
Committee on Market Access

MINUTES OF THE MEETING HELD ON 16 OCTOBER 2008

Vice-Chairman: Mr. David Riley (United Kingdom)

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In the absence of the Chairman, Dr Mohammad Saeed, the Vice-Chairman Mr. David Riley chaired the meeting pursuant to Rule 13 of the "Rules of Procedure for Meetings of the Committee on Market Access" (G/L/148).

The Committee adopted the agenda as reproduced in WTO/AIR/3252. An annotated agenda was circulated in document JOB(08)/101.

1. Periodic report of the Committee to the Council for Trade in Goods (G/MA/SPEC/39)

1.1 The Vice-Chairman drew attention to document G/MA/SPEC/39 which contained the draft periodic report of the Committee. He noted that this report, which would be finalized in the light of

the discussion that would take place at this meeting, would be submitted to the Council for Trade in Goods (CTG) for examination.

1.2 He noted that there were no requests for extensions of HS96 waivers so no factual information on this issue had been provided in the Annex.

1.3 The Committee took note of the periodic report¹ and agreed to forward it to the CTG for appropriate action.

2. Submission of HS96 documentation

2.1 The Vice-Chairman drew the Committee's attention to document G/MA/TAR/2/Rev.41. This document differed from the previous version insofar as references to the documents containing waiver extensions granted to Argentina and Panama had been included. So the basic situation remained unchanged since the end of last year. The HS96 submissions of Argentina and Panama remained pending, and reactions from Venezuela were awaited in respect of some documentation provided to it by the Secretariat.

2.2 Turning to the question of the uncertified HS96 changes, he recalled that at the April meeting the Chairman had raised the matter of the HS96 transpositions that had been undertaken by the Secretariat for a number of files in connection with the HS02 transposition exercise. The files had been listed in JOB(05)/124/Add.2. The issue facing the Committee was that while the HS96 changes had been introduced to schedules, these changes had not been certified. The Committee had agreed that the Secretariat should look into this issue and come back with some ideas to address the matter.

2.3 Following some internal brainstorming, the Secretariat wished to put before the Committee for its consideration the following approach which it was hoped would impart legal certainty to those schedules containing the HS96 changes. This approach was based largely on the procedures the Committee was currently using in order to conduct the HS02 exercise.

2.4 The first step was: (1) the Secretariat would post on a specially created website the HS96 files of these Members; (2) all Members including those whose files were posted would be given a certain period of time to examine those files; (3) after this period of time had expired, an informal dedicated session of the Committee would be held in order to conduct a multilateral review of these files. If there were comments on a file, the Committee would need to revert to that file. If there were no comments or objections raised on a file, then it would be certified in accordance with the Decision on Procedures for the Rectification and Modification of Schedules. He recalled that this decision provided for the circulation of the documentation containing the proposed changes and provided three months to Members to examine the documentation, and to raise objections in case they had any. The Secretariat would prepare the documentation and would circulate it as it was doing under the HS02 procedures; (4) as this meant a departure from procedures which had been used thus far to incorporate HS96 changes to schedules (see GATT document L/6905), a specific decision by the General Council might be required.

2.5 The representative of the United States wondered how many files were in this situation and how long it would take to post them on the website.

2.6 A member of the Secretariat (Mr. Jurgen Richtering) noted that there were about 65 files as mentioned in document JOB(05)/124/Add.2. What the Secretariat intended to do was to extract from the CTS the headings that were concerned by the HS96 transposition and to post this information on a country-by-country basis in special databases just as was being done for the HS02 files. This could be

¹ Issued as G/MA/216.

done at fairly short notice. On the other hand, providing standardized correlation tables would be time-consuming and burdensome. He further noted that these files had been on the website for five or six years, so many Members were familiar with them which meant that there should not be too many problems in obtaining final approval. So, the short answer was that the posting could be done quickly, but the Secretariat would then not provide standardized correlation tables.

2.7 The representative of the United States wondered whether the Committee was going to be obliged to examine 65 files in a single meeting or would the process be staged. He also assumed that those HS96 files certified under the old process would not be part of the new one.

2.8 A member of the Secretariat (Suja Rishikesh Mavroidis) stated that the intention was to post all the files at the same time and then to conduct the multilateral review where the question asked would be "Does anybody have any objections to any of the 65 files?". Also it had to be noted that Members would have had time to examine these files prior to the meeting. The time accorded could be 6 months or even a year. That was for the Committee to decide. Finally, the files which had followed or were still following the existing procedures under L/6905 would not be subject to this process.

2.9 The representative of the United States preferred to leave open this question of timing. He needed to consult with his authorities to see how much time they thought was required to deal with these 65 files. But, the Committee could take an initial decision and then change it if necessary.

2.10 The representative of Argentina said that he would need to consult with his authorities as regarded this process. He also wanted to ensure that this process would not be re-opening any old files. He also wondered whether such a process might not incite a greater number of comments on files which were almost concluded.

2.11 A member of the Secretariat (Suja Rishikesh Mavroidis) stated that there was some risk of comments being made on files if Members examined these files very closely. They might discover issues which they had previously ignored. The advantage that the Secretariat saw in this process was the legal certainty that would be provided to the HS96 changes at the end of the process. In theory, the procedures which were contained in GATT document L/6905 and which were developed in 1991 were supposed to be followed by GATT contracting parties in order to introduce HS96 changes to their schedules. However, only some 40 Members had actually followed these procedures. Given that the Secretariat had done the work in the context of the HS02 exercise, it would be a pity to not benefit from this opportunity and to give this work a legal standing through certification of the changes. This explained the approach that was described whose objective it would be to certify these changes. Another option was to leave the situation as was, but the question was whether one preferred a tidy or an untidy situation. Argentina's file, as well as all others, which had followed the L/6905 procedures would not be re-opened under these new procedures.

2.12 The representative of the United States asked whether adoption of these procedures would lead to a certification of HS96 changes for the entire WTO Membership.

2.13 A member of the Secretariat (Suja Rishikesh Mavroidis) stated that that would be the objective of this exercise.

2.14 The Vice-Chairman noted that this should be the Committee's collective objective and if the Committee could find a creative way to achieve that objective then it was in Members' interests. If Members thought that this might be the way to proceed then he proposed that the Secretariat could together with the Legal Affairs Division draw up a draft decision based on the outlined procedures. Once this had been done, the Vice-Chairman would consult on it with Members and once finalized the Committee could approve it and forward it to the General Council for formal adoption.

2.15 The Committee so agreed.

3. Extension of the HS2002 waiver (G/C/W/601)

3.1 The Vice-Chairman recalled that a number of Members were given an extension or granted a new waiver, through the form of a "collective decision", in order to introduce HS2002 changes domestically and to subsequently introduce these changes to their respective schedule of concessions and to undertake negotiations if required. This waiver decision was contained in document WT/L/712 and would expire on 31 December 2008.

3.2 He noted that a number of the Members covered by this waiver had yet to complete the HS02 exercise and therefore he proposed that it be extended for another year. If the Committee could agree to that then he would propose that the draft waiver decision granting such an extension and contained in G/C/W/601 be forwarded to the CTG for approval. At the same time, he observed that some Members might not require the waiver extension because they had completed the HS02 exercise. He was thinking of for example Singapore who had now a certified HS02 file. The Secretariat would check this directly with such Members.

3.3 The representative of Singapore stated that he would need to consult with his capital to see if Singapore's name could be withdrawn from the list in the annex.

3.4 The Vice-Chairman indicated that such information should be provided to the Secretariat at least ten days before the next CTG meeting.

3.5 The Committee agreed to forward the draft decision, amended as might be required², to the CTG for approval.

4. Extension of the HS2007 waiver (G/C/W/602)

4.1 The Vice-Chairman recalled that a number of Members were granted a waiver, through the form of a "collective decision", in order to introduce HS2007 changes domestically and to subsequently introduce these changes to their respective schedule of concessions and to undertake negotiations if required. This decision was contained in document WT/L/713 and would expire on 31 December 2008. Given that the HS2007 exercise was far from over, he proposed that the waiver be extended for a year. If the Committee could agree to that then he also proposed that the draft waiver decision granting such an extension and contained in document G/C/W/602 be forwarded to the CTG for approval.

4.2 The Committee agreed to forward the draft decision to the CTG for approval.

5. Modalities and operation of the Integrated Data Base (IDB)

- Status of submission of the required documentation (G/MA/IDB/2/Rev.28) and Report by the Secretariat

5.1 The Vice-Chairman referred to document G/MA/IDB/2/Rev.28 which had been circulated to all Members and presented the situation of IDB submissions as of 1 October 2008.

5.2 A member of the Secretariat (Mr. Jurgen Richtering) introduced the report which is contained in Annex I.

² Singapore requested that its name be removed from the list of Members annexed to the decision, and the decision was re-issued as G/C/W/601/Rev.1.

5.3 The Committee took note of the report.

6. Consolidated Tariff Schedules (CTS) Database

- Introduction of HS2002 changes to schedules of concessions using the CTS Database (WT/L/605) – Report by the Secretariat on the status of work

6.1 The Vice-Chairman recalled that the Committee had held a multilateral review on 16 April 2008, and another one just preceding this meeting. As provided in paragraph 14 of the HS2002 procedures, the Secretariat had circulated periodic reports for those meetings in the JOB(06)/8 series.

6.2 A member of the Secretariat (Mr. Jurgen Richtering) introduced the report which is contained in Annex II.

6.3 The Vice-Chairman referred to the Secretariat request to post to the CTS website also the HS02 files of those Members which had successfully passed the multilateral review but where the approval of the Member whose file had passed the review was still missing which meant that these files remained uncertified. As the Secretariat had indicated, Members would have two months to review the files and to provide input before the files went out for wider dissemination to authorized users. There were many benefits to the increased use of this data including its verification. He wondered whether the Committee could agree to the posting on the CTS website of these files?

6.4 The Committee took note of the report and agreed to the Secretariat request.

6.5 The representative of the European Communities stated that he wished to explain the situation of the EC schedule because as everyone had noticed that the EC schedule was one of the four schedules that had not gone through the multilateral review. The background was that the EC had been going through regular enlargements in recent history. As a consequence, the EC had to negotiate under Article XXIV:6 a new schedule which then included compensation that was negotiated with those Members that had recognized claims after the enlargement. The exercise of the EC-12 enlargement to EC-15 had concluded in 1995. The agreements with all partners concerned had been negotiated, signed and implemented since that date. The EC had then presented a new schedule CXL on behalf of the EC-15 in 1996. However, there had been since 1996 four outstanding reservations on that schedule. Those reservations did not relate to the actual content of the schedule because that had been negotiated. However, those reservations continued to be maintained and for that reason the EC HS96 as well as the EC HS02 transposition work was blocked. This situation was not in anyone's interest and would cause problems when Members had to start preparing the Electronic Negotiating Files for the DDA. This process needed to move forward and in that connection he wished to state for the record that until outstanding reservations on EC's schedule CXL had been lifted, the EC would not agree to the approval of the HS02 files of Australia, New Zealand and the United States.

6.6 The Committee took note of the statement.

- Introduction of HS2007 changes to schedules of concessions using the CTS Database (WT/L/673) – Report by the Secretariat on the status of work

6.7 The Vice-Chairman noted that pursuant to paragraph 2 of the procedures contained in WT/L/673, those Members preparing their own HS07 files were supposed to submit the required information to the Secretariat no later than 30 September 2007. He understood that Australia and Canada had submitted their HS07 files.

6.8 A member of the Secretariat (Mr. Jurgen Richtering) introduced the report which is contained in Annex III.

6.9 In light of the Secretariat report, the Vice-Chairman proposed that the Committee hold an informal meeting early next year to go through some of the technical issues raised. The discussion would be based on a technical paper to be prepared and circulated by the Secretariat early 2009.

6.10 The representative of the United States thanked the Secretariat for pushing this issue forward. He understood that the Secretariat had been consumed by other issues but believed that it was time for the Committee to turn its attention to the HS07 transposition exercise. It would have been almost two years that those procedures had been in place and only two HS07 files had been submitted. Obviously for those developed countries producing their own files as well as for the five developing Members wishing to prepare their own files and having so notified, the Committee needed to come up with a revised timing for their submission. It was always good to be working against a deadline. So, he proposed that the Chairman hold consultations with those Members preparing their own HS07 files to come up with an agreed date for submission of these files, recognizing that the Secretariat was going to be launching into this effort early in 2009. He also wished to suggest that the Chairman consult on the next steps in the process which was the multilateral review. The Committee had just been proposed a set of procedures for verifying about 65 HS96 files that currently had not been certified by Members. He thought that something similar could be proposed for the HS07 files as well.

6.11 The Vice-Chairman noted that there were two proposals from the United States. The first was that the Chairman consult with those delegations preparing their own HS07 files to agree on a deadline for the submission of those files. The second one was that the Committee explore adopting a similar system to the one that had been discussed earlier today under the agenda item B concerning the HS96 changes. If there were no comments on these proposals, he proposed that in respect of the latter one the Committee adopt a similar procedure as discussed under agenda item B, namely that the Secretariat draft a decision which elaborated on such procedures. The Committee would need to discuss and finalize this decision before forwarding it to the General Council for adoption.

6.12 The Committee took note of the report and agreed with the proposals made.

7. Situation of schedules of WTO Members (G/MA/W/23/Rev.5)

7.1 The Vice-Chairman noted that the Secretariat had prepared a document G/MA/W/23/Rev.5 which provided information on the situation of schedules of WTO Members.

7.2 The Committee took note of the document.

8. Transitional Review under Paragraph 18 of the Protocol of Accession of the People's Republic of China

- Questions and/or Comments submitted to China by the European Communities, Japan and the United States in documents G/MA/W/95, G/MA/W/93 and G/MA/W/94, respectively

8.1 The Vice-Chairman noted that the Committee would be conducting its seventh transitional review (TRM). In this respect, he noted that a number of comments and questions had been put to China by Japan, the United States and the European Communities in that order.

8.2 The representative of China was happy to have the opportunity to exchange views with Members on issues of mutual interest. He acknowledged reception of questions from Japan and US. With regard to the EC communication, his delegation had received the document only yesterday and had immediately forwarded it to the capital. His capital was still processing the paper. After studying

the questions from Japan and US, his delegation found that quite a number of them focused on export measures related to China. He pointed out that although his delegation was willing to clarify questions from Members in this Committee, it would not be appropriate to deal with export issues here. Members had to observe the mandate of the Committee on Market Access. He urged Members to study carefully the specific provisions of China's Protocol of Accession and especially Article 18 concerning the transitional review as well as Annex 1A for the specific information requirements. His delegation believed that Annex 1A of China's Protocol of Accession clearly stipulated that issues regarding export administration should be dealt with in the CTG. He recalled that last year his delegation had raised a similar concern and had given a similar reminder to Members. If Members could observe strictly the provisions which governed this exercise, it would facilitate the participation of Members, the smooth functioning of this Committee as well as the preparation of responses by his capital. For those issues related to export administration, China would respond to them in the session of the CTG. Although, his delegation had seen the EC document only yesterday a quick glance over that document seemed to indicate that some of those questions were not new but old and were contained in previous submissions. China recalled that in earlier such sessions, China had reminded the EC to study carefully what the proper mandate of each Committee was to handle certain type of questions. China had felt that some of the questions raised by EC fell beyond the mandate of this Committee and fell under the purview of Committees like TBT, TRIMs or General Council.

8.3 He wished to clarify the issue from the US regarding Diammonium Phosphate or DAP. From the US document, it seemed that the US regarded MAP and DAP as competitive similar products which was obviously not China's view. In China, DAP was directly applied to manure while MAP was used mainly to produce a compound or mixed special fertilizers. Therefore they were not directly competitive or substitutable products in China. Regarding the VAT on MAP and DAP, the Minister of Finance of China and the State Administration Taxation had promulgated announcement No. 113 in 2003 which exempted VAT on MAP while still imposing VAT on DAP. China did not think that there was any breach of national treatment commitment because in China there had been domestic production of DAP since 1965. So, the VAT for DAP had been in place both for domestic and imported product. The final point on this issue was a piece of good news for the US which was that China had already adjusted the VAT policy on DAP in 2007 for the purpose of stimulating the development of agriculture in face of the food crises all over the world. According to the Minister of Finance and the State Administration Taxation Announcement No. 171 of 2007 and the Minister of Finance and the State Administration Taxation Announcement No.158 of 2007 and also according to a circular last year by the General Administration of Customs, VAT on both domestic and imported DAP was exempted since 1 January 2008. China believed that with this development the concerns of the US had been properly addressed.

8.4 The representative of Japan thanked China for the initial responses and stated that the TRM was an important opportunity to ensure transparency, to regularly update the state of China's implementation of its commitments under the WTO, and to mutually improve understanding on the interests and concerns among Members. Japan welcomed the fact that there had been certain progress made on the issues that had been raised in the past and thanked China for their efforts in this regard. However, as pointed out in Japan's communication in document G/MA/W/93, there still remained a number of unresolved issues which his delegation wished to raise. Mainly those relating to export restrictions and export taxes. While the details of Japan's concern could be found in Japan's document, he wished to share with Members the points on which Japan sought responses from China. Firstly, on the issue of export restrictions and export taxes on non-ferrous metal. On this point, Japan understood that China implemented export licensing system on various kinds of non-ferrous metals such as rare-earths, silver, zinc and so on. In June 2007, some of these non-ferrous metals had become subject to quantitative trade restrictions and the number of export licenses issued had been declining. In this respect, Japan sought explanations on how China justified its export licensing scheme under the GATT. Further, whether there were restrictions in China on domestic production and/or consumption of these products, together with specific quantitative data. On non-ferrous metal, Japan

understood that China levied export taxes on a number of products despite the fact that China had committed to eliminate export taxes for all products except for those listed in Annex 6 to its Protocol of Accession. Japan wished to know how China justified those export taxes under its accession commitments to the WTO together with China's plans for eliminating export licensing measures and export taxes.

8.5 Secondly, on the issue of export taxes on chemical fertilizers and their raw materials, similar to the point made earlier on non-ferrous metals, Japan wished to seek clarification from China on how it justified these export taxes under its WTO accession commitments.

8.6 Thirdly, on the issue of export restrictions and export taxes on coal, Japan understood that China was implementing an export licensing scheme on coal and that the number of licenses issued had been declining in recent years while domestic production and consumption of coal in China seemed to be increasing. Given such a situation, it was unclear to Japan whether such an export licensing scheme could be justified under GATT Article XX(g) and thus, whether it was inconsistent with GATT Article XI. Japan sought clarification from China on this point. Further, Japan understood that China levied export taxes on coal and wished to seek clarification from China on how it justified these export taxes under its commitments to eliminate these taxes upon WTO accession.

8.7 Lastly, on the issue of export restrictions and export taxes on coke, similar to the points made earlier, Japan wished to seek clarification from China on how it justified its export restrictions under the GATT and its export taxes under its commitments to eliminate these taxes in its Protocol of Accession. Japan looked forward to hearing the responses from China and where necessary, was willing to discuss the matter with China further in detail. As China had mentioned, if China was willing to respond to these questions in the meeting of CTG, Japan would be duly submitting the same questions to that Council meeting.

8.8 The representative of the United States thanked China for the responses that China had given at this meeting, in particular the good news on DAP. Like Japan, the United States had questions that it wished to pose with respect to export quotas and export duties particularly those that affected natural phosphates and yellow phosphorus. His delegation thought that the system as it was currently implemented in China resulted in an artificially low price in China compared to the world price giving an unfair advantage to Chinese consumers of these products. On the one hand it was clear that this was an issue that could be taken up in the CTG. However, his delegation did also see these issues as clearly falling within the jurisdiction of the Market Access Committee. There was nothing that should prevent Members from asking questions and receiving answers on these issues in this Committee. But he had taken note of the statement by China and he expected that Members would see these issues again in the CTG review.

8.9 The representative of the European Communities stated that China's TRM was part of China's accession and he believed that the Committee had to make it as useful as possible. In that connection, his delegation thought that written answers could be very useful. He admitted that the EC questions had come in relatively late as China had said. But on the other hand, as also said by China, these questions basically had not changed much since last year because the problems had very much remained the same. Therefore, he hoped that it would not be too difficult for the Chinese authorities to provide answers to these questions and he hoped that China had found it useful to have this reminder from the EC as to where it thought there were problems in the Chinese market and where this may cause problems with China's WTO obligations. He also admitted that certain issues were maybe services-related for example, retail. But frankly, industry in the EC did not care in which of the Committees these questions were discussed. If China preferred to reply in the Services Council, that was perfectly acceptable. One area where the EC text differed from last year's was in the area of export restrictions where he was afraid that China was moving in the wrong direction. Instead of removing export restrictions which was what China should do, new restrictions were coming into

place and some of them were actually very serious. In this context, he wished to mention phosphorous. His delegation looked forward to answers to those questions and such answers could be in the CTG if that was China's preference.

8.10 The representative of Switzerland stated that as many Members knew Switzerland had no natural resources and depended on imports. Free access to raw materials was therefore of crucial importance for her country. Her delegation shared the concerns expressed by US, Japan and EC regarding exports taxes and other measures imposed by China on a certain number of raw materials. Switzerland's special concern related to the increase of the export tax on yellow phosphorous from 20% to 120% as of 20 May 2008, and the imposition of a minimum export price on that product. Switzerland very much encouraged and welcomed the answers that China would provide to clarify the purpose of the increase of the export tax on yellow phosphorous beyond what was in China's Protocol of Accession as well as the imposition of a minimum export price on yellow phosphorous. She thanked China for continuing the bilateral dialogue on this issue.

8.11 The representative of China thanked the Members who had expressed their views or concerns, and wished to make some additional clarifications. Concerning the request or the wish of the EC to see a written response from China to questions under the TRM. On this subject, China was prepared to abide strictly by the provisions of China's Protocol of Accession, specifically paragraph 18. If paragraph 18 said that China was obliged to provide answers in written form then China would have done so. China was prepared to do as the Protocol of Accession provided, no more no less. Therefore, he urged Members to refrain from raising requests that went beyond those provisions. China had been taught many times that this was a rules-based organisation. He wished to remind Members that everyone should observe the rules. With regard to the point raised by the EC that EC industry did not care where an issue was handled, he noted that the EC document was a broad-based document, covering a lot of issues. Some of these issues had nothing to do with China's WTO accession commitments or WTO rules at all. For instance, some aspects of China's industrial policies or investment policies were covered. But given that the TRIMs mandate was a limited one not all investment issues could be handled under general item TRM in the TRIMs Committee. As mentioned by the EC, the issue of retail could perhaps be discussed in the Services Council. China was ready to exchange views with EC on all those issues of concern under the proper agenda item in the proper place. He wanted to make that point clear. The last point he wanted to make was in response to the comments made by Switzerland. Bilateral efforts were underway to exchange views and to intensify consultations. As a matter of fact, there was a high-level bilateral consultation either late last month or beginning of this month between China's visiting Vice-Minister in Geneva and Swiss Ambassador Wasescha on this issue. After that meeting, China had already appointed an official from the WTO Affairs Department of the Minister of Commerce to prepare the ground for further bilateral exchanges with the Swiss. China was prepared to continue this dialogue to try to find whether a mutually acceptable solution could be found.

8.12 The Vice-Chairman believed that all delegations wishing to take the floor had done so. Regarding the report³ of the review to the CTG, as in previous years, it would be a brief factual paragraph indicating that the review took place, an acknowledgment of the documentation submitted pursuant to the review, and a reference to the discussions that took place, as reflected in the minutes of this meeting.

8.13 The Committee took note of the statements.

³ Issued as G/MA/217.

9. Draft Report (2008) of the Committee to the Council for Trade in Goods (G/MA/SPEC/40)

9.1 The Vice-Chairman noted that the Committee was required to submit annually a report on its activities to the CTG. A draft report, covering the activities of the Committee in 2007, was circulated in document G/MA/SPEC/40. The report would be updated in light of the meeting⁴.

9.2 Further, he noted that following the previous year's procedure, the updated draft report would be sent to the Members by fax, and if no comments were forthcoming within a certain time period then it would be considered adopted. If there were minor changes, a revised report would be circulated with the changes marked clearly and if no comments were submitted within a certain time frame, the revised report would be considered adopted. However, if the changes were more substantive in nature he would then had to consider convening an informal meeting.

9.3 The Committee so agreed.

10. Election of Vice-Chairperson

10.1 The Vice-Chairman noted that the Chairman had completed his informal consultations on a Vice-Chair of the Committee for 2008. On this basis, he proposed to elect Mr Barney Riley (New Zealand) as Vice-Chairman of this Committee by acclamation.

10.2 The Committee elected Mr Barney Riley as Vice-Chairman for 2008.

11. Other Business

- Date of the next meeting

11.1 The Committee took note that its next meeting would take place in the spring of 2009.

⁴ Final report was circulated as G/L/865.

ANNEX I

Integrated Data Base

On IDB Submissions since the circulation of the Status of Submissions document, G/MA/IDB/2/Rev.28, the Secretariat received the following submissions:

- Republic of Korea 2007 imports and 2008 tariff data
- Dominican Republic 2008 tariff data
- Tunisia 2008 tariff data
- Bangladesh 2008 tariff data
- Bahrain 2007 tariff data and 2005-2007 import data
- Qatar 2003 tariff data
- Oman 2002, 2003 and 2007 tariff data
- United Arab Emirates 2003 tariff data and 2001-2006 imports

IDB Dissemination and Uses

Due to the resource reallocation for the DDA negotiations and the preparation of the electronic negotiating files, in particular in the second quarter of 2008, the Secretariat had not loaded IDB information onto the IDB Internet File Transfer Facility since April 2008. At present, the IDB Section's work priorities are again rebalanced towards a more regular work plan and the next IDB load is scheduled for the end of October. Currently, 795 country-periods, covering data for 110 out of the 125 Members' schedules and data for five acceding countries, are available on the IDB website.

The following Members have not yet submitted any information to the IDB: Cambodia, Cape Verde, Central African Republic, Chad, Democratic Republic of the Congo, Guinea Bissau, Haiti, Mozambique, Saudi Arabia and Viet Nam.

On the uses of IDB and CTS data I would like to mention:

- IDB and CTS continue to be used for ad hoc requests from Members and the Secretariat; most of these are related to the ongoing negotiations;
- They were used in the World Tariff Profiles 2008 publication, which will be launched on 17 October in a joint event, hosted by ITC;
- IDB and CTS are being used in the preparation of the electronic negotiating files.

Technical Assistance

Since the last meeting of the CMA in April 2008 the following TA activities have been undertaken:

- Regional NAMA workshops in:
 - Ecuador for Latin American countries
 - Jamaica for the Caribbean countries
 - China for the Asian countries
- National workshops on Market Access and tariff data in:
 - Pakistan, Gabon

The IDB and CTS were also presented in the regional Trade Policy courses in Singapore and Benin.

Software Development

The Secretariat has upgraded the Internet Analysis Facility (IAF) to .NET technology and at the same time has introduced a number of improvements. The application is currently being tested and, barring technical difficulties, will be released to Members before the end of the year. At that time the Secretariat will offer again training sessions for all newcomers and all those that would like to freshen up their skills in using this online analysis tool. A fax indicating dates for the training sessions in the three official languages will then be sent out to all delegations.

The portable IAF as well as the CTS CD-ROM, both with data updates, will be distributed in January 2009.

The passwords to access the IDB/CTS internet facilities were due to be changed in June 2008. This was postponed because of the negotiations and the Secretariat will distribute new passwords in January 2009.

ANNEX II

Consolidated Tariff Schedule Database

HS02 TRANSPOSITION

I will just give you a brief summary of the work on the HS2002 files. A revised full report was issued as JOB(06)/8/Rev.8 on 6 October 2008. The status of the HS 02 transposition is as follows:

- A. 4 draft HS02 files remain to be prepared
- B. 9 draft HS02 files have been completed and sent to Members for review (excluding files that are due for multilateral review)
- C. 10 draft HS02 files are currently released for multilateral review
- D. 66 HS02 files have been reviewed during passed the multilateral review
- E. 29 HS02 files are certified /or in the process for certification

I would just like to point out again that the number of certified files could be much higher if more Members could signal approval for their own files. The number of files subject to the transposition and having passed the multilateral review has now reached 80 per cent of the WTO Membership.

The remaining work, apart from minor tariff line revisions, concerns only about 15 files and is basically in two areas:

1. More extensive follow up work on files that have already been sent out to Members. Here we have to verify and reconcile Members' submissions or comments with the Secretariat's version. This requires often contacts with national experts to explain the Secretariat process and position and to better understand the Members' concerns.
2. Two HS 1996 transpositions are also still in the pipeline.

Since the vast majority of Members have by now seen their files approved and about a quarter of them are certified in their HS 2002 version it is time to reflect this in the CTS and make these files available to all authorized users subject to the IDB/CTS dissemination policy (See G/MA/115). The Secretariat will therefore post to the WTO IDB/CTS website as of end October the HS 2002 version of the CTS for the certified files. This should lead to a wider dissemination of these files and enable a broader range of users to use these files in their trade policy work.

Likewise, if no objection is raised, the Secretariat would like to post to the website also the HS2002 version of the CTS for all other Members that have successfully passed the multilateral review and where only their own approval to the HS02 transposition is still outstanding. The situation would thus be comparable to the HS96 transposition where we have for a large number of Members only the Secretariat version as reflected in the current HS96 based CTS.

In any case, the files would first be posted to the provisional area, giving Members two months during which they can review the files and give us feedback before they go for wider dissemination but again only to authorized users.

From past experience we have learned that only through increased use and scrutiny of the CTS will we be able to achieve the reassurance that the electronic files reflect correctly the underlying commitments.

ANNEX III

Consolidated Tariff Schedule Database

HS07 TRANSPOSITION

Little progress was made in the HS 2007 transposition work on the side of the Secretariat and also on the side of Members there has been no new submission since October 2007. The reasons for this was the focus on the very heavy workload related to the negotiations. Nevertheless, we have completed the review of HS 2007 submission of Canada and we are now working on Australia's file. Those two files could be made ready for multilateral review in early 2009.

The Secretariat plans to prepare a document which describes how it intends to implement the HS 2007 procedures adopted by the General Council in December 2006 (see document WT/L/673). It will be based on lessons learned from the HS 2002 transposition. This guideline will provide Members more details about HS 2007 changes and how the Secretariat intends to deal with them in transposing developing Member's schedules and reviewing Member's submissions. The document will address

- The treatment of each HS 2007 change at HS 6-digit subheading level
- Methodology for reviewing Members' submissions
- Formats of the files prepared by the Secretariat for Members' comments and multilateral review
- Work plan

It is planned to issue this document for review by Members in early 2009.

In order to better manage the workload of the Secretariat, I would like to remind delegations that developing Members who intend to prepare their own transposition, need to notify the Secretariat as soon as possible. So far we have received only 5 notifications from Members.

Regular work

As concerns the regular work on the CTS the focus is now on the preparation of complete CTS files in HS 2002 for all Members that passed the multilateral review; this includes the integration of specific commitments in agriculture (tariff quotas and export subsidies) affected by both the HS96 and HS02 transpositions with the unaffected parts into a revised CTS format.

The files of newly acceded Members Cape-Verde and Ukraine have been posted to the FTF site in early October.
