COMMITTEE ON TRADE IN CIVIL AIRCRAFT

Report to the Contracting Parties

1. This report is submitted under Article 8.2 of the Agreement on Trade in Civil Aircraft. It sets out the activities of the Committee since November 1985.

2. In October 1986 there were twenty-two signatories to the Agreement: Austria, Canada, the EEC, Belgium, Denmark, France, Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, the United Kingdom, Egypt (subject to ratification), Japan, Norway, Romania, Sweden, Switzerland and the United States. In addition, the following contracting parties have observer status in the Committee: Argentina, Bangladesh, Brazil, Cameroon, Czechoslovakia, Gabon, Ghana, India, Indonesia, Israel, Malta, Mauritius, Nigeria, Poland, Singapore, Sri Lanka, Trinidad and Tobago, Tunisia, Turkey, Yugoslavia. The IMF and UNCTAD are also observers.

3. The Committee on Trade in Civil Aircraft held two regular meetings in the period under review: on 29 April 1986 and 8 October 1986.

4. The Committee continued work on the transposition of the Annex to the Agreement into the Harmonized System nomenclature, as well as on the methods of incorporating aircraft concessions expressed in Harmonized System in GATT Schedules and national tariffs. It received a final report from the Technical Sub-Committee, to which it had referred the technical aspects of the work. At the October 1986 meeting the Committee made progress towards finalizing the transposition of the Aircraft Annex into the Harmonized System nomenclature.

5. The Committee had further exchanges of views on the interpretation of Article 4.4 in relation to government inducements. There were also discussions of the provisions of Article 6, government supports. Developments in the OECD, particularly the conclusion of understandings on export credits for civil aircraft remained a matter of major interest to the Committee. Other matters raised concerned Article 8.3, further negotiations, and procedures for amendments of the Annex.

6. The minutes of the Committee's meetings are contained in documents AIR/M/1 to 18 and are available to the contracting parties to the GATT.