

WORLD TRADE ORGANIZATION

G/L/193

15 October 1997

(97-4450)

REPORT (1997) OF THE COMMITTEE ON TRADE-RELATED INVESTMENT MEASURES

I. GENERAL

1. This report is submitted pursuant to Article 7.3 of the Agreement on Trade-Related Investment Measures, which requires the Committee on Trade-Related Investment Measures to report annually to the Council for Trade in Goods. The Report covers the period November 1996-September 1997.¹
2. The Committee met on 17 March and 15 September 1997 under the chairmanship of Mr. Vassili Notis (Greece) and Mr. Javier Paulinich (Peru), respectively. The minutes of these meetings have been circulated in documents G/TRIMS/M/6 and 7. The meetings of the Committee were open to all Members and governments with observer status in the WTO. At its meeting of 17 March, the Committee accorded regular observer status to international intergovernmental organizations that had enjoyed observer status in the Committee on an *ad hoc* basis (IMF, OECD, UN, UNCTAD and World Bank). The Committee considered requests for observer status made by several other international organizations.

II. IMPLEMENTATION

3. At the meetings held during the period under review, the Committee continued its examination of notifications submitted pursuant to Article 5.1 of the Agreement on Trade-Related Investment Measures. This provision requires Members to notify any trade-related investment measure ("TRIM") inconsistent with the Agreement within 90 days after the entry into force of the WTO Agreement. Article 5.2 of the Agreement gives the benefit of a transition period for the elimination of measures notified under Article 5.1 and which were in existence at least 180 days preceding the entry into force of the WTO Agreement. Pursuant to a decision adopted by the General Council in April 1995, governments eligible to become original WTO Members that accepted the WTO Agreement after 1 January 1995 have a period of 90 days after the date of their acceptance of the WTO Agreement to make the notifications foreseen in Article 5.1, provided that the period for the elimination of TRIMs notified under Article 5.1 continues to be governed by reference to the date of entry into force of the WTO Agreement itself.²

4. In addition to the notifications of measures under Article 5.1 that had been submitted prior to the period covered by this report³, the Committee received a new notification from Uganda and an addendum to the notification of Argentina. Annex 1 contains a list of all notifications of measures

¹The previous annual report is contained in document G/L/133.

²WT/L/64

³These notifications had been submitted by Argentina, Barbados, Chile, Colombia, Costa Rica, Cuba, the Dominican Republic, Ecuador, Egypt, Indonesia, India, Mexico, Malaysia, Nigeria, Pakistan, Peru, the Philippines, Poland, Romania, Thailand, Uruguay, Venezuela and South Africa.

under Article 5.1. In the case of some Members, notifications were submitted later than the 90-day period foreseen for them. While there is no obligation to do so, some Members notified the Committee that they did not apply any TRIM inconsistent with the Agreement. During the period under review, such a notification was made by Mali. Annex 2 lists all Members which have made such notifications.⁴

5. In the Committee's discussions on these notifications, some delegations have sought clarification or additional information of a factual nature. Differing views continue to be expressed on issues such as the timing of notifications in relation to the provisions of Article 5.1, the adequacy of the information provided in notifications, the recent introduction or modification of certain measures in relation to the provisions of Articles 2 and 5.4, and the relationship of the provisions of the Agreement to those of other WTO agreements, including the Agreement on Subsidies and Countervailing Measures and the Agreement on Agriculture.

6. Article 5.5 deals with the conditions under which during the transition periods stipulated in Article 5.2 Members may apply TRIMs notified under Article 5.1 to new investments. While a standard format for the submission of notifications under this provision has been adopted by the Committee (G/TRIMS/3), so far no such notifications have been made.

7. A number of Members have submitted notifications as required under Article 6.2 which provides for notification to the Secretariat of publications in which information on TRIMs can be found. A list of these notifications has been circulated in G/TRIMS/N/2/Rev.2. Annex 3 lists the Members which have submitted notifications under Article 6.2.

8. During the period under review, the Committee was informed of the initiation of three proceedings under the Dispute Settlement Understanding which referred *inter alia* to the TRIMs Agreement, as reflected in G/TRIMS/D/6-8.

⁴Notifications under Article 5.1 circulated in 1995 have been derestricted as of 28 May 1996. Following the decision taken by the General Council on 18 July 1996 on derestriction and circulation of WTO documents, documents containing notifications under Articles 5.1, 5.5 and 6.2 are issued unrestricted. Members may, however, at the time of the submission of a document, indicate to the Secretariat that the document be issued as restricted if they so wish.

ANNEX 1MEMBERS WHICH HAVE SUBMITTED NOTIFICATIONS UNDER ARTICLE 5.1 OF THE AGREEMENT ON TRADE-RELATED INVESTMENT MEASURES

<u>Member</u>	<u>Document Symbol</u>	<u>Date of Communication</u>
Argentina	G/TRIMS/N/1/ARG/1	30 March 1995
Argentina	G/TRIMS/N/1/ARG/1/Add.1	21 March 1997
Barbados	G/TRIMS/N/1/BRB/1	31 March 1995
Chile	G/TRIMS/N/1/CHL/1	14 December 1995
Colombia	G/TRIMS/N/1/COL/1	31 March 1995
Colombia	G/TRIMS/N/1/COL/Add.1	4 June 1995
Colombia	G/TRIMS/N/1/COL/2	31 July 1995
Colombia	G/TRIMS/N/1/COL/2/Corr.1	30 September 1996
Costa Rica	G/TRIMS/N/1/CRI/1	30 March 1995
Cuba ⁵	G/TRIMS/N/1/CUB/1	18 July 1995
Cyprus	G/TRIMS/N/1/CYP/1	29 June 1995
Cyprus	G/TRIMS/N/1/CYP/2	30 October 1995
Dominican Republic	G/TRIMS/N/1/DOM/1	26 April 1995
Ecuador	G/TRIMS/N/1/ECU/1	20 March 1996
Egypt	G/TRIMS/N/1/EGY/1	29 September 1995
Indonesia	G/TRIMS/N/1>IDN/1	23 May 1995
Indonesia	G/TRIMS/N/1>IDN/1/Add.1	28 October 1996
India	G/TRIMS/N/1/IND/1	31 March 1995
India	G/TRIMS/N/1/IND/1/Add.1	22 December 1995
India	G/TRIMS/N/1/IND/1/Add.1/Corr.1	18 March 1996

⁵The representative of Cuba has informed the Committee that, as a result of a new foreign investment law enacted in 1995, the local content measures notified by Cuba under Article 5.1 are no longer in force (G/TRIMS/M/3, paragraph 5).

<u>Member</u>	<u>Document Symbol</u>	<u>Date of Communication</u>
India	G/TRIMS/N/1/IND/1/Add.2	11 April 1996
Mexico	G/TRIMS/N/1/MEX/1	31 March 1995
Mexico	G/TRIMS/N/1/MEX/1/Rev.1 ⁶	31 March 1995
Malaysia	G/TRIMS/N/1/MYS/1	31 March 1995
Malaysia	G/TRIMS/N/1/MYS/1/Rev.1	14 March 1996
Nigeria	G/TRIMS/N/1/NGA/1	17 July 1996
Pakistan	G/TRIMS/N/1/PAK/1	30 March 1995
Peru	G/TRIMS/N/1/PER/1	30 March 1995
Philippines	G/TRIMS/N/1/PHL/1	31 March 1995
Poland	G/TRIMS/N/1/POL/1	28 September 1995
Poland	G/TRIMS/N/1/POL/1/Add.1	4 December 1996
Romania	G/TRIMS/N/1/ROM/1	31 March 1995
Thailand	G/TRIMS/N/1/THA/1	30 March 1995
Uganda	G/TRIMS/N/1/UGA/1	17 June 1997
Uruguay	G/TRIMS/N/1/URY/1	31 March 1995
Uruguay	G/TRIMS/N/1/URY/1/Add.1	30 August 1995
Venezuela	G/TRIMS/N/1/VEN/1	31 March 1995
South Africa	G/TRIMS/N/1/ZAF/1	19 April 1995

⁶English only

ANNEX 2

NOTIFICATIONS INDICATING THAT NO TRIMS INCONSISTENT WITH THE
AGREEMENT ON TRADE-RELATED INVESTMENT MEASURES
ARE MAINTAINED

<u>Member</u>	<u>Document Symbol</u>	<u>Date of Communication</u>
Switzerland	G/TRIMS/N/1/CHE/1	8 August 1995
Israel	G/TRIMS/N/1/ISR/1	24 October 1996
Honduras	G/TRIMS/N/1/HND/1	7 July 1995
Saint Lucia	G/TRIMS/N/1/LCA/1	14 February 1996
Mali	G/TRIMS/N/1/MLI/1	27 May 1997
Mauritius	G/TRIMS/N/1/MUS/1	27 March 1995
Nicaragua	G/TRIMS/N/1/NIC/1	18 July 1996
Singapore	G/TRIMS/N/1/SGP/1	9 October 1996
Slovenia	G/TRIMS/N/1/SVN/1	27 March 1995
Trinidad & Tobago	G/TRIMS/N/1/TTO/1	1 April 1996
Zambia	G/TRIMS/N/1/ZMB/1	13 April 1995

ANNEX 3

MEMBERS WHICH HAVE SUBMITTED NOTIFICATIONS UNDER ARTICLE 6.2 OF THE
AGREEMENT ON TRADE-RELATED INVESTMENT MEASURES

Argentina
Australia
Brunei Darussalam
Bulgaria
Chile
Hong Kong
India
Indonesia
Israel
Liechtenstein
Nicaragua
Norway
Peru
Philippines
Romania
Singapore
Switzerland
Thailand
Tunisia
Uganda
United States
Venezuela