

WORLD TRADE ORGANIZATION

G/L/401
31 October 2000

(00-4548)

REPORT (2000) OF THE COMMITTEE ON MARKET ACCESS

1. The Committee on Market Access held four formal meetings (23 March, 27 June, 28 July and 12 October 2000) and nine informal meetings (26 January, 14 February, 17 March, 3 April, 23 May, 18 July, 28 July, 22 September and 2 October 2000) during the reporting period 6 October 1999 to 12 October 2000. The minutes of the formal meetings are contained in documents G/MA/M/23 to [G/MA/M/26 (to be issued¹)]. In addition, two periodic reports giving an overview of the issues discussed in the Committee and providing factual information related to the requests for waivers and waiver extensions, both for the introduction of HS96 changes and for the transposition of schedules into the Harmonized System are contained in documents G/MA/107 and G/MA/111.
2. At its meeting of 27 June 2000, the Committee took note of the nomination of Mr. Christophe Kiener (Switzerland) as Chairman of the Committee for the current year and elected him by acclamation. At that meeting, the Committee elected as Vice-Chairperson for the current year, Mrs. Lourdes Berrig (Philippines).

I. WAIVERS AND SUBMISSION OF HS96 DOCUMENTATION

3. As concerned the introduction on 1 January 1996 of the changes to the nomenclature of the Harmonized System and the submission of documentation related to these changes, the Committee examined the situation at its meetings of 23 March, 27 June and 12 October 2000 on the basis of updated documents prepared by the Secretariat.

4. On 13 December 1995, several Members were granted individual waivers, for operational reasons grouped into one single decision, for the introduction of HS96 changes into their schedules. These waivers presently concern 25 Members and have been extended by successive decisions of the General Council until 31 October 2000 (WT/L/351). At the Committee meeting of 12 October 2000, certain delegations indicated that they were prepared to accept another six-month extension of the waiver this time, but wished to revert to the practice of individual decisions for waivers and waiver extensions in the future. Certain other Members stated that the decision taken at this meeting should not prejudice any future decisions regarding waivers and waiver extensions. As concerns the submission of the required documentation related to the introduction of HS96 changes in the respective WTO schedules of concessions on goods, as of 12 October 2000, the submissions of 21 Members, whether they had requested an extension of waivers or not, remained pending due to ongoing consultations and/or negotiations. Three Members under waiver had not yet submitted the required documentation. However, two of them indicated that their documentation would be forthcoming soon.

5. Informal consultations on the HS96 transposition exercise were held on 26 January, 14 February, 17 March and 18 July 2000. On 14 February 2000, the Committee agreed that the

¹ In this connection, please note that two document numbers (G/MA/M/21 and 22) do not exist in the document series G/MA/M/- relating to the minutes of the Committee; they were omitted due to a technical problem in the Document Dissemination Facility.

Secretariat prepare an informal list detailing the situation with respect to HS96 submissions. The list was prepared and sent out to all delegations through a letter from the Vice-Chairman² dated 24 February 2000. At the informal meeting of 17 March 2000, it was also agreed that this list would be continually updated.

6. On 18 July 2000, the Committee agreed to hold an informal meeting dedicated to the review of the HS96 situation based on the informal list. This meeting was held on 22 September 2000. At its meeting of 12 October 2000, the Committee agreed to the Chairman's proposal to have another special session of the Committee dedicated to the review of the situation of HS96 submissions based on a revision of an informal list prepared by the Secretariat which detailed the situation.

II. HS2002

7. At its meeting of 27 June 2000, the Committee took note of the statement by the representative of the World Customs Organization (WCO) on future HS2002 changes. It was agreed that informal consultations should be held on this matter. At the informal meeting of 18 July 2000, Members agreed that existing procedures to introduce HS changes to schedules of concessions had been inadequate with respect to HS96 changes, and that improved procedures were required. The Committee agreed that the Chairman together with the Secretariat attempt to come up with a possible procedure to introduce such future changes to schedules of concessions. At the informal meeting of 2 October 2000, the Committee considered a first draft of a document (job no. 5247) containing a possible procedure to introduce future HS changes to schedules of concessions. At its meeting of 12 October 2000, the Committee took note of the Chairman's report on the discussions held at the informal meeting and also noted that informal consultations would continue on this subject.

III. INTEGRATED DATA BASE

8. With reference to the modalities and operation of the Integrated Data Base, the Committee examined the status of IDB submissions at its meetings of 23 March, 27 June and 12 October 2000 on the basis of documents G/MA/IDB/2/Rev.7 to 9. As of 3 October 2000, 74 Members and two acceding countries had provided IDB submissions.

9. The Committee began its review of the operation of the IDB and IDB technical assistance activities pursuant to paragraph 19 of document G/MA/IDB/3 entitled "Dissemination of the IDB". The review was conducted on the basis of documents G/MA/IDB/W/5, Rev.1 and Rev.2. Following a preliminary discussion at its formal meeting of 23 March 2000, the Committee agreed to hold informal consultations on this subject. The consultations were held on 23 May 2000 where it was agreed that the Vice-Chairman³ would send letters to all Members reminding them of their IDB notification obligations and indicating that technical assistance was available for those needing it. It was also agreed that a second letter would be sent by him to Members recently having undergone a trade policy review seeking authorization from them to use for the IDB any relevant information submitted in connection with the TPRM exercise. The letters were sent on 27 June 2000. The review has continued in the context of further informal meetings held on 18 July and 2 October 2000. At its meeting of 12 October 2000, the Committee took note of the Chairman's report on the informal consultations and of the fact that they would be pursued.

10. The Committee was also updated periodically by the Secretariat on the status of processing of IDB submissions, the status of software development and the technical assistance activities that had been carried out. In this connection, IDB seminars in English, French and Spanish, as well as IDB workshops were organized for Geneva-based delegations.

² Vice-Chairman in 1999, Mr. Christophe Kiener (Switzerland).

³ Vice-Chairman in 1999, Mr. Chrisophe Kiener (Switzerland).

IV. CONSOLIDATED TARIFF SCHEDULES (CTS) DATABASE

11. At its meeting of 23 March 2000, the Committee agreed to hold informal consultations concerning the question of agricultural commitments. At the informal meeting of 3 April 2000, a document containing the Secretariat's proposed format for inclusion of agricultural commitments into the CTS database was distributed to all delegations. Additional informal meetings were held on 18 and 28 July 2000 to further consider the document, which was finally adopted⁴ at the formal meeting of the Committee which was also held on 28 July 2000 for this purpose.

12. At its meeting of 27 June 2000, the Committee took note of document G/MA/W/23 containing information on the status of Members' schedules. The Committee also noted that this document had been prepared by the Secretariat on its own responsibility and had no legal implications regarding Members' rights or obligations.

13. At its meeting of 12 October 2000, the Committee took note of the Secretariat report on the status of the Consolidated Tariff Schedules (CTS) Database Project. Certain developed country Members also provided a status report on their work in the preparation of their consolidated schedules of concessions. On the technical matter of the linkage between the CTS database and the IDB, it was agreed that the Chairman would follow-up this issue with the Secretariat and then, if necessary, convene an informal meeting so that technical clarifications may be provided.

V. REVIEW OF PARAGRAPH 1 OF THE UNDERSTANDING ON THE INTERPRETATION OF ARITICLE XXVIII OF THE GATT 1994

14. At its meeting of 24 January 2000, the Council for Trade in Goods requested the Market Access Committee to conduct the review envisaged in paragraph 1 of the Understanding on the Interpretation of Article XXVIII of the GATT 1994. The item has been on the agenda of all the formal meetings of the Committee this year, and at its meeting of 12 October 2000, the Committee agreed to report to the Council for Trade in Goods that the review had been carried out as mandated by that body and that, at this stage, there was no basis to change the criterion contained in paragraph 1 of the aforementioned Understanding. The Committee was of the view that any Member that so wished, could bring up the matter of a further review in the Council in the future.

VI. OBSERVER STATUS OF INTERNATIONAL INTERGOVERNMENTAL ORGANIZATIONS

15. At its meeting of 27 June 2000, the Committee considered requests for observer status in the Committee from the West African Economic and Monetary Union (WAEMU) and from the Common Market for Eastern and Southern Africa (COMESA). The Committee agreed to revert to these requests at an appropriate time in the future. At its meeting of 12 October 2000, the Committee agreed to revert to the request for observer status in the Committee from the Gulf Organization for Industrial Consulting, at an appropriate time in the future.

VII. OTHER ACTIVITIES

16. At its meeting of 23 March 2000, the Committee took note of the tariff information available in the Secretariat as contained in document G/MA/TAR/3/Rev.5. The Committee noted that a consensus had not been possible on a request from the International Cotton Advisory Committee (ICAC) for access to the PC IDB CD-ROM Release 3. The Committee agreed that the Secretariat send an appropriate reply along those lines to the ICAC.

⁴ G/MA/110.

17. At its meeting of 27 June 2000, the Committee took note of the statement by Australia concerning the timely completion of the work on the IDB, the CTS project and the HS96 transposition exercise. The Committee also took note of the statement by India regarding its concern at the lack of notification by the EC and the US of a mutually agreed solution in the area of rules of origin.

18. At its meeting of 12 October 2000, the Committee took note of the status of quantitative restriction notifications contained in document G/MA/NTM/QR/1/Add.7. Members were urged to comply with their notification obligations pursuant to the "Decision on Notification Procedures for Quantitative Restrictions" contained in document G/L/59. The Committee also agreed to consider at its next formal meeting, on the basis of a document to be prepared by the Secretariat, the problem concerning the recording in the Quantitative Restriction Database of notifications made by some Members in the area of textiles and clothing. The Committee also agreed to review, at its next formal meeting, the reverse notifications of non-tariff measures made pursuant to the decision contained in document G/L/60 entitled "Decision on Reverse Notification of Non-Tariff Measures" on the basis of a document to be prepared by the Secretariat.

19. At the meeting of 12 October 2000, Hong Kong, China informed the Committee that as a result of its commitments in APEC, it would be binding another 10% of its imports at zero per cent in 2000 on an autonomous basis and would be notifying these additional tariff concessions as legally binding commitments to the WTO.
