



**Committee on Trade and Development
Ninety-Seventh Session**

NOTE ON THE MEETING OF 13 NOVEMBER 2015

Chairman: H.E. Mr. Juan Esteban Aguirre Martínez (Paraguay)

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A. ADOPTION OF THE AGENDA

1. The draft agenda as contained in document WTO/AIR/COMTD/5 of 2 November 2015 was adopted.

B. OBSERVERS

(i) *Request for attendance of ad hoc observers*

2. The Chairman recalled that, at previous sessions of the Committee on Trade and Development (CTD), Members had agreed to invite a number of intergovernmental organizations on an ad hoc, meeting-by-meeting basis. These were the Arab Maghreb Union, the Economic Community of Central African States, the Economic Community of West African States, the Economic Cooperation Organization, the Inter-Arab Investment Guarantee Corporation, the Islamic Development Bank, the African Union, the Organisation of the Islamic Conference, the South Centre, the Pacific Islands Forum, the United Nations Environment Programme, the West African Economic and Monetary Union, and the World Intellectual Property Organization. These organizations had been invited to the present meeting. He proposed that the same organizations be invited to the next formal meeting of the CTD.

3. It was so agreed.

(ii) *Further consideration of requests for observer status by the League of Arab States, the Organization of the Petroleum Exporting Countries (OPEC), the Gulf Organization for Industrial Consulting, the Organisation Internationale de la Francophonie, the Common Fund for Commodities, the Organization of Arab Petroleum Exporting Countries (OAPEC) and the Groupe de la Banque Africaine de Développement*

4. The Chairman said that the positions of delegations were on the record. He indicated that if there were no changes in positions to extend observer status to any of the applicants, the Committee would take note and revert to the requests at the next meeting.

5. It was so agreed.

6. The Chairman said that he wished to inform Members of a new request for observer status in the CTD. The request was from the Intergovernmental Standing Committee on Shipping (ISCOS), which was established in 1967 by the Governments of Kenya, Uganda, Tanzania and Zambia. As the request from ISCOS had been received after the agenda for the present meeting was circulated, it would appear on the agenda of the next CTD meeting for Members' consideration, as was the practice for such requests. In the meantime, he invited Members to consult the ISCOS website (www.iscosafricashipping.org).

C. REPORT OF THE 49TH SESSION OF THE JOINT ADVISORY GROUP ON THE INTERNATIONAL TRADE CENTRE UNCTAD/WTO (ITC/AG(XLIX)/260)

7. The Chairman said that the report of the 49th Session of the Joint Advisory Group (JAG) on the International Trade Centre UNCTAD/WTO (ITC) was contained in ITC document ITC/AG(XLIX)/260. He invited Ambassador Patricia O'Brien of Ireland, the Chairperson of the 49th Session of the JAG, to introduce the report.

8. The Chairperson of the JAG said that the Group had held its 49th Session on 26 June 2015. At the meeting, delegations had expressed appreciation for the ITC's renewed focus on innovation, effectiveness, and pragmatic results on the ground. They also confirmed their support for the ITC's new strategic direction, as laid out in the Strategic Plan for the 2015-2017 period, and particularly welcomed the introduction of the new programmatic approach clustered around six focus areas. The ITC's achievements in building strategic partnerships - including with the private sector - were recognized. The focus on doing more, and doing it better, was welcomed. Evidence of this was found in the ITC's expanding portfolio of national and regional programmes, which addressed such areas as trade facilitation, the competitiveness of small and medium-sized enterprises (SMEs), regional economic integration, non-tariff measures (NTMs) and South-South cooperation. The ITC's work on women's economic empowerment, promoting young entrepreneurs, and linking SMEs to markets through the use of e-commerce were also seen as important areas in which to maintain a presence. She said that, through such interventions, the ITC would continue to provide demand-driven technical assistance to all of its clients but, in particular, to least developed countries (LDCs), landlocked developed countries (LLDCs), sub-Saharan Africa, small, vulnerable countries, as well as post-conflict and fragile states. In terms of areas for further improvement, delegations at the JAG had, *inter alia*, mentioned the need to better align the relationship between projects and the activities carried out, and the need to better elaborate the link between funds received and results achieved. The need for more predictable resources was also recognized.

9. She went on to say that the second part of the JAG had focused on the implementation of the recommendations provided by the two recent external evaluations of the ITC, which were the 2014 Independent Evaluation and the 2015 UN Office of Internal Oversight Services (OIOS) Programme Evaluation. The Executive Director of the ITC had reaffirmed to the JAG that all of the strategic recommendations had been accepted. With regard to the first recommendation of the Independent Evaluation - which stressed the need for the ITC to focus on well-defined priorities in order to maximize impact - the Executive Director had pointed to the six thematic focus areas, and to the newly formed Programme Development Task Force. On the second recommendation - which was to further improve the quality of the ITC's technical work - the Executive Director had indicated that the new project portal would allow a tracking of the progress and results of each project. Furthermore, the ITC's new Evaluation Policy would allow strengthened reporting on development results. In relation to the third recommendation - on better governance and enhanced accountability - the Executive Director had, *inter alia*, mentioned the progress made in terms of risk management, costing, and the implementation of UN-wide operating systems. Regarding the final recommendation - on raising the organization's visibility - the Executive Director had pointed to the ITC's active role in highlighting the importance of SMEs and women's economic empowerment in the 2030 Agenda for Sustainable Development. The opening of a liaison office in Addis Ababa and the enhancement of the ITC's presence at the UN's headquarters in New York were also cited as examples. With regard to the additional recommendations made in the OIOS evaluation, the JAG was informed, *inter alia*, of the new resource mobilization strategy and the gender mainstreaming policy.

10. In closing, she said that, at the JAG meeting, the Governments of China, Finland, Germany, Norway and Switzerland had announced their commitments of financial support to the ITC. She also informed the Committee of a number of ITC activities and events in the course of 2015, including the Women Vendors Exhibition and Forum held in São Paulo, and the World Export Development Forum (WEDF) held in Doha. Finally, she indicated that an event on Women in Business would be held in Nairobi in December 2015, on the margins of the WTO's Tenth Ministerial Conference (MC10).

11. The representative of Sri Lanka expressed appreciation to the ITC for its work in Sri Lanka. He informed the Committee that Sri Lanka had offered to host the next WEDF.

12. The Committee took note of the report of the 49th Session of the JAG and forwarded it to the General Council for adoption.

D. TECHNICAL COOPERATION AND TRAINING

- Biennial Technical Assistance and Training Plan 2016-17 (WT/COMTD/W/211)

13. The Chairman said that the Biennial Technical Assistance and Training Plan (TA Plan) for 2016 and 2017 had been circulated in document WT/COMTD/W/211. He invited the Director of the Institute for Training and Technical Cooperation (ITTC) to introduce the Plan.

14. The Director of the ITTC recalled that an informal meeting had been held on 19 October 2015 to discuss a draft of the TA Plan. The Plan that had been circulated in document WT/COMTD/W/211 incorporated the comments from delegations that had been made at this informal meeting. The document outlined the planned activities, the target results and the funding required. In preparing the Plan, it had been assumed that human and financial resources would remain stable during the biennium. As such, the Plan was based on the level of activity of the last three years, and had a mix of both traditional and new products. Details on the specific activities were presented in Annex 2 of the document. The achievement of the key results would be monitored on the basis of a number of performance indicators and targets, which had been refined based on lessons learned in previous years. The focus would continue to be on managing for results, and efforts would be made to refine the results-based management monitoring and evaluation tools. The technical assistance activities would concentrate on assisting Members to implement WTO Agreements, and there would be a systematic follow-up to Trade Policy Reviews. Furthermore, the Progressive Learning Strategy would continue to be applied. There would also be more emphasis on interactive training methods, and e-learning would play a critical role. The Secretariat would analyze existing partnerships with other institutions to ensure that these remained meaningful. With regard to the budgeted level of financial resources, she said that a total of CHF 19 million per year would be required to implement the Plan. About CHF 12 million would come from the Global Trust Fund, CHF 4.5 million from the regular budget, and the rest from contributions to specific programmes. The budget for the TA Plan would be up for approval by the Committee on Budget, Finance and Administration at its meeting of 16 November 2015.

15. The representative of Guatemala indicated that her delegation had raised a number of points in the course of discussions during the preparation of the TA Plan. She expressed appreciation that these points had been taken into account.

16. The representative of Pakistan expressed appreciation for the WTO's technical assistance activities, and indicated his delegation's support for the TA Plan.

17. The representative of Nepal said that the WTO's technical assistance activities helped LDCs to build their capacity and enhance their understanding of WTO issues. Both e-learning and face-to-face activities were effective in this regard. He expressed appreciation to the ITTC for prioritizing the needs of LDCs, and indicated that technical assistance was a core element of the development dimension of the multilateral trading system, as well as an important component of Aid for Trade. In this light, he called on donors to ensure that their contributions to the WTO's technical assistance activities did not decrease. Finally, he expressed his delegation's support for the TA Plan.

18. The representative of Oman thanked the ITTC for its support in the organization of activities in Oman. He recalled that the regional trade policy course for the Arab region was currently being hosted by Sultan Qaboos University in Oman, and was in its second year. The main element that had contributed to the success of the course in its first year was the direct supervision and contribution of high level officials from the Ministry of Commerce and Industry, as well as from the university itself. He also noted that Oman was one of four Arab countries hosting a WTO Chair, and additionally informed Members that Oman had requested two national activities in 2015. The first activity concerned notification requirements, while the second was on technical barriers to trade (TBT) and sanitary and phytosanitary (SPS) measures.¹

19. The representative of Montenegro expressed her delegation's support for the adoption of the TA Plan. She said that the WTO's technical assistance had contributed to building the

¹ The points in this paragraph were made by Oman at the informal meeting held on 19 October 2015 to discuss the draft TA Plan. They are included in the minutes of this meeting at the request of the delegation of Oman.

administrative capacity of various Ministries in Montenegro. She particularly mentioned the technical assistance which had been provided in the course of Montenegro's accession to the Government Procurement Agreement. In addition, acknowledging the benefits to Montenegro of technical assistance in the trade facilitation area, she informed the Committee that the Trade Facilitation Agreement was in the final phase of ratification in Montenegro's Parliament. She believed that these examples demonstrated the critical role of technical assistance.²

20. The Committee adopted the Biennial Technical Assistance and Training Plan for 2016 and 2017.

- External Evaluation of the WTO's Trade-Related Technical Assistance (JOB/DEV/30) – statement by Norway on behalf of the Steering Committee of the Evaluation

21. The Chairman invited the delegation of Norway to make a statement concerning the external evaluation of the WTO's trade-related technical assistance (TRTA).

22. The representative of Norway indicated that she wished to provide Members with an update on the external evaluation, and also present the draft Terms of Reference for the evaluation, which had been circulated in document JOB/DEV/30. She recalled that information on the evaluation had been provided to the CTD at its 93rd Session. Interested Members had subsequently established a Steering Committee to oversee the evaluation. The Steering Committee consisted of representatives from Bangladesh, the European Union (EU), Finland, France, Germany, Guatemala, Norway, Rwanda, Sweden and the United States (US). Other Members that wished to participate were invited to contact her. She went on to say that the evaluation would be funded through extra-budgetary sources from several donors, and planned TRTA activities would therefore not be affected. It was envisaged that the evaluation - which would cover the 2010-2014 period - would assess all of the WTO's TRTA activities, irrespective of their source of funding. She outlined the main aspects of the WTO's TRTA that the evaluation would assess, as well as the profile and skills expected of the consultancy team, which were laid out in the draft Terms of Reference. She also informed Members that the role of the Steering Committee was to manage the evaluation, and to report regularly to the CTD on the progress made. It was for the Steering Committee to approve the Terms of Reference for the evaluation, the Inception Report, the draft Evaluation Report, and the Final Evaluation Report. The Secretariat would support the Steering Committee through the evaluation, including with regard to the administrative aspects. The procurement process for the consultancy team would be carried out under WTO rules and regulations, and the WTO procurement team would assist the Steering Committee. With regard to the Final Evaluation Report, she said that it would likely be presented to the CTD towards the end of 2016, along with a management response.

23. The representative of Pakistan emphasized the importance of TRTA to his country. He expressed an interest to participate in the Steering Committee.

24. The representative of China expressed appreciation for the WTO's technical assistance activities. He also noted that China contributed, within its capacity, to support the activities. With regard to the external evaluation, the view of his delegation was that it was important and necessary. He indicated that his delegation would get actively involved in the process.

25. The representative of Sri Lanka said that his delegation was interested in participating in the Steering Committee. He noted that Sri Lanka had benefitted significantly from the WTO's technical assistance activities.

26. The Chairman indicated his appreciation to Norway for the information presented regarding the external evaluation and the role of the Steering Committee. He believed that the external evaluation was a valuable exercise.

27. The Committee took note of all interventions.

² The delegation of Montenegro was unable to be present for the discussion under this sub-item, but requested that these points be included in the minutes of this meeting.

E. TRADE AND DEVELOPMENT - WORK IN THE COMMITTEE ON THE BASIS OF THE CHAIRMAN'S CONCLUDING STATEMENT FROM THE EIGHTH MINISTERIAL CONFERENCE (WT/MIN(11)/11)

28. The Chairman recalled that, at the Eighth Ministerial Conference (MC8), Ministers had, *inter alia*, reaffirmed the positive link between trade and development and called for focused work in the CTD. Ministers had called on Members to fully operationalize the mandate of the CTD as a focal point for development work. He emphasized the importance of the MC8 mandate – particularly in light of its strong development dimension – and expressed regret that only one of the proposals that had been made in this context had been agreed to by the Committee thus far. Furthermore, the proposals currently under consideration in the CTD had appeared on the agenda for quite some time. With regard to these proposals, he informed the Committee that he had held a small group informal consultation on 16 October 2015, and that the proposals had also been discussed at the informal, open-ended CTD meeting held on 5 November. He indicated that he was willing to work further with Members, as necessary, in order to facilitate progress. He also encouraged Members to consider ways in which the CTD could advance in its work relating to the MC8 mandate.

- Committee on Trade and Development mandate: focal point for consideration and coordination of work on development in the WTO – proposal from Barbados, Belize, China, Cuba, Ecuador, India and the African Group (WT/COMTD/W/208)

29. The Chairman said that the proposal contained in document WT/COMTD/W/208 had the aim for the CTD to report on development-related work taking place in the WTO. He recalled that there were originally two proposals which broadly had this aim, and the proponents of the two proposals had decided to work together. Document WT/COMTD/W/208 was the outcome of their collaboration. He also recalled that, at the informal, open-ended CTD meeting held on 5 November, the proponents had indicated that more consultations would be required before they would be in a position to report on concrete progress with regard to the proposal.

30. The representative of Egypt said that the proponents had not received positive reactions from some Members, even though efforts had been made to address the concerns that were raised on earlier versions of the proposal. The proponents had not had the opportunity to consult with Members since the last CTD meeting. However, if there was a willingness to consider the proposal, she suggested that informal consultations would be useful to move the process forward. She requested that the present sub-item remain on the CTD's agenda.

31. The Committee took note of the interventions.

- Operationalization of the CTD's mandate: a proposal to deliver outcomes based on the MC8 mandate – proposal from China, Cuba, Ecuador, India and the African Group (WT/COMTD/W/192)

32. The Chairman said that, while there were three proposals in document WT/COMTD/W/192, the first two proposals had already been addressed by the Committee. The first proposal, which was for the Secretariat to prepare an update to its paper on the implementation of special and differential treatment (S&D) provisions in the WTO Agreements and Decisions, had been agreed to by the Committee at its 87th Session. The updated Secretariat paper was circulated in June 2013 and had appeared on the CTD's agenda for a number of meetings. As for the second proposal, which was for the CTD to report on development work in the WTO, this idea was now being dealt with in the proposal contained in document WT/COMTD/W/208 which had been addressed under the previous sub-item. The remaining proposal in document WT/COMTD/W/192 was for the CTD to make a recommendation for parties to regional trade agreements (RTAs) to submit their notification and information requirements jointly. He recalled that, at the informal, open-ended CTD meeting held on 5 November, the proponents of this proposal had indicated that more consultations would be required before they would be in a position to report on concrete progress.

33. The representative of Egypt indicated that elements of her intervention under the previous sub-item applied to this sub-item as well. She requested that the present sub-item remain on the CTD's agenda.

34. The Committee took note of the interventions.

- Committee on Trade and Development mandate: review of the application of S&D provisions in the Multilateral Trade Agreements and related Ministerial Decisions in favour of developing country Members - proposal from Ecuador (WT/COMTD/W/204)

35. The Chairman said that the proposal from Ecuador, circulated in document WT/COMTD/W/204, was for the Secretariat to periodically update its paper on the implementation of S&D provisions. He recalled that, at the informal, open-ended CTD meeting held on 5 November, the delegation of Ecuador had reported on some progress with respect to this proposal, and had indicated that a revised proposal would be circulated. In this regard, he informed the Committee that the revised proposal from Ecuador had been circulated on 12 November 2015 in document WT/COMTD/W/204/Rev.1. He invited Ecuador to introduce the revised proposal.

36. The representative of Ecuador said that the original proposal contained in document WT/COMTD/W/204 had been discussed at various formal and informal CTD meetings. The revised version of the proposal had been prepared on the basis of the comments that had been made at these meetings. In the revision, it was proposed that the Secretariat paper be updated at least once every two years. The report would serve as a reference document for Members, and would be used as each Member considered appropriate. It was not intended for the Secretariat paper to be a standing item on the CTD's agenda. If a Member wished to make a request for any particular element in the Secretariat paper to be used as the basis for an item on the CTD's agenda, that Member would explain, in its request, the scope and purpose of the proposed discussion. Following the circulation of the second report by the Secretariat, the Committee would review the report and the discussions that had taken place, in order to determine whether it was worthwhile to continue producing the document. He noted that, while all the objectives of the original proposal had been maintained, additional flexibility had been provided for Members to decide on the use they wished to make of the Secretariat paper. In the view of his delegation, the paper had value, as it provided a clear overview of how S&D provisions were being implemented.

37. The representative of the United States recalled that his delegation had expressed some concerns with the original proposal from Ecuador. He informed the Committee that the US was in a position to agree to the revised proposal, conditional on the understanding that there was no intention for the Secretariat paper to be reflected as a standing item on the CTD's agenda.

38. The representative of the European Union said that her delegation had also expressed some concerns with the original proposal. With regard to the revised proposal, she referred to the sentence which read: "The report must include an objective and analytical listing of the S&D provisions, identifying the measures that have been taken and put forward to operationalize them". In this sentence, she believed that the phrase "and put forward" was not necessary, and could also be confusing, since it was usually proposals that were put forward. She indicated that the EU could agree to the revised proposal, on the understanding that the Secretariat paper would only list measures that had been taken, and would not include reference to any proposals made on how measures could be implemented.

39. The representative of Ecuador expressed appreciation for the comments received, and acknowledged that the revised proposal had only just been circulated. With regard to the comments from the US, he confirmed that it was not intended for the Secretariat paper to be a standing item on the CTD's agenda. If a Member wanted the paper on the agenda of a CTD meeting, it would be that Member's responsibility to explain what was the intended scope of the discussion and how the report would be used. He also indicated his understanding of the EU's comments, and said that his delegation would discuss the matter with the EU.

40. The representative of Cameroon recalled that his delegation had supported the original proposal from Ecuador. He noted that progress had been made in the discussions regarding to the proposal.

41. The Committee took note of all interventions and agreed to the revised proposal from Ecuador contained in document WT/COMTD/W/204/Rev.1.

F. NOTIFICATIONS UNDER THE ENABLING CLAUSE

42. The Chairman said that he wished to inform Members of a recent notification by Japan concerning its Generalized System of Preferences (GSP) scheme, which was contained in document WT/COMTD/N/2/Add.16. As the notification had been circulated after the circulation of the agenda for the present meeting, it would appear on the agenda of the next CTD meeting. However, he understood that Japan wished to briefly introduce the content of the notification at the present meeting. He indicated that he would give the floor to Japan for this purpose after the Committee had concluded its consideration of the listed sub-items under the present agenda item.

43. He also said that he wished to provide Members with a brief update on the RTAs notified under the Enabling Clause that were to be considered in the CTD's Dedicated Sessions on RTAs. He firstly informed the Committee that the factual presentation on the MERCOSUR-India Agreement was circulated on 14 September 2015 in document WT/COMTD/RTA/6/1, and that the Agreement would be considered in a Dedicated Session of the CTD in the early part of 2016. He also said that two new notifications of RTAs under the Enabling Clause had been made since the last formal CTD meeting. The goods aspects of the Agreement between Singapore and the Gulf Cooperation Council (GCC) were notified under the Enabling Clause on 30 June 2015 in document WT/COMTD/N/45/Rev.1. The parties had been requested to provide the necessary data to the Secretariat for the preparation of the factual presentation by 23 November 2015. The Agreement between Mauritius and Pakistan was notified on 30 September 2015 in document WT/COMTD/N/47, and the parties had been requested to provide the necessary data by 19 February 2016.

44. With regard to the Agreement between the Association of Southeast Asian Nations (ASEAN) and India, he said that comments had been received from India on the draft factual presentation that was sent to the parties, but the Secretariat was still waiting to receive comments from ASEAN. The draft factual presentation on the accession of Rwanda and Burundi to the East African Community had also been sent to the parties, and the Secretariat was still waiting to receive comments. For a number of other RTAs - namely, RTAs between India and Nepal, India and Afghanistan, India and Bhutan, and Cuba and El Salvador - the full set of data needed to complete the factual presentations had not been submitted by the parties. He urged the parties to these agreements to provide the data as soon as possible. He went on to say that there remained one RTA notified under the Enabling Clause that had not been ratified by all the parties. This was the Pacific Island Countries Trade Agreement (PICTA). Following the procedures of the Committee on Regional Trade Agreements (CRTA), a factual presentation of an RTA falling in this category would only be drafted after the agreement had been ratified by all the parties. The parties to PICTA were urged to inform the Secretariat as soon as all ratifications were complete.

45. The Committee took note of the Chairman's update.

46. Turning to the listed sub-items under the present agenda item, the Chairman said that he wished to say a few words in the context of the discussion in the CTD relating to the RTAs notified under both the Enabling Clause and GATT Article XXIV. In particular, he informed the Committee that he had recently held brief informal consultations with some Members, including some of the parties to the RTAs in question. These consultations had helped him to gain a better understanding of the issues, but it was also clear that further discussions would be required before a solution could be found. He indicated his willingness to facilitate any discussions among Members in this regard.

- Gulf Cooperation Council (GCC) notification of Customs Union – communication from China, Egypt and India (WT/COMTD/W/175)

47. The Chairman said that the first sub-item under the present agenda item concerned the GCC Customs Union notification. The sub-item also referred to the communication from China, Egypt and India which was circulated in document WT/COMTD/W/175.

48. The representative of Egypt said that systemic concerns had been raised by some Members, including Egypt, over the legal and procedural implications of the dual notification of the GCC Customs Union under both the Enabling Clause and GATT Article XXIV. She noted that a number of delegations had previously expressed the view that the Enabling Clause did not provide the

appropriate legal basis to justify the formation of a customs union involving the reduction or elimination of NTMs. However, others had argued that the non-prescription of criteria or conditions for the elimination of NTMs did not exclude customs unions among developing countries from the coverage of the Enabling Clause. The view of her delegation was that the CTD was the appropriate forum to consider the questions arising from RTAs with a dual notification. This originated from the CTD's terms of reference, which stipulated that the CTD was the focal point for the consideration and coordination of work on development in the WTO. In addition, paragraph 4 of the terms of reference mandated the CTD to consider any questions with regard to either the application or the use of special provisions in the Multilateral Trade Agreements and related Ministerial Decisions in favour of developing country Members, which included questions relating to the invocation of the Enabling Clause to notify customs unions among developing countries. She hoped that Members could have a substantive discussion on the systemic concerns that had been raised. The present sub-item needed to be maintained on the CTD's agenda until a solution was found.³

49. She additionally requested that the first three sub-items under the present agenda item remain on the CTD's agenda.

50. The representative of the United States said that his delegation continued to have concerns with the present sub-item being listed on the agenda. The sub-item had fulfilled its purpose of informing Members of the notification made, and needed to be removed from the agenda. He regretted that this matter had taken so much of the Committee's time over the past few years, and observed that these were the types of issues that took time, resources, and attention away from other pressing development matters.

51. The representative of India expressed support for the intervention by Egypt. He indicated that his intervention related to the first three sub-items under the present agenda item, since the three RTAs in question had been "dually notified" under the Enabling Clause and GATT Article XXIV. He said that the systemic concerns that were raised by China, Egypt and India in document WT/COMTD/W/175 remained relevant and had not been addressed. Although some Members had expressed the view that the systemic concerns that had been raised were outside the scope of the CTD, the view of his delegation was that the CTD was the appropriate forum to consider the questions arising from RTAs with a dual notification. Finally, he requested that the first three sub-items under the present agenda item remain on the CTD's agenda until the concerns arising from "dually notified" RTAs were addressed.

52. The representative of the European Union said that she wished to reiterate the EU's view that the purpose of the present agenda item was to inform Members of new notifications under the Enabling Clause since the previous CTD meeting. She regretted that the same discussion continued to take place in the CTD. She also made a distinction between the issues surrounding the GCC Customs Union on the one hand, and those surrounding the ASEAN-Korea Agreement and the India-Korea Agreement on the other. Finally, she indicated that her delegation was willing to consider a pragmatic solution to move forward on this matter, and was also willing to have a substantive discussion on systemic issues in the Negotiating Group on Rules.

53. The representative of China expressed support for the interventions by Egypt and India. He explained that the systemic concerns raised by some Members had not yet been addressed.

54. The Committee took note of all interventions.

- Notification of the Agreement on Trade in Goods between the Association of Southeast Asian Nations (ASEAN) and Korea

55. The Chairman said that the second sub-item under the present agenda item concerned the notification of the ASEAN-Korea Agreement.

56. No Member took the floor under this sub-item.

³ The points in this paragraph, made by Egypt at the 90th Session and also reflected in the minutes of the 92nd, 93rd and 95th Sessions, are reflected once again in the minutes of this meeting at the request of the Egyptian delegation.

- Notification of the Comprehensive Economic Partnership Agreement between India and Korea (Goods)

57. The Chairman said that the third sub-item under the present agenda item concerned the notification of the India-Korea Agreement.

58. No Member took the floor under this sub-item.

- Generalized System of Preferences – notification by the European Union (WT/COMTD/N/4/Add.7)

59. The Chairman said that the EU's notification concerning its GSP scheme was contained in document WT/COMTD/N/4/Add.7. He invited the EU to introduce the notification.

60. The representative of the European Union said that the notification concerned the proof of origin for goods exported from GSP beneficiary countries to the EU. As of 1 January 2017, a new self-certification system – the Registered Exporter System (REX) – would replace the existing system. The self-certification of origin by exporters under REX functioned on the basis of statements of origin. Exporters would need to be registered with the competent authorities in order to participate. A transition period was available for beneficiary countries that were not able to start using the new system immediately. Technical assistance would also be provided to help beneficiary countries implement the system.

61. The representative of the United States said that his delegation was interested in the transition from a certificate of origin to a statement of origin. He inquired whether the statement of origin would remain a physical document, or whether the information would be transmitted electronically. His delegation also wished to know whether it would be necessary for the statement of origin to accompany the shipment of goods, and whether both importers and producers would be able to complete the statement of origin.

62. The representative of the European Union said that her delegation would respond bilaterally to the questions from the US.

63. The Committee took note of the notification by the EU and of the interventions.

64. The Chairman invited Japan to briefly introduce the content of its notification concerning its GSP scheme, which had been circulated in document WT/COMTD/N/2/Add.16. The notification would appear on the agenda of the next CTD meeting.

65. The representative of Japan indicated that his delegation wished to inform the Committee of an amendment to Japan's customs regulations. In particular, he said that Japan had modified its preferential rules of origin under its GSP scheme for Chapter 61 of the Harmonized System, which concerned articles of apparel and clothing accessories which were knitted or crocheted. With this modification, products classified under Chapter 61 qualified as originating goods when they went through a single manufacturing process, such as from fabrics to apparel products. The new regulation was applicable as of 1 April 2015.

66. The Committee took note of the intervention by Japan.

G. NOTIFICATIONS UNDER THE TRANSPARENCY MECHANISM FOR PREFERENTIAL TRADE ARRANGEMENTS

67. The Chairman said that he wished to provide Members with a brief update on the preferential trade arrangements (PTAs) that were to be considered in the CTD's Dedicated Sessions on PTAs. He firstly informed the Committee that Thailand had notified its duty-free and quota-free (DFQF) scheme for LDCs on 21 July 2015 in document WT/COMTD/N/46. Thailand had been requested to provide the Secretariat the necessary data for the preparation of the factual presentation by 8 December 2015. With regard to four other PTAs notified since the establishment of the Transparency Mechanism for PTAs – namely, PTAs being implemented by China, India, the Russian Federation and Chinese Taipei – the Secretariat had still not received the full set of data

required for the preparation of the factual presentations. He urged the notifying Members to provide the data as soon as possible.

68. The Committee took note of the Chairman's update.

H. ANNUAL REVIEW OF THE STEPS TAKEN TO PROVIDE DUTY-FREE AND QUOTA-FREE MARKET ACCESS TO LEAST DEVELOPED COUNTRIES

69. The Chairman said that he wished to provide Members with a brief update on what had transpired since the special CTD meeting devoted to DFQF market access which was held on 23 September 2015. He recalled that, at that meeting, discussion on a possible way forward had focused on what some had termed a "clinical examination" of the issues involved and possible impact arising from the implementation of DFQF market access for LDCs, on the basis of a study prepared by the Secretariat. Bangladesh – the main proponent – had subsequently submitted an informal document suggesting possible parameters for the proposed Secretariat study. On the basis of this informal document, he had held informal consultations with a number of delegations that had expressed an interest in this issue. He went on to say that his consultations on the elements of a possible study by the Secretariat had not brought any convergence thus far. The delegation of Bangladesh had informed him that the comments and views received from interested Members could not be easily reconciled, and it was therefore not possible to submit a revised proposal at this time. Nevertheless, he indicated that he remained available if Members wished to continue the discussion on the parameters of the study. In concluding, he said that the DFQF issue remained in the negotiations, and he encouraged Members to take forward this discussion as they prepared for a possible outcome at MC10.

70. The Committee took note of the Chairman's update.

- Report by the Secretariat (WT/COMTD/W/214)

71. The Chairman said that the Bali Ministerial Decision contained in document WT/MIN(13)/44 - WT/L/919 instructed the CTD to continue to annually review the steps taken to provide DFQF market access to the LDCs, and report to the General Council for appropriate action. To aid in its review, the Secretariat was to prepare a report, in close coordination with Members, on their DFQF market access for LDCs at the tariff line level, based on their notifications. He said that the Secretariat report, which had been circulated in document WT/COMTD/W/214, was the second of its kind prepared to facilitate the CTD's annual review of steps taken to provide DFQF market access to LDCs. It built upon, and updated, the previous report issued in November 2014, which was circulated in document WT/COMTD/W/206. It was largely based on last year's report, and followed the same structure. He recalled that a draft of the document had been considered at the informal, open-ended CTD meeting held on 5 November 2015. His general feeling from the discussion at that meeting was that the Secretariat report was useful and informative.

72. The representative of Chinese Taipei noted that Chinese Taipei was one of the developing Members that had notified its DFQF scheme to the WTO. His delegation believed that an improvement in market access opportunities for LDCs would help to facilitate their integration into the multilateral trading system, and would contribute to their economic growth and development. In this light, he called on more Members to grant DFQF market access to products from LDCs.

73. The Committee took note of the Secretariat report and of the interventions.

I. PARTICIPATION OF DEVELOPING COUNTRIES IN THE MULTILATERAL TRADING SYSTEM (WT/COMTD/W/212)

74. The Chairman said that the CTD had a mandate to keep under continuous review the participation of developing country Members in the multilateral trading system. He recalled that it had been agreed at the 93rd Session that the CTD's discussion under this agenda item would take place at the present meeting, based on a background paper prepared by the Secretariat. He invited the Chief of the International Trade Statistics Section to introduce the paper, which had been circulated in document WT/COMTD/W/212.

75. The Chief of the International Trade Statistics Section provided a broad summary of the information contained in the Secretariat paper. As part of his presentation, he said that developing economies' participation in international trade had remained high during the 2012-2014 period, which was the focus period of the paper. The share of merchandise exports of developing economies was 43.6% in 2014 - which was almost the same as in 2012 - while the import share increased to 41%. With regard to commercial services, developing economies' export share declined slightly over the period - to about 30% in 2014 - and the import share increased to 38%. Turning to quarterly merchandise trade statistics, he noted that trade had grown unevenly across developing regions. For example, a number of factors - including geopolitical tensions and a drop in fuel prices - had contributed to a decline in the exports of Africa and the Middle East. In developing Asia, the trade of the "six East Asian traders" - Hong Kong, China; the Republic of Korea; Malaysia; Singapore; Chinese Taipei; and Thailand - remained stable, while the exports of the rest of the region increased. Latin American trade growth was largely affected by economic slowdown in four of the major economies in the region. He added that, in spite of the difficulties experienced in some developing regions, South-South trade had continued to increase, and was an important contributor to the overall trade of developing economies. China continued to be an important player in South-South trade.

76. He went on to highlight some elements of developing economies' trade in commercial services over the 2012-2014 period. He noted that developing economies' transport exports had not increased, reflecting a context of relatively weak flows of merchandise trade and falling oil prices. Although developing economies remained net exporters of travel, their travel surplus declined sharply in 2014. Developing economies' participation in world exports of "other commercial services" remained stable over the focus period, but the participation varied considerably by type of service. In 2014, the largest shares were recorded in construction, other business services, and telecommunications, computer and information services. He next provided some insights into the participation of developing economies in global value chains (GVCs), using Latin American economies as illustrative examples. He noted in this regard that Chile was a developing economy whose participation in GVCs was mainly driven by downstream links and the export of natural resources. A similar predominance of forward GVC linkages could be observed in Colombia. In contrast, Costa Rica and Mexico relied mostly on the import of inputs that they further processed, assembled and embedded into intermediate or final products to be exported. He informed the Committee that the overall participation of developing economies in GVCs increased from about 37% in 1995 to close to 49% in 2011. Finally, with regard to the time taken for developing economies to export and import, he noted that, in 2014, Africa had recorded a reduction of 0.8 days for exporting and 1.1 days for importing. In LDCs, the delays to export and import were reduced by almost a day.

77. The representative of the European Union expressed appreciation for the Secretariat report. She noted that, in a context of lower economic and trade growth, South-South trade had continued to expand in recent years. The increasing share of developing economies, and particularly emerging economies, in global trade also pointed to a growing responsibility towards poorer developing countries. This concerned to some extent the DFQF schemes of developing countries in favour of LDCs. In addition, it reflected the need for a growing responsibility in the area of Aid for Trade and the manner in which development effectiveness principles were taken into account. Finally, she said that her delegation was encouraged by the positive findings regarding the participation of developing economies in GVCs.

78. The Committee took note of the Secretariat report and of the interventions.

J. DRAFT ANNUAL REPORT FOR 2015 (WT/COMTD/W/213)

79. The Chairman said that a fax was sent to Members on 5 November 2015 to inform them that the CTD's draft annual report had been circulated in document WT/COMTD/W/213. It was noted that the draft contained a number of square brackets relating to items under consideration at the 97th Regular Session, as well as at the 4th Dedicated Session on the Monitoring Mechanism on Special and Differential Treatment and the 30th Dedicated Session on Small Economies. The square brackets would be removed as part of the process of adopting the annual report. Noting that Members had been requested to submit in writing any comments on the draft annual report by 10 November, he informed the Committee that no comments had been received on the report.

80. The Committee adopted its annual report for 2015.⁴

K. OTHER BUSINESS

81. No matter was raised under "Other Business".

82. The meeting was adjourned.

⁴ The report was issued in document WT/COMTD/87.