

Update on the WTO Negotiations

Donald J Lewis

Faculty of Law

The University of Hong Kong

UNDP-UNESCAP Trade Facilitation

Research Meeting

Bangkok, Thailand

15 March 2006

Recent Developments

- WTO Ministerial Conference: Ministerial Declaration (22/12/06)
- Primarily a Stock-Taking Exercise
- Progress in negotiations left to Negotiating Group on Trade Facilitation (NGTF) post-MC6
- Paragraph 33, Ministerial Declaration
- Annex E: Report of the Negotiating Group on Trade Facilitation

Recent Developments

■ *Annex E: Main Points*

■ *Stock-Taking Elements:*

- ✓ Most work done to date concerns clarification and improvement of Articles V, VIII and X, GATT
- ✓ Many WTO Member submissions also address TA/CB and SD&T issues
- ✓ Advances made on Customs Cooperation
- ✓ Identification of TF Needs and Priorities and Cost Implications
- ✓ National Experience Papers/Information-Sharing

Recent Developments

■ *Annex E: Main Points*

■ *Prospective Work Programme:*

- ✓ Identification of Individual Members' TF Needs and Priorities and Cost Implications
- ✓ Enhanced Role for other International Organizations
- ✓ Special Attention to TA/CB Requirements
- ✓ Intensification of negotiations on SD&T issues
- ✓ Need for movement to focused drafting mode

Recent Developments

- Doha Work Programme: *Timelines for 2006* (30/1/06)
- *Trade Facilitation negotiations:*
 - ✓ Emphasis placed on **focused drafting** at this stage
 - ✓ **February 2006:** submission and discussion of Member Proposals re the so-called *three pillars*:
 - Articles V, VIII and X
 - Special & Differential Treatment
 - TA/CB Issues
 - ✓ **July 2006:** First Full Draft Submitted by NGTF Chair to TNC

Recent Developments

- Rev. 5 Document: *Analytical Compilation of WTO Proposals (TN/TF/W/43/Rev.5) (3/2/06)*
- ✓ Builds on earlier WTO Secretariat compilations
- ✓ Follows same format as earlier versions:
 - Primary focus on clarification and improvement of Articles V, VIII and X, GATT
 - “Built-in Flexibilities”
 - TA/CB Elements
 - S&DT Issues
 - Cross-cutting Submissions, *including* Needs and Priorities Identification

Recent Developments

- Rev. 5 Document: *Analytical Compilation of WTO Proposals (TN/TF/W/43/Rev.5) (3/2/06)*
- Classification Scheme:
- *Article X (Transparency):*
 - ✓ Publication and Availability of Information
 - ✓ Time Period between Publication and Implementation
 - ✓ Consultation and Comment on New/Amended Rules
 - ✓ Advance Rulings
 - ✓ Appeal Procedures
 - ✓ Measures to Enhance Impartiality and Non-Discrimination

Recent Developments

- Rev. 5 Document: *Analytical Compilation of WTO Proposals (TN/TF/W/43/Rev.5) (3/2/06)*
- Classification Scheme:
- *Article VIII (Fees and Formalities):*
 - ✓ Fees and Charges Connected w/ Import/ Export
 - ✓ Formalities Connected w/ Import/Export
 - ✓ Consularization
 - ✓ Border Agency Coordination
 - ✓ Release and Clearance of Goods
 - ✓ Tariff Classification

Recent Developments

- Rev. 5 Document: *Analytical Compilation of WTO Proposals (TN/TF/W/43/Rev.5) (3/2/06)*
- Classification Scheme:
- *Article V (Freedom of Transit):*
 - ✓ Matters Relating to Goods Transit

Current State of Play

- Meeting of the Negotiating Group on Trade Facilitation (NGTF) (15-16/2/06)
- ✓ Resumption of *post-Hong Kong* TF negotiations
- ✓ Several *new* proposals received:
 - Chile (TN/TF/W/70)
 - ACP Group (TN/TF/W/73)
 - Moldova and Kyrgyz Republic (TN/TF/W/74)
 - Egypt (TN/TF/W/75)
 - India (TN/TF/W/77 and W/78)
 - Canada, EC, Mongolia et al (TN/TF/79)
 - Australia, Canada and the United States (TN/TF/W/80)

Current State of Play

- Meeting of the Negotiating Group on Trade Facilitation (NGTF) (15-16/2/06)
- ✓ *Emerging Trend:* more comprehensive synthesis of prior proposals with a view to developing a set of definite multilateral commitments
- Canada, EC, Mongolia et al. (TN/TF/W/79) : Synthesis of Article V Issues
- *Specific Proposals on:*
 - ✓ Public policy issues
 - ✓ Non-discrimination
 - ✓ Fees and charges
 - ✓ Transit formalities and documentation requirements
 - ✓ Cooperation and coordination
 - ✓ Operationalization and clarification of terms

Current State of Play

- Meeting of the Negotiating Group on Trade Facilitation (NGTF) (15-16/2/06)
 - ACP Group (TN/TF/W/73): Synthesis of TA/CB Issues for Developing Countries and LDCs
 - *Specific Proposals on:*
 - ✓ Establishing an **Inter-Agency Coordinating Mechanism** for Trade Facilitation TA/CB
 - ✓ Key Areas for **Funding** of Trade Facilitation TA/CB:
 - Support for identification of trade facilitation needs and priorities
 - Trade facilitation negotiations support
 - Trade facilitation commitments implementation support

Current State of Play

- Meeting of the Negotiating Group on Trade Facilitation (NGTF) (15-16/2/06)
- ✓ Contributions made by World Bank, UNCTAD, WCO and OECD
- ✓ Agreement on collaboration by IOs re cost implications of TF measures

The Way Forward

- NGTF will continue to be the focal point of the WTO TF negotiations
- ***Near-Term Goal:*** Preparation of a draft text for negotiation (submitted by July 2006)
- Significant work accomplished on the ***first pillar:*** clarification/improvement of GATT Articles V, VIII and X
- Recent positive developments on ***second*** and ***third*** pillars: TA/CB and SD&T issues – ***however***, much still needs to be done to fulfill this part of the mandate
- Consensus w/in NGTF emerging through the formulation of joint proposals by Members

The Way Forward

