

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Compliance with the "Enabling Clause"

Proposal under Paragraph 9(a)(i) of the Ministerial Declaration

Communication from Malaysia on behalf of ASEAN Members

The following communication, dated 19 May 1999, has been received from the Permanent Mission of Malaysia.

Background

1. Non-discrimination is a core WTO obligation. The "Enabling Clause", which pertains to preferential treatment accorded by developed countries to developing countries, is an exception that is subject to certain conditions. Among such conditions are that such preferential treatment must be generalized, non-discriminatory, and non-reciprocal. Notwithstanding these conditions, there are preferential treatment schemes being implemented today in disregard of those conditions.
2. The performance of a core WTO obligation deserves the closest monitoring.

Proposal

3. It is proposed that Ministers stress compliance with the Enabling Clause that pertains to preferential treatment accorded by developed countries to developing countries so as to ensure that such preferential treatment is generalized, non-discriminatory and non-reciprocal in nature. Accordingly, Ministers should decide that such compliance be closely monitored by an appropriate body.
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