulation – beef, wood, palm oil, soya, coffee, cocoa, rubber, as well as some of their derived products, such as leather, furniture, print products, or chocolate – are the commodities through which the EU has a bigger impact on degradation of the world's forests. These commodities have been selected objectively, based on the best available scientific data. The Regulation will introduce mandatory due diligence rules for operators who place those commodities and their derived products on the EU market or export from it. Only products that are both deforestation-free and legal according to the laws of the country of origin will be allowed on the EU market.

23.53. The Regulation will apply even-handedly to commodities produced inside and outside the European Union. It relies on concepts developed at international level, and specifically on the work of the Food and Agricultural Organization (FAO), to define what is to be considered a "forest" or "deforestation" under the Regulation. There will be no ban of any country or any commodity. All countries, including countries considered at high risk of deforestation, will be able to continue to sell

¹³ Document [G/MA/M/78](#), paragraphs 22.26–22.29.

¹⁴ Document [G/C/M/146](#), paragraphs 39.52–39.54.

their commodities on the EU market provided that the operators (that is, those who place them on the market) can demonstrate that those commodities are deforestation-free and legal.

23.54. The Regulation is an environmental measure, which complements global and multilateral action, developed in compliance with the European Union's international commitments, including its trade agreements, and WTO requirements. Great importance has been given to the external dimension of the Regulation, both in its design stage and currently in the implementation phase.

23.55. At the end of June 2023, the Commission services issued clear and easy to understand guidelines for compliance, for operators and traders, in particular SMEs. They will be regularly updated. Over the last months, we have also started more in-depth exchanges on the Regulation with the partners most concerned to further discuss the issues at stake. We will develop similar exchanges, in different formats, with other partners. We will also use partnerships and cooperation mechanisms to support countries in addressing deforestation and the development of the tools necessary to the implementation of the Regulation. We believe that the Regulation is an opportunity to enhance trade in deforestation-free products and boost opportunities for sustainable actors around the globe.

23.56. As a final remark, I just want to mention that the reply to the letter that was sent by 17 Members on 7 September 2023 to the three presidents is forthcoming. The reply is being finalized, but since there are presidents that need to sign this letter, it takes a little bit longer, and I thank you for your understanding.

23.57. The Committee took note of the statements made.

24 EUROPEAN UNION – MRL REDUCTION OF CERTAIN SUBSTANCES TO MEET ENVIRONMENTAL OBJECTIVES IN THIRD COUNTRIES (ID 86) – STATEMENTS BY ARGENTINA, AUSTRALIA, INDONESIA AND PARAGUAY

24.1. The Chairperson recalled that this agenda item had been included at the request of Argentina, Australia, Indonesia, and Paraguay.

24.2. The representative of Paraguay indicated the following:

24.3. Paraguay reiterates its concerns regarding the compatibility of the measure notified by the European Union with the market access and non-discrimination obligations under Articles XI and III of the GATT 1994. The restrictions on international trade imposed by this Regulation will make farmers in Paraguay less competitive than farmers in Europe, who do not have to deal with the same pests and climatic conditions when producing food and can benefit from emergency authorizations to continue using these substances.

24.4. In the interest of time, I would like to provide a brief update only on the main points made at the Committee's previous meeting and the questions which remain unanswered. With respect to written comments submitted on the notification within the time-limit provided for Paraguay and several other Members, I would like to ask the European Union to clarify how the comments submitted by Members are taken into account. In particular, bearing in mind the short time that elapsed between the end of the comment period and the decision of the Standing Committee on Plants, Animals, Food and Feed (SCoPAFF) of the EU, which approved the proposal to reduce the maximum residue levels (MRLs) for these substances without amendments.

24.5. I welcome the publication of a corrigendum with respect to the erroneous reference to Paraguay in the final version of Regulation 2023/334, even if it required twice as much time as it took SCoPAFF to analyse the comments of a number of Members. However, to date, a revised version is still not available on the official EU website, so when consulting Regulation 2023/334, the erroneous reference to Paraguay remains in footnote 19.

24.6. With regard to emergency authorizations, Paraguay has not received responses to the questions on how long it takes to approve an emergency authorization and the average cost of the approval process for an emergency authorization in order to understand how emergency authorizations are compatible with the non-discrimination obligation. With respect to the EU Court of Justice's ruling of 19 January 2023, Paraguay has not yet received responses explaining how this

ruling affects emergency authorizations in general and authorizations for these substances specifically. We have identified at least five emergency authorizations that were valid after the ruling and at least one emergency authorization for thiamethoxam that was granted after the judgement. This authorization was granted by the Czech Republic on 4 April 2023. Although there have been no new emergency authorizations since then, this may be because of the times of year when the substances are required and not because of the ruling itself, so the clarification is still required.

24.7. Concerning import tolerances, I would like to use the example of another substance, tricyclazole, for which the European Food Safety Authority (EFSA) considered that import tolerances and "the proposed MRLs (in this case for rice) are fully supported by data and safe for consumers". And yet a number of EU member States did not support the approval of the draft Regulation submitted by the Commission. The draft fell short of the majority required in SCoPAFF and in the Council, and is likely to be vetoed in the European Parliament, meaning that the obligation to base measures on scientific principles has not been met. If EU member States fail to vote in favour of import tolerances when MRLs are set with the objective of protecting human health, how can the Commission argue that requesting import tolerances is a feasible way forward for MRLs set with environmental objectives, for example those covered by this Regulation?

24.8. With respect to the extraterritoriality of the measure, I do not think it is necessary to reiterate how this measure fails to recognize the ability of national authorities to establish regulatory frameworks to protect its pollinators. I will only ask the European Union how this is consistent with its obligations under WTO rules and its founding agreements.

24.9. These and other questions were submitted to the European Union as part of the corresponding trade concerns raised in the SPS Committee, in document [G/SPS/GEN/2140](#), and we look forward to receiving responses shortly.

24.10. The representative of [Indonesia](#) indicated the following:¹⁵

24.11. Indonesia would like to express its concerns to the European Union on the "Draft Commission Regulation on Maximum Residue Level (MRL) Limits for Clothianidin and Thiamethoxam." Specifically for goods containing clothianidin and thiamethoxam, particularly food and agricultural items from poor or non-OECD nations. We have raised this issue at the TBT Committee meeting on 20-23 June 2023. Indonesia is concerned that this proposed legislation may restrict international trade.

24.12. Indonesia is aware that Regulation (EC) No. 396/2005 does not address environmental problems specific to the European Union because Regulation (EC) No. 1107/2009, which addresses pesticide use in the EU, adequately addresses these issues. The EU should not base its import restrictions and the implementation of MRLs that are stricter than international norms on data pertaining to environmental impacts.

24.13. Indonesia requests that the European Union refers to the international standards, such as Codex Alimentarius, on the application of MRLs. Based on our understanding, the MRL or maximum limit for clothianidin and thiamethoxam in Regulation (EC) No. 396/2005 is lower than what is stated in the Codex Alimentarius. This proves that the EU violates international standards regarding MRLs for clothianidin and thiamethoxam in food products.

24.14. Finally, Indonesia requests the European Union to review the draft MRL regulations, so they comply with WTO principles and rules, especially Article XI of the GATT 1994 concerning the general elimination of quantitative restrictions.

24.15. The representative of [Australia](#) indicated the following:

24.16. Australia shares the concerns raised by Paraguay and Indonesia about the European Union's use of maximum residue limits to implement environmental objectives in third countries, and the impact that TBT notification [G/TBT/N/EU/908](#) will have on market access for agricultural products to

¹⁵ The delegation of Indonesia indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

the EU. Australia notes that it will again be raising these concerns within the TBT and SPS Committee meetings in November.

24.17. The representative of Ecuador indicated the following:

24.18. Ecuador would like to reiterate its concern in relation to this matter, in line with what we have already said in the Council for Trade in Goods and the SPS Committee.

24.19. Ecuador understands and shares the aim of attaining the international goals related to environmental protection and sustainability. However, my delegation is concerned that the use of MRLs, designed as they are with an environmental focus, does not seem to be aligned with the measure's objective, with the rules of this Organization or with the standards agreed upon in other multilateral bodies.

24.20. In previous statements, Ecuador has expressed its concern regarding the use of this mechanism as a means of protecting pollinators within the European Union. Our concern is based on the lack of scientific evidence in the EU's analysis, and in the criteria used in that analysis. The goal of the European Food Safety Authority (EFSA) is consumer protection, but these measures address environmental concerns.

24.21. Moreover, this focus fails to take full account of the national legislation of the European Union's various trading partners, their production systems, and the particular climatic conditions that they face, in addition to other specific situations, which calls into question the legal basis and even the efficacy of measures to reduce residue levels.

24.22. Ecuador therefore urges the European Union to hold a wide-ranging conversation, to avoid adopting measures that would constitute disguised restrictions on trade, and to consider the scientific basis and existing multilateral regulations for retaining the current maximum levels for third countries.

24.23. The representative of India indicated the following:

24.24. India is constrained to take the floor again to repeat that the European Union's unilateral measures taken in the name of the environment and applied extra-territorially will lead to imminent trade fragmentation. Measures like the ones related to MRLs, which do not take into account the geographic, climatic, socioeconomic and agricultural conditions prevailing in the EU's trading partners, do not just complicate international trade but actively seek to exclude the most vulnerable sections of the trade ecosystem from reaping the benefits of international trade.

24.25. The European Union's unilateral measures are increasingly undermining regulatory principles and are not founded on internationally agreed risk analysis principles. They do not take into account alternative approaches to meeting regulatory objectives. In implementing its SPS measures, as well as the new approach to use TBT measures for environmental reasons, the European Union seems to impose its own domestic regulatory approach onto its trading partners.

24.26. India also notes with concern that the list of active substances which are being regulated in this unilateral fashion may also continue to grow, further aggravating the compliance burden on our farmers and disrupting the agricultural value chains in a significant and irreversible manner.

24.27. The representative of Argentina indicated the following:¹⁶

24.28. Argentina wishes to reiterate once again its concern in this Committee, as it has done in the TBT and SPS Committees, and in the Council for Trade in Goods. While Argentina received a response from the European Union to its concerns, the substantive issues raised by my country remain valid.

24.29. The measure adopted by the European Union, establishing limit of quantification (LOQ) values for these neonicotinoids, is not clearly justified and constitutes a disguised restriction on international trade because it is disproportionate to the objective that it claims to promote and

¹⁶ The delegation of Argentina indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

unduly restricts trade, given that it prevents any product that has been treated with these neonicotinoids that may exceed the LOQ from being marketed, even though the European Union cannot demonstrate that the MRLs at the level established by the Codex may affect the health of consumers, which ultimately is the intended purpose of an MRL.

24.30. The representative of the European Union indicated the following:

24.31. The European Union takes note of the comments by Members on this issue. The EU informed WTO Members for the first time about this matter already more than two years ago, through WTO document [G/SPS/GEN/1797](#) of June 2020. Since then, the EU has regularly updated the SPS and TBT Committees on all relevant developments. The EU has organized information sessions and provided detailed information through various communications. The EU also remains open to engage and provide further information.

24.32. As announced in the European Union's Farm to Fork Strategy, the EU has committed to taking into account environmental objectives when deciding about setting maximum residue levels for substances no longer approved in the EU due to environmental concerns of a global nature, while respecting WTO standards and other international obligations. As explained, the EU addresses this matter on an incremental basis, considering and reviewing the position of each particular active substance on a case-by-case basis, founded on the best available scientific evidence and ensuring that its measures are not more trade restrictive than necessary to achieve their objective.

24.33. On the specific case of clothianidin and thiamethoxam, the draft Regulation on lowering the maximum residue levels for these two neonicotinoid substances was notified to the TBT Committee on 6 July 2022 ([G/TBT/N/EU/908](#)). A communication for information was also submitted to the SPS Committee ([G/SPS/GEN/2054](#)). The European Union has carefully studied and replied to all comments received from WTO Members during the notification process.

24.34. Last February, the new rules were adopted through Commission Regulation (EU) 2023/334. This Regulation is the first one that is implementing the new policy announced in the EU Farm to Fork Strategy on imported food in relation to pesticides residues. The European Union has extensively explained in previous meetings the rationale for the measures and refers to those explanations. The environmental objectives of global concern that this Regulation targets are those related to the protection of pollinators. This is an issue of global concern, which goes beyond national boundaries and cannot be solved through actions at EU level alone.

24.35. The European Union's objective is to ensure that food and feed consumed in the EU do not contribute to the global decline of pollinators, independently of whether the product is produced in the EU or imported from third countries. The EU considers that currently there is no alternative to the lowering of the MRLs of clothianidin and thiamethoxam which would be less trade restrictive and equally contribute to the objective of protecting pollinators. Based on current knowledge, reducing the use of neonicotinoids is an effective action to tackle the decline in pollinators. The EU is acting in full compliance with WTO rules, which allow Members to adopt measures if they are necessary to achieve a legitimate objective.

24.36. With regard to possible trade impacts, firstly, the Regulation defers the application date to 36 months after entry into force instead of six months, which is the standard period given in the European Union. It allows products placed on the market before the application date to remain on the market until the end of their shelf life. The Regulation will therefore become applicable only at the beginning of 2026. Secondly, the EU acknowledges that third countries may face production conditions and pest pressures different from those in mainland Europe. Therefore, import tolerances can be granted to active substances not authorized in the EU provided that the submitted information demonstrates that the use is safe to pollinators. Thirdly, the EU continues to provide technical assistance to developing countries and LDCs in improving their SPS capacity and market access, directly or through other international organizations and partnerships, such as the WTO-hosted Standards and Trade Development Facility (STDF).

24.37. Regarding emergency authorizations, the European Union has already provided general information and clarifications regarding emergency authorizations, as in documents [G/SPS/GEN/1970](#) and [G/SPS/GEN/2038](#). In addition, more information is available in guidance document [SANCO/10087/2013 Rev.1](#). Briefly, the purpose of emergency authorization is

to allow serious dangers for plant health to be dealt with in emergency situations where there are no better alternatives. In this regard, the European Commission has taken action to verify whether such emergency authorizations granted by member States are justified. If that is not the case, the EU has taken measures to prevent the repetition of emergency authorizations.

24.38. According to a recent ruling of the European Court of Justice (case C-162/21), EU member States cannot anymore grant emergency authorizations for any outdoor use of thiamethoxam or clothianidin, whether these are for coating seeds, for outdoor sowing, or for any other outdoor uses such as foliar spraying. Nor can they grant emergency authorizations for the sowing of seeds that have already been coated with either of these substances. The Commission is considering the implications of the judgment for the granting of other emergency authorizations, for example, for other substances or for substances that have not been approved or have not been renewed in the EU because of risks to human or animal health or the environment.

24.39. The European Union remains committed to engaging with Members on this issue.

24.40. The Committee took note of the statements made.

25 EUROPEAN UNION – PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON SHIPMENTS OF WASTE AND AMENDING REGULATION (EU) NO. 1257/2013 AND (EU) NO. 2020/1056 (ID 96) – STATEMENT BY INDONESIA

25.1. The Chairperson recalled that this agenda item had been included at the request of Indonesia.

25.2. The representative of Indonesia indicated the following:¹⁷

25.3. Indonesia reiterates its previous statement delivered at the TBT Committee meeting in June 2023. Indonesia appreciates the European Union for its notification on the Proposal for European Parliament Regulations regarding waste transfers, in document [G/TBT/N/EU/893](#), and on the amendments to Regulation (EU) No. 1257/2013 and (EU) No. 2020/1056 (COM (2021) 709 final) ("proposal"), which was submitted on 25 May 2022.

25.4. Indonesia has submitted a question via the European Union's enquiry point on 23 December 2022 to request further clarification and detailed information regarding the relevant regulations in question. However, to date, we have not received an answer to this question. The Indonesian pulp and paper industry will be affected by this proposed regulation due to the need to import recycled paper waste from the EU. If the EU implements this proposed regulation, which we believe will hinder our industry from obtaining raw materials, this will not be in line with the sustainable economic programme both in Indonesia and the EU itself. We have received information that the total availability of recycled paper raw materials in the EU is 54.4 million tonnes, but only 47.9 million tonnes can be absorbed by the EU pulp and paper industry. Indonesia's recycled paper can only meet the industrial needs of around 50% of total demand, while the need for packaging paper in this country continues to increase, to support other industries such as the food and beverage industry, packaging industry, shoe industry, electronics industry, and so on.

25.5. The Indonesian government has complied with international standards in the waste recycling industry, and Indonesia is ISO certified in its methods. Indonesia's imports from the European Union are recycled paper waste, which is non-hazardous waste. This means that Indonesia does not need to strictly comply with these proposed regulations, which are aimed at hazardous waste that has the potential to harm the environment. Referring to the perspective above, and with the aim of minimizing potential technical barriers to trade resulting from the EU Waste Shipment Regulation proposal, Indonesia urges the EU to respond to Indonesia's questions and list Indonesia as one of the "Registered Countries" and exempt it from time-consuming and costly administration and certification requirements.

25.6. Indonesia will continue to monitor developments in the European Union's Waste Shipment Regulation proposal, and will carry out extensive assessments regarding the compatibility of this proposal with WTO provisions and their impact on international trade. Furthermore, we are eager to

¹⁷ The delegation of Indonesia indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

fulfil our promises outlined in increasing the Nationally Determined Contribution (NDC). In this sense, Indonesia seeks to expand its cooperation with the European Union.

25.7. The representative of India indicated the following:¹⁸

25.8. India thanks Indonesia for raising this item on the agenda today. We share some of the concerns raised by Indonesia. During the WTO Environment Week 2023 events, and in the bilateral discussions with the European Union on the sidelines of the event, we had shared our concerns on how the EU proposes to regulate waste shipments.

25.9. A particular area of concern is not providing scrap steel to the developing countries and restricting its supplies to OECD members. On the one hand, the European Union wants steel production destined for the EU to be CBAM-compliant; on the other hand, the EU now proposes to regulate the supply of the one feedstock that may help the developing countries reduce emissions involved in the production processes. Scrap steel also contains embedded emissions of the past. By keeping its supply open, the EU could have demonstrated its commitment to the principle of CBDR-RC, as explained in the earlier agenda item on the EU's CBAM.

25.10. The European Union could have encouraged production of low emissions steel today by actively supplying raw material with embedded emissions of the past. It is unfortunate that this option is being foreclosed, and on top of that, more punitive measures are being added by the EU through its CBAM. This situation leads us to believe that the EU Green Deal and other adjacent measures are not intended to solve the problems of the environment but to serve as trade protectionist measures for its domestic industry.

25.11. The representative of the United States indicated the following:

25.12. The United States reiterates our concerns that proposed revisions to the European Union's Waste Shipment Regulation may pose an unfair burden to international trade. The draft language appears to restrict non-hazardous waste and scrap exports and treat exports outside of the EU more strictly than internal shipments. We continue to hear concerns that a restriction with respect to EU non-hazardous waste and scrap exports might create a global distortion which, among other things, will put a strain on producers' access to high-quality, low-carbon inputs.

25.13. The United States understands that the proposed Regulation would require that EU exporters demonstrate, through regular independent inspections of facilities in importing countries, that their exports will be managed in an environmentally sound manner, regardless of destination country. This could prove burdensome for exporters, imposing additional financial and time-delay costs on them and their customers in other markets, and in turn discourage exports and limit options for environmentally sound recovery. We encourage the EU to ensure that the auditing requirements do not impose an additional burden on EU exporters and their customers in other markets. Should the proposed Regulation move forward without consideration of these factors, it could lead other countries to impose similar measures which would further undermine global decarbonization objectives.

25.14. Legitimate trade in recycled commodities creates opportunities for economic growth and environmental sustainability by diverting end-of-life materials from landfills and providing high-quality, low carbon feedstock to manufacturing inputs. We continue to encourage the EU to remove non-hazardous scrap materials, such as metals, that pose negligible risks to the environment and that international producers are reliant on from the scope of the regulation.

25.15. The representative of Türkiye indicated the following:

25.16. Türkiye would like to refer to our previous statements in this Committee¹⁹, as well as in the TBT Committee on this issue. We remain concerned with regard to this regulation. In our view, the monitoring and inspection requirements and measures envisaged in this regulation go beyond the stated legitimate environmental objectives and the trade restrictive nature of these are incompatible

¹⁸ The delegation of India indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

¹⁹ Document [G/MA/M/78](#), paragraphs 20.12–20.18.

with the European Union's international commitments. We look forward to the EU's further clarifications.

25.17. The representative of the European Union indicated the following:

25.18. The European Union would like to thank Indonesia and others for their comments on the EU waste shipment regulation proposal. The EU notified the proposal to the TBT Committee in May 2022 in document [G/TBT/N/EU/893](#).

25.19. In line with the European Union's commitments under the European Green Deal, the Circular Economy Action Plan, and the Zero Pollution Action Plan, the proposal aims to ensure that the EU does not export its waste challenges to third countries. It seeks to tackle illegal waste shipments and to contribute to the circular economy by facilitating shipments of waste for reuse and recycling in the EU.

25.20. The current waste shipment regulation already stipulates that waste can only be exported outside the European Union if it is managed at destination in an environmentally sound manner, to conditions that are broadly equivalent to the EU's. The lack of detailed provisions and mechanism to implement have led to weak enforcement, and this is what the new waste shipment regulation is trying to remedy. The measure is necessary because the EU exports a lot of waste (33 million tonnes in 2020), and this quantity has substantially increased in the last decade (+75% since 2004).

25.21. The proposal lays down transparent, non-discriminatory and proportionate criteria to demonstrate that exported waste is managed in an environmentally sound manner. The notified draft does continue to distinguish between hazardous and "green-listed waste" relating to the applicable respective procedures for such wastes. The new requirements on the export of waste will apply three years after the entry into force of the new regulation, leaving enough time for all relevant actors to comply with the new regime.

25.22. The Committee took note of the statements made.

26 INDIA – BASIC CUSTOMS DUTY (BCD) ON SOLAR PHOTOVOLTAIC CELLS AND MODULES (ID [87](#)) – STATEMENT BY CHINA

26.1. The Chairperson recalled that this agenda item had been included at the request of China.

26.2. The representative of China indicated the following:

26.3. China regrets to raise this issue again, as India continues imposing a 40% tariff on solar modules and a 25% tariff on solar cells, which exceed its bound rates and violate its commitment under the ITA Agreement. We have noted that these WTO-inconsistent tariffs have already resulted in significant price increases in India and have slowed down India's solar deployment. The relevant stakeholders in India have called for the elimination of the high tariffs imposed on solar modules and solar cells to meet the demand gap. China urges India to immediately remove the WTO-inconsistent tariffs and bring its measure into conformity with the WTO rules.

26.4. The representative of India indicated the following:

26.5. India has imposed a basic customs duty on solar cells and solar modules, other than those exclusively used with ITA-1 items. This measure is consistent with India's WTO commitments.

26.6. The Committee took note of the statements made.

27 INDIA – APPROVED LIST OF MODELS AND MANUFACTURERS (ALMM) OF SOLAR PHOTOVOLTAIC MODULES (ID [88](#)) – STATEMENT BY CHINA

27.1. The Chairperson recalled that this agenda item had been included at the request of China.

27.2. The representative of China indicated the following:

27.3. China refers to its previous statements made in this Committee.²⁰ We have noted that India has postponed the requirements of Approved List of Models and Manufacturers (ALMM) by April 2024. However, we still have concerns with the ALMM, which none of the Chinese manufacturers have been included in, even if China is one of the main producers of solar modules.

27.4. China encourages India to facilitate the inclusion of Chinese companies in the ALMM by providing multiple ways to conduct on-site inspection and lowering the costs of verification. We also encourage India to ensure that the relevant verification will be conducted in a fair, transparent, and non-discriminatory manner.

27.5. The representative of India indicated the following:²¹

27.6. India has already provided a very detailed response on this trade concern in previous meetings of WTO bodies, most notably in the Committee on Technical Barriers to Trade.

27.7. Earlier in the year, the ALMM measure was also deferred for a reasonable time. The Indian Government vide F.No. 283/54/2018 – GRID SOLAR Approved Models and Manufacturers of Solar Photovoltaic Modules Order, 2019 ("ALMM Order") provides for enlistment of eligible models and manufacturers of solar PV cells and modules complying with the Bureau of Indian Standards (BIS) and publishes the same in a list called the "Approved List of Models and Manufacturers" (ALMM).

27.8. The registration process and conditions prescribed are uniform irrespective of the nationality of the manufacturer. No distinction is made between domestic producers and overseas producers. There are no separate provisions for domestic producers and overseas producers with respect to review and feedback time. India has published ALMM Order, Guidelines, Application formats and the necessary FAQs on a website. The ALMM Order and Regulations are transparent and clearly spell out the process and the documentation requirements for enlistment under the ALMM List. The application fee has been determined based on total installed manufacturing capacity as ALMM is intended in respect of manufacturer and total capacity and not actual production or export quota. It is also important to note that the said application fee and other charges are uniform, irrespective of nationality of the producer – whether Indian or overseas producers. India considers that the application fee charged under ALMM regulations is consistent with Article VIII:1(a) of the GATT and the said fee does not cause unreasonable burden or restrictions on international trade. The BIS certification requirement deals with quality control of the solar cells and modules. The ALMM Order provides for enlistment of eligible models and manufacturers of solar PV cells and modules complying with the BIS Standards. While BIS certification is with respect to maintaining the quality of the product, ALMM certification intends to enlist eligible models and manufacturers, producing the said solar cells and modules. ALMM is thus aimed at ensuring the reliability of the producers of the enlisted models. ALMM and BIS certifications are reasonable requirements in the larger public interest to ensure the quality of the product as well as the reliability of the producer. ALMM ensures the protection of consumer interests and the larger energy security of the country.

27.9. The Committee took note of the statements made.

28 INDIA – QUANTITATIVE RESTRICTIONS ON IMPORTS OF CERTAIN PULSES (G/MA/QR/N/IND/2, G/MA/QR/N/IND/2/ADD.1) (ID 36) – STATEMENTS BY AUSTRALIA AND CANADA

28.1. The Chairperson recalled that this agenda item had been included at the request of Australia and Canada.

28.2. The representative of Australia indicated the following:

28.3. Australia again raises our concerns with India's continued use of quantitative restrictions on imports of certain pulses. Recalling Australia's statement made during the April 2023 Council for

²⁰ Document [G/MA/M/78](#), paragraphs 26.2–26.4.

²¹ The delegation of India indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

Trade in Goods meeting²², by the time this latest extension of India's free import policy for urad and tur or pigeon peas is scheduled to expire, India will have maintained a "temporary" suspension on its WTO-inconsistent quantitative restrictions policies for almost three years, from May 2021 to March 2024.

28.4. While Australia appreciated the advanced announcement of this extension at the time, we cannot ignore the fact that this is still an extension to a temporary exemption. For that reason, Australia again encourages India to consider the longer-term benefits to its own food security of permanently removing the quantitative restrictions on all pulses. Such a response by India would signal to markets that India acknowledges the serious challenges to global food security currently and the negative impacts on global food markets from snap changes to import policies. The permanent removal of the quantitative restrictions would provide pulse producers with the certainty they need to make rational, market-oriented planting decisions without fear of their exported product becoming stranded should the Indian Government make a snap decision to impose or extend import restrictions.

28.5. Australia will continue to monitor India's policy settings closely and look to raise this issue again in both the Council for Trade in Goods and in this forum.

28.6. The representative of Canada indicated the following:

28.7. Canada continues to monitor the specific impact that India's trade restrictive measures represent for Canadian pulse exporters and notes its significant concerns with these measures that remain unchanged. Canada's exports of dry peas, for example, have been severely impacted by India's trade restrictive measures. Exports decreased from 1.3 million tonnes before the measures were implemented in 2018 to 627 tonnes last year. We therefore consider it important to again formally register our significant trade concern and urge India to undertake and implement WTO-consistent measures as soon as possible.

28.8. The representative of Argentina indicated the following:

28.9. Argentina places on record its support for this trade concern and thanks the delegations that included it on the agenda. As we have stated on previous occasions in this Committee, this measure affects two of the main pulses exported from Argentina to India: yellow peas and mung beans. As in other previous statements, Argentina reiterates its concern over the uncertainty that this measure creates for our exporters, and requests that it be reviewed by the Indian authorities.

28.10. The representative of the European Union indicated the following:

28.11. The European Union would also like to echo the statements made by Australia, Argentina, and Canada. India has stated that the trade measures applicable to certain pulses have been put in place and are constantly reviewed for the purpose of maintaining food and nutritional security.

28.12. The European Union believes that a predictable and transparent import regime for the varieties of pulses concerned by these trade measures would only have a positive impact both on India's food security and the global pulses market. Therefore, we encourage India to consider the permanent removal of its import restrictions on certain pulses.

28.13. The representative of India indicated the following:

28.14. India would like to thank the intervening delegations for their continued interest in this issue. As previously stated, the measures adopted by India are undertaken for the purpose of maintaining food and nutritional security. This is an area of great importance to our economy and the policies on imports are regularly reviewed and updated. The trade measures applicable to pulses are in compliance with the relevant WTO agreements and specified procedures of those agreements.

28.15. The Committee took note of the statements made.

²² Document [G/C/M/145](#), paragraphs 28.2-28.7.

29 INDIA – IMPORT POLICIES ON TYRES (ID 61) – STATEMENTS BY THE EUROPEAN UNION, INDONESIA, THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU AND THAILAND

29.1. The Chairperson recalled that this agenda item had been included at the request of the European Union, Indonesia, Chinese Taipei, and Thailand.

29.2. The representative of Indonesia indicated the following:²³

29.3. Indonesia would like to thank India for its response to Indonesia's concerns at the last CMA meeting. Indonesia refers to our previous statement and would like to again reiterate its concerns regarding Indonesia's expressed objections to India, because India has not provided a satisfactory explanation and their desire to reconsider its tyre import policy, which imposes restrictions on tyre exports, especially from Indonesian tyre manufacturers.

29.4. Indonesia requests further clarification from India regarding its tyre import restriction policy and the policy of imposing marking fees on the use of the Indian Standard Mark (IS Mark) on tyre products exported to third countries. As stated in Notification No. 12/2015-2020 of 12 June 2020, every container containing imported tyres sent to India must be sampled for customs purposes, in accordance with the provisions regarding the registration of the warehouse where the imported tyre products will be stored. This will make tyre exporters to India face more difficulties in customs clearance processes and take longer for their tyre products to be imported into India.

29.5. We have stated that Indonesian tyre manufacturers have experienced losses since the notification of the import policy. However, to date we have not received a satisfactory response from India indicating that it would reconsider its policy. Instead, India has only conveyed its intention to engage in bilateral negotiations. Indonesia believes that restrictions on imports of Indian tyres are discriminatory because they are applied selectively, namely on certain types and sizes of tyres that have been produced in India. This policy violates Article XI of the GATT 1994 on the General Elimination of Quantitative Restrictions, as well as Articles 2.1 and 2.2 of the TBT Agreement.

29.6. Indonesia also expressed its objection to the imposition of marking fees on tyre products marked with the Indian Standard (IS) Mark that will be exported to third countries, which has the potential to burden tyre manufacturers who export their tyre products to India, with additional marking fees. Therefore, Indonesia asks the Indian government to immediately review the policy on import restrictions on tyre products to ensure India's compliance with Article XI of the GATT 1994 concerning the General Elimination of Quantitative Restrictions, as well as the WTO principles of transparency and non-discrimination.

29.7. The representative of Chinese Taipei indicated the following:

29.8. Chinese Taipei would like to draw India's attention once again to its Notification No. 12/2015-2020, which amended India's import policy concerning new pneumatic tyres from "Free" to "Restricted". We remain disappointed that Members' concerns have not been appropriately addressed.

29.9. According to statistics from the Ministry of Commerce and Industry of India, the quantity of our tyre exports to India from 2020 to 2022 sharply decreased, by 50% compared to the exports in 2019. At the same time, according to the Indian Automotive Tyre Manufacturers Association (ATMA), India's tyre exports in 2022 went up by 70%. These figures demonstrate that India's tyres have benefited from the unrestricted markets in other Members, whereas tyre producers in other WTO Members have to face increased trade barriers to enter the Indian market.

29.10. Article 3.2 of the WTO Import Licensing Agreement stipulates that "non-automatic import licensing shall not have trade restrictive or distortive effects on imports additional to those caused by the imposition of the restriction". However, in this case, the trade restrictive effect of India's tyre licensing policy is evident. We request India to address the problematic measures that result in

²³ The delegation of Indonesia indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

quantitative restrictions and to ensure that its licensing regime is administered in a manner consistent with WTO rules.

29.11. The representative of Thailand indicated the following:

29.12. Thailand reiterates our serious concern regarding India's restrictive import policy on tyres. We have voiced this concern on multiple occasions in various WTO bodies. However, regrettably, we have yet to witness any substantial progress in addressing these issues.

29.13. First and foremost, Thailand would like to highlight a substantial discrepancy in the information provided by India concerning the import of tyres from Thailand. The official data from Thailand shows a notable decrease in the number of tyres exported to India in 2022, amounting to 400,000 tyres, which signifies a significant 49% decrease from the 720,000 tyres exported in 2021. In stark contrast, the information shared by India suggests an import volume of 870,000 tyres in 2022, a remarkable increase from 450,000 tyres in 2021. Thailand believes that the figures provided by India do not accurately reflect the reality on the ground, and we urge India to promptly rectify this disparity by providing precise and transparent data.

29.14. Furthermore, Thailand is deeply concerned about the decline in Thailand's exports of tyres to India during the first eight months of 2023. This decline of 32% compared to the same period in the previous year raises significant concerns regarding the continued adverse impacts of India's import policy on our exports.

29.15. Additionally, Thailand is deeply worried that India may have implemented import quotas on tyres, which, coupled with the lack of transparency in its import policy, could distort trade to the detriment of international suppliers.

29.16. Thailand urgently requests India to provide the following information to address these concerns: (i) the administration of the restrictions, including the time-frame or period for processing applications relating to tyre imports; (ii) the import licences granted to Thailand over the recent period, as well as details regarding the number and volume of these licences; and (iii) the distribution of such licences among supplying countries, specifically with regard to the tyre industry.

29.17. The representative of the European Union indicated the following:

29.18. This issue has been a long-standing one and the European Union has voiced its concerns on various occasions in this and other WTO Committees, such as the TBT Committee, the Import Licensing Committee, and the TRIMS Committee, but India's measures are still in place.

29.19. The European Union once again recalls the questions it had submitted to India in November 2020 in the Committee on Import Licensing, to which it did not receive a response. The EU remains concerned by India's measure and would like to repeat its request for further information from India.

29.20. The representative of Canada indicated the following:

29.21. Canada would like to express its continued concerns, which have been raised on a number of occasions in various WTO bodies, with India's non-automatic import licensing system for tyres. Canada urges India to eliminate this quantitative import restriction in accordance with its WTO obligations.

29.22. The representative of India indicated the following:

29.23. India would like to thank the various Members for their continued interest in this issue. We would also like to refer to our response provided in the previous meetings of the Council for Trade in Goods, the Committee on Market Access, and the Committee on Import Licensing.

29.24. India would like to reiterate that the non-automatic licensing requirements for tyres are administered in a manner consistent with the rules of the WTO Agreement on Import Licensing Procedures, including with respect to the time-frames for the grant of import licences. We are

engaging bilaterally with the concerned Members, including providing information and data on the applications received and licences granted.

29.25. The Committee took note of the statements made.

30 INDIA – QUALITY CONTROL ORDER FOR CHEMICAL AND PETROCHEMICAL SUBSTANCES (ID 98) – STATEMENTS BY INDONESIA AND THAILAND

30.1. The Chairperson recalled that this agenda item had been included at the request of Indonesia and Thailand.

30.2. The representative of Indonesia indicated the following:

30.3. Indonesia thanks India for its responses in the TBT Committee on this concern. However, at the moment, Indonesia has not received any adequate solutions and firm explanations from India on providing an adequate transition period of 12 months from publication, or until 23 October 2023, so that Indonesian industry could comply with the regulations in question.

30.4. Indonesia believes that if our producers are not given a sufficient time-period in which to comply with the BIS standards, the restrictions will be exceedingly difficult for them to comply with or modify. Indonesia requests that India accept the results of the conformity assessments provided by foreign conformity assessment bodies, or the inspection bodies inside the MRA/MLA framework, to speed up the audit process and lower certification costs.

30.5. Indonesia requests India to review its stance to ensure Indonesian producers can have a sufficient transition period to comply with the relevant regulations.

30.6. The representative of Thailand indicated the following:

30.7. Thailand would like to express its appreciation to the Government of India for its decision to postpone the entry into force date of the Quality Control Orders for Polyethylene Material for Moulding and Extrusion, which includes the IS Mark Certification requirement, to January 2024. This gesture is recognized and acknowledged as a positive step towards addressing the concerns raised by Members, including Thailand, many times in the past, and predominantly in the TBT Committee.

30.8. Having said that, Thailand feels compelled to raise this concern in the CMA meeting today as there has been a significant delay in issuing IS mark certificates to qualified Thai manufacturers of the product. India has cited inadequate manpower and testing facilities as reasons for this delay, which has had an adverse impact on Thai manufacturers. The delay in issuing IS mark certificates could potentially lead to discrimination between domestic and foreign manufacturers, raising concerns about the equitable and non-discriminatory treatment of all manufacturers, irrespective of their origin.

30.9. In light of these concerns, Thailand requests that India consider further delaying the implementation of the IS Mark Certification based on the Quality Control Orders for Polyethylene Material for Moulding and Extrusion. This delay should continue until India can efficiently issue certificates to all qualified manufacturers in a timely and non-discriminatory manner. By doing so, India can avoid imposing unjustified trade restrictions and contribute to fostering a more equitable and harmonious trading environment.

30.10. The representative of the United States indicated the following:

30.11. The United States remains concerned by the proliferation of Quality Control Orders (QCOs) in India and in particular the increasing number of chemicals for which India's Ministry of Chemicals and Fertilizers intends to mandate compliance with standards set by the Bureau of Indian Standards. US industry remains concerned about the cost and administrative burdens these QCOs pose, and we continue to encourage India to consult with stakeholders to determine a less trade-restrictive measure to fulfil the government's stated objectives.

30.12. The representative of India indicated the following:

30.13. The Bureau of Indian Standards (BIS) is carrying out physical inspections for applications received from foreign manufacturers, where the country to be visited is facilitating the visit of BIS officers. The process of standards development of BIS is aligned with accepted international best practices that are based on the core principles of openness, transparency, impartiality and consensus. While formulating Indian standards, analysing the relevance of international standards – ISO, IEC, and others – to the situation in India is an integral part of the process. This process is in accordance with the Code of Good Practice of the WTO TBT Agreement, and as a policy.

30.14. The BIS seeks to align Indian standards with the International Standards of ISO and IEC, where available, and to the extent possible, keeping in consideration the specific climatic or environmental conditions and technological development in the country. Around 88% of Indian Standards, for which corresponding ISO and IEC standards are available, are harmonized with their ISO/IEC counterparts.

30.15. The Committee took note of the statements made.

31 INDIA – IMPORT RESTRICTION ON AIR CONDITIONERS (ID 62) – STATEMENTS BY JAPAN AND THAILAND

31.1. The Chairperson recalled that this agenda item had been included at the request of Japan and Thailand.

31.2. The representative of Japan indicated the following:

31.3. Japan remains very concerned about India's import ban on air conditioners containing refrigerants, introduced in October 2020, which is likely to be a measure that unduly pressures companies to reconfigure their supply chains and is contrary to Article XI:1 of the GATT 1994 and Article 2.1 of the TRIMs Agreement.

31.4. India has so far responded that the measure is consistent with the country's obligations under the Montreal Protocol, as amended. However, it is broadly intended to cover all air conditioners containing any kind of refrigerant, including those using refrigerants that are not covered by India's reduction and elimination obligations under the Montreal Protocol and by India's national legislation on the control of ozone-depleting substances, such as CFC gases. It is unnecessary and unreasonable in that the ban includes all air conditioners containing any refrigerant.

31.5. Although India stated at the July 2023 meeting of the Council for Trade in Goods that it has also provided updates to the relevant Committees, no clarification on this measure has yet been given. In addition, Japan has prepared written questions on the points for which it would like to seek detailed explanations and submitted them to this Committee in September 2021, but has not received any response, and expects a sincere and prompt response from India.

31.6. With regard to the certification system for IS standards based on Quality Control Orders for air conditioners and their components, it is highly regrettable that the certification system came into force on 1 October 2023, despite the fact that Japan had requested, via a letter from its Ambassador, that the date of enforcement be postponed once again. Nevertheless, we would like to request the smooth implementation of overseas factory audits by the BIS and measures to ensure that the certification procedures are not delayed, so that import restrictions are not caused by delays in the BIS certification procedures.

31.7. The representative of Thailand indicated the following:

31.8. Thailand would like to express its serious concerns about India's import prohibition on air conditioners containing refrigerants, an issue that we have persistently raised in various WTO bodies, to date without any progress. We believe that this prohibition is inconsistent with the GATT 1994, specifically Articles XI:1 and XX as these measures represent a *de facto* trade restriction, and we urge India to ensure that its policies comply with the principles and obligations enshrined in the GATT.

31.9. Moreover, we draw attention to India's notification [G/LIC/N/2/IND/21](#), which, in our view, violates the principle of national treatment. This is because the importation of hydrofluorocarbons into India is still permitted if a non-automatic import licence is granted, while the importation of the same substance is banned when it is contained within an air conditioner. This inconsistency raises concerns about the discriminatory nature of India's import prohibition and the adverse impact it may have on international trade. For these reasons, therefore, Thailand reiterates that India must amend or discontinue the measure as soon as possible to ensure that it is in compliance with India's commitments under the WTO.

31.10. Furthermore, Thailand has observed that India's IS Mark Certification, based on the Quality Control Orders for air conditioners and their related parts, has experienced issues in implementation. Specifically, the Bureau of Indian Standards (BIS) has ceased issuing certificates to all Thai manufacturers since June 2023, citing inadequate manpower and testing facilities. We emphasize that it is India's responsibility to ensure that the implementation of the IS Mark Certification does not unfairly impede international traders, especially those who meet the standard requirements. Such actions may be perceived as prioritizing domestic manufacturers over international ones, which is contrary to the principle of non-discrimination.

31.11. In light of these concerns, Thailand requests that India consider delaying the implementation of the IS Mark Certification based on the Quality Control Orders for air conditioners and their related parts until it can issue certificates to all qualified manufacturers in a timely and non-discriminatory manner. This will help avoid unjustified trade restrictions and foster a more equitable trading environment.

31.12. The representative of the [Republic of Korea](#) indicated the following:

31.13. The Republic of Korea shares the concerns expressed by others regarding India's import restriction on air conditioners. Korea believes that the measure appears to be inconsistent with WTO rules, particularly Article XI of the GATT 1994, thereby creating an unnecessary obstacle to trade. Korea requests that India resolve the issue in a timely manner. We stand ready to further engage with India.

31.14. The representative of [India](#) indicated the following:

31.15. India would like to reiterate its previous responses on this issue provided in various WTO bodies. The measure in question was necessary to apply standards in reducing risks to human, animal and plant life and health. The measure is consistent with India's commitment to the Montreal Protocol.

31.16. Further, as per the Ozone-Depleting Substances (Regulation and Control) Amendment Rules 2014, the import of air conditioners containing Group VI substances (HCFCs) has been prohibited since 1 July 2015. We have shared the details of these measures, including their intention and the ongoing developments, with the concerned delegations. It is also pertinent to mention that this measure was adopted based on consultations with the relevant industry groups comprising of representatives from all sectors of the air conditioning industry. These discussions with the industry led to policy reforms aimed at meeting the cooling requirements of the country in a responsible manner. The measures were designed after several rounds of discussions with the industry groups, which included industry players from domestic and international markets, including firms representing at least one Member raising the trade concern.

31.17. The Committee took note of the statements made.

32 INDONESIA – COMMODITY BALANCE MECHANISM (ID 99) – STATEMENT BY THE EUROPEAN UNION

32.1. The [Chairperson](#) recalled that this agenda item had been included at the request of the European Union.

32.2. The representative of the European Union indicated the following:

32.3. Import restrictive policies and practices by Indonesia are a long-standing item, which we have discussed in several WTO Committees. The European Union has repeatedly stressed its deep concerns on the increasing number and scope of Indonesian restrictions, with negative impacts on trade flows.

32.4. The European Union is particularly concerned by the restrictive impact that might derive from the commodity balance mechanism, under which import licences will only be granted if domestic demand cannot be met by domestic supply, with an expanding scope of application.

32.5. The European Union welcomes efforts to ensure a coordinated and streamlined approach on the management of import and export licences, but the mechanism raises concerns that it might result in further restrictions to trade flows, in turn raising questions on its WTO compatibility. The lack of clarity on the actual implementation of the commodity balance, including its scope and timelines for the application to different groups of products, presents additional challenges for economic operators in terms of legal certainty and predictability.

32.6. Accordingly, the European Union would like to ask Indonesia for clarifications on the implementing measures that it intends to undertake. The EU also stresses the need to ensure that such policies and measures will be compliant with Indonesia's WTO obligations.

32.7. The representative of the United Kingdom indicated the following:

32.8. The United Kingdom shares the concerns raised by the European Union in relation to the potential trade restrictive impact of the commodity balance mechanism.

32.9. The lack of transparency regarding the scope and substance of the regulation creates an environment of economic uncertainty for UK traders, which compounds the impact of existing procedural delays in entering the Indonesian market. We therefore reiterate our request for more details on the exact goods that will be covered by Indonesia's commodity balance mechanism, preferably using HS codes.

32.10. The United Kingdom would welcome further information from Indonesia on future developments regarding this policy and looks forward to future engagement on this subject.

32.11. The representative of the Republic of Korea indicated the following:

32.12. The Republic of Korea shares the concerns expressed by others regarding Indonesia's commodity balance mechanism. It has been reported that our businesses still encounter challenges such as undue delays in the issuance of the recommendations and limited quantity of import quotas, stemming from the implementation of the commodity balance mechanism. In particular, Korea believes that Indonesia's measures, based on its own projections of domestic supply and demand, serve as import restrictions and significantly contribute to trade distortions. This appears to be inconsistent with Article XI of the GATT 1994.

32.13. Accordingly, the Republic of Korea requests that Indonesia improve the functioning of the mechanism, particularly by providing clarifications on the timeline for import recommendation issuance and the approval of import quotas, to ensure that the system does not act as a means through which to restrict import quantities.

32.14. The representative of the United States indicated the following:

32.15. The United States joins the European Union in again raising concerns regarding Indonesia's commodity balance policy. The commodity balance policy originally appeared to apply to certain agricultural commodities. For example, in 2021, the first stage stipulated that the policy would apply to rice, sugar, beef, salt, and fish. The policy has since been expanded to include non-agricultural products, in particular consumer goods such as cell phones.

32.16. Since the policy has been implemented, importers have reported experiencing significant delays in obtaining import licences for certain agricultural products, and some import licences issued by the Indonesian authorities covered lower volumes than requested by the importer.

32.17. The United States would like to have Indonesia please explain what steps it has taken to avoid these administrative delays in the future. Please explain whether importers are entitled to receive a licence covering whatever volume they request. Please explain how the Government of Indonesia determines to which products the policy will apply.

32.18. While Indonesia has previously explained that this policy was designed to build better trade governance and transparency in the furtherance of its goal of import substitution, the United States strongly urges Indonesia to not expand its policy to other products, and to rethink this counter-productive and trade-disruptive policy.

32.19. The representative of Switzerland indicated the following:

32.20. Switzerland echoes the concerns of previous speakers regarding Indonesia's commodity balance mechanism. Switzerland is still waiting to get Indonesia's answers on how it intends to ensure the consistency of this mechanism with its WTO obligations. We urge Indonesia not to expand this policy to other products, and to provide answers to the questions raised by previous delegations on the scope of the products covered, the timeline, and the implementing measures.

32.21. The representative of Indonesia indicated the following:

32.22. Indonesia intends to reiterate its statement delivered previously in the Committee on Market Access, that the Commodity Balance Mechanism is aimed at building a better and more orderly global trade governance. In addition, the Commodity Balance Mechanism does not burden the existing import regime; in fact, the aim of the Commodity Balance Mechanism is to create and facilitate a better business environment, certainty in doing business, and free trade flows. Indonesia intends to once again emphasize that the Commodity Balance Mechanism is not a policy to inhibit trade; rather, it is a policy implemented by Indonesia to provide ease and certainty in trying to increase investment and create jobs.

32.23. The Commodity Balance Mechanism is a policy evaluation tool used by the Government of Indonesia for policy transparency based on accurate data, which will be implemented by the relevant ministries and institutions. In addition, the Presidential Regulation on Commodity Balances has currently not been notified to the WTO and is still in the revision stage; for this reason, Indonesia has not been able to provide more detailed information.

32.24. The Committee took note of the statements made.

33 INDONESIA – CUSTOMS DUTIES ON CERTAIN TELECOMMUNICATION PRODUCTS (ID 42) – STATEMENT BY THE UNITED STATES

33.1. The Chairperson recalled that this agenda item had been included at the request of the United States.

33.2. The representative of the United States indicated the following:

33.3. The United States continues to be disappointed that Indonesia has not addressed our concerns with respect to applying tariffs on select ICT products that appear to exceed its WTO bound tariff commitments.

33.4. The United States, along with other Members, has been raising this issue with Indonesia for over four years. The United States has also raised this issue bilaterally. Industry has raised concerns with the Indonesian government as well. There has been no progress on this issue despite their efforts.

33.5. The United States has unfortunately seen similar issues occur in multiple other countries. We recall that early this year, several dispute panels found that India's tariff treatment of a number of ICT products was inconsistent with its WTO commitments.

33.6. We urge Indonesia to engage constructively on this issue and finally address these long-standing concerns to ensure the integrity of its market access commitments.

33.7. The representative of Canada indicated the following:

33.8. Canada continues to have concerns with Indonesia's application of tariffs above its bound rates on certain ICT products. We once again call on Indonesia to address its tariffs on ICT products in a way that is consistent with its WTO commitments.

33.9. The representative of Japan indicated the following:

33.10. Japan echoes the concerns raised by the United States. With regard to the issue of the imposition of a 10% duty on some telecommunications-related equipment (HS 8517.62), which Indonesia has conceded duty-free, Indonesia explained in statements at the Committee on Market Access and the ITA Committee that this is a result of the integration of several items due to HS transposition, that there is no intention to violate the obligation, and that in the Indonesian Tariff Book 2022 the duty on related products is duty-free as per its ITA commitment. However, no information has been provided since then, and the duties continue to be levied. At the ITA Committee meeting in March this year, Indonesia stated that it would like to continue domestic coordination and resolve the issue.

33.11. Japan would like to request Indonesia to respond in good faith by providing further detailed information and information on its future course of action at an early stage, in order to examine the facts of the matter.

33.12. The representative of the Republic of Korea indicated the following:

33.13. The Republic of Korea shares the concerns expressed by others regarding Indonesia's customs duties on certain telecommunication products.

33.14. As noted, the Republic of Korea believes that ICT products classified under HS 8517.62 fall within Indonesia's ITA commitments, and should therefore be granted duty-free treatment. The Republic of Korea requests that Indonesia resolve the issue in a timely manner by complying with its commitments. We stand ready to further engage with Indonesia.

33.15. The representative of Indonesia indicated the following:

33.16. Indonesia would like to reiterate our statement again from the previous meeting of the CMA, that it is conducting internal consultations with relevant ministries and institutions to review the imposition of duties on a certain number of telecommunication products in Indonesia. We will continue to strive to comply with all WTO Agreements, including Indonesia's commitment to the WTO ITA Agreement.

33.17. The Committee took note of the statements made.

34 KINGDOM OF SAUDI ARABIA, KINGDOM OF BAHRAIN, THE UNITED ARAB EMIRATES, THE STATE OF KUWAIT, OMAN, AND QATAR – SELECTIVE TAX ON CERTAIN IMPORTED PRODUCTS (ID 35) – STATEMENTS BY THE EUROPEAN UNION, SWITZERLAND AND THE UNITED STATES

34.1. The Chairperson recalled that this agenda item had been included at the request of the European Union, Switzerland, and the United States.

34.2. The representative of the European Union indicated the following:

34.3. The European Union would like to reiterate the importance of harmonizing the implementation of the excise tax law and the need for a close engagement with private industry stakeholders on the process for revising the tax.

34.4. The European Union welcomes the information that the present Gulf Cooperation Council (GCC) excise tax system is under review, as we just heard, and that a volumetric tax model based

on international best practice is being considered based on the "tax reform study". We also consider it important that the reform will equalize the tax rates for energy drinks with the tax rates applied on other soft drinks. The European Union would consider it important that any transition from the present to a new tax regime include a provision to equalize the tax rate of energy drinks with other soft drinks, with an immediate effect.

34.5. The European Union would like the GCC member States to clarify the process and timelines for the modifications of the excise tax.

34.6. The representative of Switzerland indicated the following:

34.7. Switzerland would like to thank Oman, speaking on behalf of the GCC, for the bilateral meeting that took place in July, where we could underline the answers we were seeking.

34.8. Switzerland takes note of the advanced stage of the study regarding the tax reform, which is a welcome and positive development for which we have been waiting for a long time. Do the GCC members foresee a target implementation date? We would appreciate more details regarding the implementation plan under the GCC Unified Tax Agreement.

34.9. Although Switzerland understands the complexity and time needed for reforming the selective tax, we are deeply concerned and disappointed by the very slow pace of the reform process. In addition, our concerns and disappointment extend to the difficulty that we experience, and the efforts needed to get any information.

34.10. Switzerland therefore urges the GCC member States to significantly improve their transparency and engagement with interested Members, as well as with the industry. We therefore request to be regularly updated, every six months, on the state of play, or whenever new developments occur. We kindly request each GCC member State to clarify the reasons, except those that are well known, delaying adoption of the reform.

34.11. Once again, Switzerland reverts to its longstanding request, namely that the tax rate at 50% for all sweetened beverages is harmonized without further delay, that is, before any revised selective tax is implemented.

34.12. Finally, Switzerland reminds the GCC member States that we are still waiting for the answers from our GCC colleagues to the written questions provided right after our bilateral meeting in July 2023, as well as those submitted in April 2021. We expect to receive them in the very near future and hope they will clarify some of the issues still open. We also request to receive an English translation of the report study once it has been published.

34.13. The representative of the United States indicated the following:

34.14. The United States also has continuing concerns regarding the GCC member States' selective tax on beverages. We do appreciate the update that was given at the beginning of this STC.

34.15. The United States, along with Switzerland, the European Union, and Japan, circulated questions in April 2021, and then subsequently with Switzerland in June this year to GCC member State governments regarding the status of this selective tax. While we appreciate the information provided during the last Committee meeting, we note that we still have yet to receive written responses to the questions from April 2021, and ask these Members to update us as to when such responses to those questions will be provided.

34.16. As the United States has conveyed before, we request a substantive update on revisions to the GCC excise tax model and its implementation plan under the GCC Unified Excise Tax Agreement and note the importance of timely engagement with interested parties regarding the issue.

34.17. The United States understands that a revision of the excise tax on beverages is under way. Can the GCC member States please provide us with an update on the status of that work and when the revision will be completed?

34.18. The representative of Oman indicated the following:

34.19. On behalf of the United Arab Emirates, the Kingdom of Bahrain, the Kingdom of Saudi Arabia, the State of Qatar, the State of Kuwait and Oman, I would like to thank the delegations of the European Union, Switzerland, and the United States for their continued interest in the GCC selective tax on carbonated soft drinks, energy drinks, and other sweetened beverages.

34.20. I would like to inform you that, as per the latest update from the GCC Secretariat, the study reviewing the selective tax regime has reached an advanced stage. We anticipate that a comprehensive report will be issued very soon. The delay is attributed to certain technical challenges. The GCC member States are actively working to resolve these challenges and expedite the completion of the study.

34.21. The Committee took note of the statements made.

35 MEXICO – IMPORT QUOTA ON GLYPHOSATE (ID [64](#)) – STATEMENT BY THE UNITED STATES

35.1. The Chairperson recalled that this agenda item had been included at the request of the United States.

35.2. The representative of the United States indicated the following:

35.3. The United States would like to raise its continued concern with the quantitative restrictions Mexico has implemented on glyphosate. In particular, we are referring to the March 2023 announcement by Mexico's Federal Commission for the Protection against Sanitary Risks (COFEPRIS) reducing the permitted volume of imported glyphosate from the already restricted volumes last year.

35.4. Since Mexico began setting import quotas for formulated and technical glyphosate in 2021, it has not provided an opportunity for public comment, submitted notification to the WTO of these quantitative restrictions, or provided scientific evidence for the import quotas.

35.5. The United States seeks transparency on the following: (i) how were these quota levels determined; (ii) did Mexico solicit and consider public input in making this determination; (iii) how is the quota administered; and (iv) what information has been provided to traders?

35.6. Under the 13 February 2023 decree by which various actions regarding glyphosate and genetically modified corn are established, the importation, production, distribution and use of glyphosate will be phased out by 31 March 2024. On what scientific evidence is this phase-out based? How does Mexico justify these measures in light of its GATT obligations, including Article XI of the GATT 1994?

35.7. The representative of Canada indicated the following:

35.8. Canada would like to express its continued concerns, which have been raised on a number of occasions.

35.9. The Committee took note of the statements made.

36 NEPAL – IMPORT BAN ON ENERGY DRINKS (ID [50](#)) – STATEMENT BY THAILAND

36.1. The Chairperson recalled that this agenda item had been included at the request of Thailand.

36.2. The representative of Thailand indicated the following:

36.3. Thailand extends its understanding and empathy towards the economic hardships and balance-of-payment difficulties faced by the people of Nepal. While we acknowledge these challenges, we find it necessary to raise our concern once again regarding Nepal's import ban on caffeinated mixed energy drinks and flavoured synthetic drinks from Thailand, which has been in effect since 2019. Despite the passage of time, Thai exporters continue to be adversely affected by

this measure, and we note that Nepal has not initiated consultations with the Committee on Balance-of-Payments Restrictions, as required by Article 6 of the Understanding on the Balance-of-Payments Provisions, as well as Article XII:4(a) and XVIII:12(a) of the GATT 1994.

36.4. Thailand urges Nepal to respect and follow these provisions without delay. These provisions are essential components of the international trade framework, and their observance is critical for fostering a fair and equitable trading environment. Consultations through the Committee on Balance-of-Payments Restrictions are intended to facilitate constructive dialogue and offer the opportunity to address concerns and reach mutually beneficial resolutions.

36.5. The representative of Nepal indicated the following:

36.6. Nepal would like to thank Thailand for its statement and continued interest in its trade policy measures and takes good note that this concern has also been raised in the CTG. Accordingly, Nepal wishes to refer to its earlier statements delivered at the meetings of the CMA held in April 2023, and at the CTG meetings held in April and July 2023. In response to the concern raised today, while noting that the Government of Nepal has already started the reviewing process of the trade policy measure, there are many organizations involved in the process of reviewing and the review may thus still take some time. My delegation will update the Committee as soon as possible once we have received a further progress report from Capital.

36.7. The Committee took note of the statements made.

37 PERU – TAX TREATMENT OF PISCO (ID 74) – STATEMENT BY THE UNITED KINGDOM

37.1. The Chairperson recalled that this agenda item had been included at the request of the United Kingdom.

37.2. The representative of the United Kingdom indicated the following:

37.3. The United Kingdom would like to again express its concerns around Peru's discriminatory tax exemptions that favour pisco over other like products.

37.4. The United Kingdom reiterates that UK traders are seriously impacted by this measure, which is a significant economic barrier to their trade into the Peruvian spirits market. We have been raising this bilaterally for over five years, and we have been raising this at the WTO for over one year now. This measure has resulted in tens of millions of pounds of harm to UK exporters.

37.5. In April, Peru said that their Selective Excise Tax did not establish any distinction that would affect other WTO Members. Yet this tax charges pisco – a domestically produced spirit – 2.27 nuevos soles per litre. For comparison, a standardly priced whiskey – or other such like products – will be charged an *ad valorem* 40% tax rate, or 3.63 nuevos soles or more.

37.6. The United Kingdom strongly considers the current measure to be a breach of Peru's national treatment obligations under the GATT. And the UK would like to remind Peru that we are still waiting for responses from questions we posed last September. We would welcome engagement on this issue, but without concrete answers, we will consider further action.

37.7. I hope it is therefore clear that the United Kingdom takes this matter seriously and we ask Peru to do likewise.

37.8. The representative of the United States indicated the following:

37.9. The United States continues to support the United Kingdom's intervention on Peru's excise taxes for distilled spirits. We remain concerned with the discrepancy in the tax rates applied to pisco versus all other distilled spirits.

37.10. The representative of the European Union indicated the following:

37.11. The European Union also wishes once again to join the United Kingdom in raising concerns around Peru's tax exemption in favour of pisco.

37.12. The European Union continues to be seriously concerned that the existing tax regime undermines the ability of EU spirits to compete on a level playing field on the Peruvian market. The EU also wishes to insist on Peru's clarification of how this measure is consistent with its existing WTO obligations, in particular the obligation not to discriminate against imported spirits.

37.13. The European Union looks forward to Peru's suggestions as to how to solve this issue promptly.

37.14. The representative of Peru indicated the following:

37.15. Peru would like to reiterate that, in our opinion, the application of the Selective Consumption Tax to alcoholic beverages is made within the framework of a tax system that does not establish a differentiated treatment based on origin, and we therefore believe that there is no treatment intended to provide protection to domestic production.

37.16. Of course, Peru is aware of the concerns and doubts that some Members have on the matter, so we have been analysing this issue internally. Finally, we are working hand in hand with the local industry, the relevant trade associations, and other stakeholders in the development of national regulations. It is worth mentioning that any change in the Selective Consumption Tax requires modifications in the rank of a law, with the procedural and administrative difficulties that this entails.

37.17. Finally, Peru reiterates our willingness to continue our dialogue with interested Members on the technical aspects of this matter, within the framework of the bilateral mechanisms available to us.

37.18. The Committee took note of the statements made.

38 SRI LANKA – IMPORT BAN ON VARIOUS PRODUCTS (ID [56](#)) – STATEMENT BY THE EUROPEAN UNION

38.1. The Chairperson recalled that this agenda item had been included at the request of the European Union.

38.2. The representative of the European Union indicated the following:

38.3. Since April 2020, the European Union has raised on multiple occasions its concerns over the import restrictions imposed by Sri Lanka on various products. We have learned on 10 October that most of those restrictions have been lifted. This is an extremely welcome development, and we would be grateful if Sri Lanka could update Members about these latest developments. In particular, we understand that import restrictions in relation to vehicles remain. We would welcome additional clarification with respect to when the remaining restrictions will be lifted.

38.4. The representative of Japan indicated the following:

38.5. Japan shares the concern expressed by the European Union that import restrictions on consumer passenger cars, motorbikes, and auto parts may constitute an import ban in violation of Article XI:1 of the GATT. Sri Lanka continued to explain at the last Committee meeting that it was necessary to secure foreign exchange reserves to meet domestic demand for essential items, such as foodstuffs. However, import restrictions on the grounds of balance-of-payment disparities should not be easily exercised as there are substantive and procedural requirements to be met.

38.6. Japan welcomes the removal of the import suspension on commercial vehicles in August 2023. However, as Sri Lanka's foreign exchange reserves are recovering, and the economic crisis is improving due to the IMF support programme and other means of support, Japan also urges the early withdrawal of the remaining measures on consumer passenger cars and other products.

38.7. The representative of the United Kingdom indicated the following:

38.8. The United Kingdom thanks the European Union for putting this item on the agenda. We warmly welcome the recent economic progress made by Sri Lanka, including the easing of import restrictions, and continue to stand ready to support our partner country towards recovery. The UK

remains committed to a long-term trade relationship with Sri Lanka and wants to work together to achieve closer trading ties and ensure the swift removal of restrictions from all imports.

38.9. The United Kingdom would like to understand the rationale for the gradual removal of restrictions on certain imports up to this point, and would be interested in any further information on the pathway, including potential timelines, for the eventual removal of all restrictions. Furthermore, will the outcome of the IMF's first review of economic progress and reforms associated with the EFF agreement impact plans to continue the easing of import restrictions?

38.10. The United Kingdom also looks forward to Sri Lanka's submission of a notification to the WTO regarding import restrictions. We look forward to hearing from Sri Lanka on this matter and stand ready to work with partners to find a solution.

38.11. The representative of the United States indicated the following:

38.12. The United States reiterates its concerns over the import restrictions Sri Lanka introduced in March 2022 on what it deemed to be "non-essential goods". The United States understood that Sri Lanka will lift ongoing import restrictions for certain goods in stages earlier this year after the country received an International Monetary Fund (IMF) loan in March 2023. Can Sri Lanka provide an update on its work to lift the import restrictions?

38.13. The representative of Sri Lanka indicated the following:

38.14. Sri Lanka would like to thank the European Union, Japan, the United Kingdom and the United States for their continued interest in Sri Lanka's import trade policy measures. At the last CMA meeting, held on 27 April, my delegation mentioned that all positive steps would be taken by Sri Lanka to remove the restrictive import policy measures in a progressive manner.

38.15. Accordingly, since the CMA's last meeting, Sri Lanka arranged to relax temporary suspension on 286 HS codes on 9 June, 327 HS Codes on 20 July, and 14 HS codes on 14 August. Finally, through import and export control Regulations No. 14 of 2023, published in the Gazette Notification No. 2353/16, dated 9 October 2023, Sri Lanka arranged to relax temporary suspension on all remaining HS codes, except some items under Chapter 87. Accordingly, as of 10 October 2023, Sri Lanka has removed all the HS codes from the schedule of temporary suspension, except 304 HS codes under Chapter 87.

38.16. Sri Lanka will arrange to progressively remove temporary suspension on these remaining few items and also update this Committee accordingly. My delegation has taken due note of the concerns expressed by Members today. We will arrange to provide responses to their concerns in consultation with our Capital in due course.

38.17. The Committee took note of the statements made.

39 TÜRKİYE – DISCRIMINATORY ADDITIONAL TARIFFS ON ELECTRIC VEHICLES (ID [100](#)) – STATEMENT BY CHINA

39.1. The Chairperson recalled that this agenda item had been included at the request of China.

39.2. The representative of China indicated the following:

39.3. China regrets to raise this issue again. On 2 March, Türkiye issued a presidential decree imposing a 40% additional tariff only on imported electric vehicles originating from China. Until now, despite various efforts made by China through both bilateral and multilateral channels, there is little movement from Türkiye to resolve this issue. The electric vehicles originating from China are still subject to the discriminatory tariff treatment, significantly affecting China's legitimate rights and interests under the WTO.

39.4. China reiterates that the presidential decree, which imposes a 40% additional tariff only on China-made electric vehicles, is a measure inconsistent with, among others, Articles I and II of the GATT 1994, as well as Türkiye's commitment under the WTO Agreements.

39.5. In the Committee's meeting in April, the delegate of Türkiye stated that Capital was discussing this issue and China's comments would be conveyed. We look forward to the update from Türkiye today. We urge Türkiye to remove the discriminatory tariff without delay and bring the measures into conformity with WTO rules.

39.6. The representative of Türkiye indicated the following:

39.7. The electric vehicles sector, as an infant industry, has a strategic importance for Türkiye. This sector presents potentials for technological and know-how spillover to other sectors as well. Within this framework, as a result of an import surge in this sector, Türkiye, within its bound rates, increased its MFN tariff rate on electric vehicles for non-preferential trade partners in July 2022.

39.8. Despite the introduction of the increased MFN tariff rates, an import surge continued, predominantly from China among the non-preferential trade partners. Having said that, Türkiye has no intention of discriminating against any Member. We took note of the concerns expressed by China today. We will provide additional information once we receive any further instructions.

39.9. The Committee took note of the statements made.

40 UNITED STATES – DISRUPTIVE AND RESTRICTIVE MEASURES IN THE NAME OF NATIONAL SECURITY (ID 101) – STATEMENT BY CHINA

40.1. The Chairperson recalled that this agenda item had been included at the request of China.

40.2. The representative of China indicated the following:²⁴

40.3. China refers to its statements made in previous meetings of this Committee. As the Committee is aware, since 2018 the United States has implemented a series of trade-restrictive measures in the name of national security against some Members, including China. The measures can be placed into eight categories: (i) tariff measures, such as Section 232 tariff measures against imported steel and aluminium products; (ii) rule of origin measures, such as discriminatory application of origin marking; (iii) direct export restrictions, including extensive export controls on commercial products exported to China; (iv) extra-territorial application of export restrictions, which restrict third countries from exporting products to China even if the products do not contain any "US content"; (v) procurement prohibition – for example, the US prohibits federal government agencies from procuring or using telecommunications products and services from certain Chinese companies; (vi) discriminatory subsidies policies – such as restricting semiconductor companies receiving US government subsidies from expanding their relevant investment in China; (vii) market authorization prohibitions, which prohibit some Chinese telecommunication equipment from obtaining certificates necessary for market access; and (viii) ICTS transaction reviews – such as the US review of commercial transactions for a very broad range of ICT products and services.

40.4. China believes that the broad scope and growing number of the measures taken by the United States in the name of national security reflects how the US is abusing "national security". We take Section 232 tariff measures on imported steel and aluminium products as an example. We have all seen how the United States raised tariffs in the name of so-called "national security", and then lowered tariffs only for certain Members, and put in place quotas, which are explicitly prohibited by the WTO rules. Another example is the US export controls on which we will elaborate under Agenda Items 41 and 42. We also note, with surprise, that the United States even considers battery components of electric vehicles made by China to be a potential threat to US national security, therefore requiring discriminatory treatment in its subsidies policy.

40.5. In China's view, the United States believes that the application of the "security exemption" provisions is solely "self-judging" and not subject to review by WTO dispute settlement panels. Challenging national security-based trade decisions has put the WTO "on thin ice". However, as indicated by several dispute settlement panels, neither the negotiating history of the GATT, the text

²⁴ The delegation of China indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

of the GATT, nor the interpretation of the relevant provisions by many other Members, agree with the US claim.

40.6. In fact, it is the abuse of national security by the United States that really puts the WTO on thin ice. By abusing "national security", the US has broken one window after another of the mansion of the multilateral trading regime, and would give rise to the "broken window theory", where exemptions become the rule and put the rules-based multilateral trading regime in danger.

40.7. Finally, China believes that it is necessary to enhance the review and monitoring of security exemption abuses under the WTO framework.

40.8. The representative of the United States indicated the following:

40.9. As we have stated previously, the United States does not believe that the WTO Committee on Market Access is the appropriate forum to discuss issues related to national security.

40.10. The Committee took note of the statements made.

41 UNITED STATES, JAPAN, NETHERLANDS – US-JAPAN-NETHERLANDS AGREEMENT ON CHIP EXPORT RESTRICTIONS (ID [102](#)) – STATEMENT BY CHINA

41.1. The Chairperson recalled that this agenda item had been included at the request of China.

41.2. The representative of China indicated the following:

41.3. China has serious concerns that the United States, Japan, and the Netherlands, within a short time-period, all revised relevant laws and regulations to introduce new export controls against China on the same sector, which is the semiconductor industry.

41.4. China noted that both the United States and the European Union stated in previous meetings that they took issue with the agenda item description as put forward by China, but the latest development speaks for itself. Following the US export controls on semiconductor manufacturing equipment, issued on 7 October 2022, Japan and the Netherlands have also implemented relevant export controls, on 23 July 2023 and 1 September 2023, respectively. Our question is, if no such agreement exists among the three Members, how could the three Members take similar actions in such a synchronized manner?

41.5. Regarding Japan's export controls on semiconductor manufacturing equipment, China is concerned that the scope of products subject to new export controls is clearly excessive, as it covers products that have long been removed from the Wassenaar Arrangement. Despite Japan's claim that the objective of the measures is to prevent technology from being diverted for military use and safeguard international peace and security, and that it does not target any specific country or region, many products and related technology covered by the export control are used for civilian purposes. In addition, the classification of export licensing and country or region groupings under this export control reflect that the measures are discriminatory and targeted against China.

41.6. Regarding the new export controls on semiconductor manufacturing equipment issued by the Dutch government, China takes note that the relevant semiconductor manufacturing equipment can be exported to China until the end of this year. We are concerned that the new export controls go beyond the scope of the control list of items in the Wassenaar Arrangement, and include products that are not covered by the EU dual-use export control list.

41.7. The latest export controls taken by the United States, Japan, and the Netherlands clearly deviate from the export control objective and practice widely shared by the international community, and are contrary to the purpose of the peaceful use of semiconductor manufacturing equipment in science and technology.

41.8. Finally, China requests the three Members to notify the agreement and its follow-up measures to the WTO, and calls on the WTO to strengthen its monitoring of these measures.

41.9. The representative of the European Union indicated the following:

41.10. The European Union recalls its statement made in the previous meeting of this Committee. The EU continues to take issue with the description of the agenda point by China, as a factual matter. Moreover, the type of measures regulated by the GATT are those adopted by individual Members. The EU's statement therefore relates to the latter only. The matter raised by China concerns national export control measures by the Netherlands relating to advanced semiconductor manufacturing equipment adopted by Regulation of the Minister for Foreign Trade and Development Cooperation of 23 June 2023, and published on 30 June 2023. This measure falls under the dual use and export control framework of the European Union. This framework allows EU member States to impose additional national export controls based on essential security interests. The measure was adopted, in the same way as all existing restrictions of this type, in full conformity with the applicable WTO rules. Most notably, the exceptions of the GATT permit Members to take action which they consider necessary for the protection of their essential security interests relating to traffic in goods carried on directly or indirectly for supplying military forces.

41.11. The representative of the United States indicated the following:

41.12. As an initial matter, the United States has previously explained why WTO fora, such as the Committee on Market Access, are not appropriate to discuss issues related to national security, such as export controls. Furthermore, as we have previously expressed in the Council for Trade in Goods and this Committee, the United States takes issue with the agenda item description as put forward by China.

41.13. The representative of Japan indicated the following:

41.14. Japan has long been implementing strict export controls based on the Foreign Exchange and Foreign Trade Act, which Japan considers necessary from the perspective of maintaining international peace and security, in a manner consistent with the WTO Agreements. We will continue to take action in accordance with the above policy.

41.15. The Committee took note of the statements made.

42 UNITED STATES – A SERIES OF DISRUPTIVE POLICY MEASURES ON THE GLOBAL SEMICONDUCTOR INDUSTRY CHAIN AND SUPPLY CHAIN (ID 103) – STATEMENT BY CHINA

42.1. The Chairperson recalled that this agenda item had been included at the request of China.

42.2. The representative of China indicated the following:

42.3. China wishes to express our serious concerns again on the disruptive and discriminatory measures taken by the United States with regard to the semiconductor industry. We note with concern that the US will probably take further steps soon to restrict the export of semiconductor products to China. We will closely follow the developments.

42.4. China continues to have concerns over the notice of Funding Opportunity CHIPS incentive Program, issued by the US Department of Commerce. The notice requests the CHIPS funds applicants to demonstrate whether and how they intend to utilize domestically produced iron, steel, and construction materials as part of their projects, which may not comply with the relevant rules of the SCM and TRIMs Agreements.

42.5. China also noted that the notice requests the applicant to demonstrate why the investments would not occur without the CHIPS incentives. It seems to us that the applicant's investment decisions are not based on market orientation or commercial logic.

42.6. In addition, the Final National Security Guardrails for CHIPS for America Incentives Program, issued on 22 September 2023, prevents the CHIPS funds recipients from expanding both advanced facilities and legacy facilities in China for ten years.

42.7. This is a typical example of a Cold War mentality, a zero-sum game, and trade bullying. The small yard, high fence approach the United States is taking is detrimental not only to China's interests, but also to the interests of the US itself. and other Members. It has severely undermined the global semiconductor industry chain, violated market principles, disrupted the normal order of international trade and investment, and negatively affected the rules-based multilateral trading system. China calls on the WTO to strengthen its monitoring of the relevant measures.

42.8. The representative of the United States indicated the following:

42.9. The publicly available, published CHIPS Act explains in detail the initiative, including which entities and projects are eligible to receive support, and the types of support that they are eligible to receive. The CHIPS program has a website dedicated to publicly sharing information at www.chips.gov. On this public website, the US Department of Commerce has published its initial implementation strategy and the first notice of funding opportunity.

42.10. The CHIPS Act consists of three distinct initiatives: (i) large-scale investments in leading-edge logic and memory manufacturing clusters; (ii) expansion of manufacturing capacity for mature and current-generation chips, new and specialty technologies; and (iii) initiatives to strengthen and advance US leadership in research and development.

42.11. As the United States has previously explained to China, the contemplated support is consistent with US law and WTO commitments. As detailed in the CHIPS Act and implementing regulations, a successful CHIPS program will respond to market signals, fill market gaps, and reduce investment risk to attract significant private capital. To that end, the publicly available CHIPS Act and notice of funding opportunity set forth in detail the criteria, such as national security, including economic security, objectives, and commercial viability, that the Department of Commerce will use to evaluate applications.

42.12. In addition, the US Department of Commerce will implement certain restrictions to ensure that those who receive CHIPS funds cannot compromise national security. Those national security-based restrictions are described in more detail in the Act and in the final rulemaking published in the Federal Register on 25 September (88 Fed. Reg. 65600). The final rule reflects input received from solicited comments on the proposed rule.

42.13. Again, this Committee is not the appropriate forum for issues related to national security.

42.14. The United States would also note that China also has a semiconductor program. In particular, the national IC fund, started in 2014, has never been notified. In addition, China has numerous programs at the central and sub-central levels of government in the form of government guidance funds, none of which have been notified.

42.15. The Committee took note of the statements made.

43 UNITED STATES – SECTION 301 TARIFFS ON CERTAIN GOODS FROM CHINA (ID 90) – STATEMENT BY CHINA

43.1. The Chairperson recalled that this agenda item had been included at the request of China.

43.2. The representative of China indicated the following:

43.3. China has to raise this issue again, as the United States continues imposing Section 301 tariffs on some of China's exports to the US, even if it is a measure that is manifestly inconsistent with the WTO rules.

43.4. The Section 301 tariffs imposed by the United States do not serve the interests of either Chinese or American enterprises and people. The cost of Section 301 tariffs is almost entirely borne by US importers, driving up the price of US enterprises inputs.

43.5. China urges the United States to immediately remove all Section 301 tariffs imposed on Chinese products.

43.6. The representative of the United States indicated the following:

43.7. China's decision to continue to raise this matter in this and other WTO committees has been a pointless waste of WTO resources, given that China has already unilaterally imposed the only remedy that the WTO Dispute Settlement Body (DSB) could potentially authorize: the suspension of WTO concessions.

43.8. China has already applied tariff measures to imports from the United States in excess of its WTO commitments for the explicit purpose of retaliating against the measures for which it now seeks legal findings. The US understands that, from July 2018 to September 2019, China imposed four rounds of tariffs, ranging from 2.5% to 30%, in retaliation against US Section 301 tariffs, which covered approximately 71% (USD 109 billion) of 2017 imports into China from the United States.

43.9. China, of course, did so without obtaining the authorization from the DSB pursuant to the Dispute Settlement Understanding. China does not dispute the fact that it has already imposed retaliatory tariff measures in response to the US measures at issue. Nor does China dispute that these retaliatory measures remain in effect.

43.10. The United States urges China to be mindful of the Committee's and Members' time and resources when raising matters in Committee meetings in the future.

43.11. The representative of China indicated the following:

43.12. China has to respond to the statement made by the United States, as the US considers China's decision to raise this issue a waste of the Committee's time and resources. I will keep my response as short as possible, to avoid taking too much of the time and resources of this Committee.

43.13. The terms of reference of the Committee on Market Access indicate that the Committee shall: (i) supervise the implementation of concessions relating to tariffs and non-tariff measures; and (ii) provide a forum for consultation on matters relating to tariffs and non-tariff measures. The Section 301 tariffs imposed by the United States certainly fall under the scope of this mandate. Therefore, it is justified and necessary for China to raise and discuss this ongoing and WTO-inconsistent measure in this Committee.

43.14. China once again urges the United States to immediately remove all Section 301 tariffs imposed on Chinese products, and to abide by the WTO rules. We believe that this is the best way not only to save the Committee's time and resources, but also to save the multilateral trading system as well.

43.15. The Committee took note of the statements made.

44 UNITED STATES – QUANTITATIVE RESTRICTIONS ON IMPORTS OF STURGEON (ID [91](#)) – STATEMENT BY THE EUROPEAN UNION

44.1. The Chairperson recalled that this agenda item had been included at the request of the European Union.

44.2. The representative of the European Union indicated the following:²⁵

44.3. The European Union has been raising its concerns regarding US trade prohibitions on sturgeon products in this Committee since 2015.

44.4. As a reminder regarding the facts: in 2014, the United States listed five species of sturgeon as "endangered" under the US Endangered Species Act (ESA). The listing as "endangered" implies that trade in the relevant products is prohibited. The US Fish and Wildlife Service (USFWS) has been conducting a status review on a petition to list additional species of sturgeon as "endangered" under the Act.

²⁵ The delegation of the European Union indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

44.5. The European Union is concerned that the trade bans cover both wild and farmed sturgeon. As previously explained, the EU's main concern is that the US does not consider wild and farmed sturgeons and their products as separate categories. The US consequently applies the same conservation measures to both. This goes beyond the requirements of the relevant international environmental legislation, namely the CITES Convention.

44.6. In fact, commercial captive breeding of sturgeons actually helps to ensure the survival of wild stocks. Commercial aquaculture can be considered an effective tool to conserve these species and ensure the survival of wild stocks. It has no impact on the wild population, and instead can reduce illegal trade and wild harvesting, and numerous sturgeon farmers contribute to efforts to re-introduce these species in the wild - efforts that could end if trade in farmed sturgeon in the US is banned.

44.7. In addition to raising the issue in the CMA, the European Union has repeatedly conveyed our position in many bilateral contacts. Despite all our efforts, the US position remains unchanged. The proposed listing of the additional species of sturgeon as "endangered" species is of particular and immediate concern to us given its potential impact on EU producers. The US is a very important market, representing 15% of the global caviar market and 23% of EU caviar exports. In addition to the halt of EU exports to the US, the ban risks putting the EU market under pressure in case of a sudden and significant increase in imports from other countries that can no longer export to the US. The European Union would be interested to explore whether less trade restrictive options could be available.

44.8. The European Union looks forward to further engagement with the United States with a view to finding a mutually acceptable way forward on this issue.

44.9. The representative of Uruguay indicated the following:²⁶

44.10. Uruguay thanks the European Union for including this item on the agenda of this meeting and wishes to take the floor to reiterate its concern regarding the proposed rule to list four species of Eurasian sturgeon as endangered species under the United States Endangered Species Act of 1973. The adoption of the rule would result in a ban on the importation of the listed species, including the Russian sturgeon (*Acipenser gueldenstaedtii*), which is produced in a sustainable manner in Uruguay by companies that ship a significant share of their exports to the United States.

44.11. Uruguay understands and supports the intention to protect endangered species of sturgeon in natural habitats. However, we believe that the proposed rule, as currently drafted, would not only be counterproductive for the conservation of species in the habitats in which they are found, but would also have a negative impact on the sustainable sturgeon-farming industry, which currently supports the continuity of the species with viable alternatives for captive breeding that are not directly connected to the degradation of the sturgeon's habitat and to poaching, which threatens the Ponto-Caspian species in their native range States.

44.12. Uruguay believes that this rule change underestimates aquaculture's positive impact on the global industry, given that a huge volume of world trade in *Acipenser gueldenstaedtii* comes from legally farmed production. The sturgeon-farming industry outside the range countries has little or no impact on the results of the restoration of the Caspian Sea habitat. However, the rule change proposed by the Fish and Wildlife Service (FWS) will be more punitive for the aquaculture industry than for range States that fail to comply.

44.13. Uruguay believes that the preservation of the Ponto-Caspian species could be ensured by establishing a comprehensive approach involving active cooperation with sustainable sturgeon fish farms to protect the species through continuous breeding and regulated trade.

44.14. Uruguay would very much appreciate an update on the status of the proposed rule and, once again, calls for a solution that makes it possible to protect wild species without creating a barrier to trade for those bred in captivity.

²⁶ The delegation of Uruguay indicated at the meeting that a longer written version of their statement would be provided for inclusion in the minutes.

44.15. The representative of the United States indicated the following:

44.16. The United States appreciates the European Union and Uruguay's continued interest in this matter. As we have communicated previously, the US Endangered Species Act does not allow for captive-bred populations to be assigned separate legal status from their wild counterparts on the basis of their captive state, including through designation as a separate distinct population. It is also not possible to separate out captive-bred populations for different legal status under the Act by other approaches.

44.17. The United States refers the European Union and Uruguay to our previous interventions on this issue, and reiterates our offer to facilitate continued discussion among the relevant authorities on this issue.

44.18. The Committee took note of the statements made.

45 ELECTION OF THE VICE-CHAIRPERSON

45.1. The Chairperson recalled that Rule 12 of the Rules of Procedure for meetings of the Market Access Committee ([G/L/148](#)) authorizes the Committee to elect a Vice-Chairperson, and that the long-standing practice is to elect a Vice-Chairperson at the formal autumn meeting. As she had mentioned at the informal meeting on 3 July, after some preliminary consultations, it appeared that the situation that had prevented the election of the Vice-Chairperson of this Committee in 2022 still persisted in 2023. Therefore, she proposed to report back to the Committee in case there was any change in the current situation.

45.2. The Committee took note of the report.

46 DRAFT REPORT (2023) OF THE COMMITTEE TO THE COUNCIL FOR TRADE IN GOODS ([G/MA/SPEC/63](#))

46.1. The Chairperson recalled that the Committee was required to submit an annual report of its activities to the CTG. The draft report covering the activities of the Committee in 2023 had been circulated in document [G/MA/SPEC/63](#). She proposed that the Committee request the Secretariat to email the report to delegations on 20 October 2023. In the absence of objections by Members by 27 October 2023, the report would be considered to have been approved by the Committee and would be submitted to the CTG for appropriate action.²⁷

46.2. The Committee so agreed.

47 OTHER BUSINESS

47.1 Changes to the annotated agenda

47.1. The Chairperson highlighted that the Secretariat had made some changes to the annotated agenda circulated in document [JOB/MA/169](#). Since this Committee had always used an annotated agenda, this item had not been included in the recent discussions on how to improve the functioning of the Committee.

- i. However, following the adoption of the annotated agenda by the Council for Trade in Goods ([JOB/CTG/34](#)), the Secretariat had considered that it would be useful to modify certain elements of the annotated agenda of this Committee to align it to parts to the CTG model. These included: (i) the introduction of the section on "Meeting Documentation and Logistical Arrangements"; (ii) further background information under each agenda item and reference to legal documents (e.g. decisions), where applicable; and (iii) the presentation of trade concerns in tabular form in the annex, where new concerns were separated from those previously raised.

²⁷ Document [G/L/1507](#) of 30 October 2023.

47.2. She noted that these changes were in addition to others the Secretariat had already introduced, such as links to the Trade Concerns Database for the concerns raised and the inclusion of hyperlinks in all official documents.

47.3. The Chairperson proposed that the Committee discuss the improvements to the annotated agenda at its next informal meeting, in November 2023, so that Members had more time to review the changes and provide more appropriate feedback.

47.4. It was so agreed.

47.2 Dates of upcoming meetings

47.5. The Chairperson asked the Committee to take note of the following arrangements.

47.6. The last informal meeting of the Committee would take place on 21 November 2023 and its informal convening notice would be circulated in due course. Before the informal meeting, she recalled that the first thematic session on supply chain resilience with other international organizations would be held on 21 November 2023 as well. The Secretariat would send a communication indicating whether the session was confirmed and other details after the deadline for proposing speakers on 31 October 2023.

47.7. Regarding the meeting dates for 2024, the formal meetings of the Committee had been scheduled for 25-26 March and 17-18 October 2024. The informal meetings of the Committee had been scheduled to take place on 6 February; 11 June; and 28 November 2024. Additional informal meetings could be convened if necessary. The proposed dates took into account the tentative schedule of meetings of other CTG subsidiary bodies, and the meeting dates of the CTG itself, in an effort to avoid possible overlaps and facilitate the work of delegates.

47.8. Finally, the Chairperson reminded delegations that they could upload the statements delivered at the meeting onto the eAgenda platform until 3 November 2023. As agreed by the Committee, the statements available on eAgenda would automatically be made available to all Members after this date, unless a given Member had requested that their statement not be made available.

47.9. The Committee took note of the statement.

47.10. The meeting was adjourned.
