

**REPORT (2006) OF THE  
COMMITTEE ON REGIONAL TRADE AGREEMENTS  
TO THE GENERAL COUNCIL**

Chairman: Mr. O. Camara (Senegal)

**I. INTRODUCTION**

1. Mr. Ronald Saborío Soto (Costa Rica) retained his position as Chairman of the Committee on Regional Trade Agreements (hereinafter, the Committee or CRTA) until the second meeting in April 2006, when Mr. Ousmane Camara (Senegal) was elected as Chairman. Mr. Anton Egger (Switzerland) retained his position as Vice-Chairman.

2. During 2006, the Committee held four sessions (in January, April, July and October). The minutes of those meetings are listed in Attachment 1. Four sessions are foreseen in 2007.

**II. OBSERVER STATUS**

3. The Committee agreed to continue the granting of observer status in the CRTA to the Latin American Integration Association (LAIA), on an *ad hoc* basis. No decision was taken with respect to the requests for observer status listed in document WT/REG/W/11/Add.3, pending the definition of guidelines by the General Council.

**III. EXAMINATION OF REGIONAL TRADE AGREEMENTS**

4. As of 15 October 2006, 366 regional trade agreements (RTAs) have been notified to the GATT/WTO, 214 of which are currently in force.<sup>1</sup> Of the agreements in force, 147 were notified under GATT Article XXIV; 22 under the Enabling Clause;<sup>2</sup> and 45 under GATS Article V.

5. The Committee has under examination a total of 158 agreements, of which 120 in the area of trade in goods and 38 in trade in services.<sup>3</sup> Fourteen RTAs are currently undergoing factual examination, while for 65 RTAs, the Committee has not yet started the factual examination. For the remaining 79 RTAs, the factual examination has concluded (see Attachment 2). No progress was made, however, on the completion of the corresponding examination reports.

6. At its first meeting in January 2006, the Committee agreed that the subsequent meetings would concentrate on the 42 RTAs already under factual examination at that date, rather than undertake new examinations. The aim was to ensure a smooth transition from the existing RTA

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<sup>1</sup> These figures correspond to notifications of new RTAs, as well as accessions to existing RTAs. One notified RTA is not yet in force.

<sup>2</sup> *Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries*, Decision of the GATT CONTRACTING PARTIES of 28 November 1979.

<sup>3</sup> Eighteen additional agreements recently notified (eleven under GATT Article XXIV and seven under GATS Article V) are yet to be transmitted to the Committee for examination.

review procedures to those which might result from discussions at the Negotiating Group on Rules. Thanks to Delegations' efforts, it has been possible to complete the factual examination of 28 agreements. For the remaining 14 agreements in this category, the factual examination had been "frozen" or stopped by the Committee: in the case of two services agreements, because no specific commitments had been communicated by the parties; and in the case of 12 agreements concluded with non-WTO Members, because consultations in this respect had not yet yielded any result.

#### **IV. REPORTING ON THE OPERATION OF AGREEMENTS**

7. Nine reports on the operation of agreements, which had been submitted in accordance with the 2004 Schedule for Submission of Reports (WT/REG/W/48) were considered by the Committee in the course of 2006: three reports (EC-Malta, EC-Cyprus, United States-Israel) in January; four (ANZCERTA, Czech/Slovak Customs Union, EFTA-Czech Rep., EFTA-Slovak Rep.) in July; and two (EC-Algeria, EC-Syria) in October. Two biennial reports due in 2004 are still outstanding (see Attachment 3).

8. A total of 13 biennial reports should have been scheduled for submission in 2006. However, at its 41<sup>st</sup> Session, the Committee agreed to await the outcome of the discussions taking place in the Negotiating Group on Rules, as they had a bearing on this procedure, and revert to this item at a later stage. At its 44<sup>th</sup> Session the Committee agreed to postpone any action in this respect until early 2007.

#### **V. PROCEDURES TO IMPROVE AND FACILITATE THE EXAMINATION PROCESS**

9. No discussion took place on this item.

#### **VI. SYSTEMIC IMPLICATIONS OF REGIONAL TRADE AGREEMENTS AND INITIATIVES FOR THE MULTILATERAL TRADING SYSTEM AND THE RELATIONSHIP BETWEEN THEM**

10. No discussion took place on this item.

#### **VII. OTHER**

11. At the 43<sup>rd</sup> Session, the Secretariat drew the attention of the Committee to the spiralling cost of providing translations of RTA main texts, while annexes and protocols, which contained particularly useful information, were not translated. Stressing the fact that most modern RTAs are available in full on official websites and thus text translations no longer served a pressing need, the Secretariat indicated its intention to stop the practice, thus saving up to SF 300,000 in translation costs a year.

12. At its 44<sup>th</sup> Session, the Committee agreed to recommend the introduction of a simplified format for the notification of new RTAs to the Council for Trade in Goods, the Council for Trade in Services and the Committee on Trade and Development.

#### **VIII. FINAL REMARKS**

13. The Committee has pursued its factual examination work, meeting its objective to clear most of the backlog of agreements for which the factual examination process was ongoing.

14. Future work of the Committee is likely to be substantially revised in the light of discussions held in the Negotiating Group on Rules to improve RTAs' transparency.<sup>4</sup>

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<sup>4</sup> At its meeting of 10 July 2006, the Negotiating Group approved a draft decision establishing a "Transparency Mechanism for RTAs" (TN/RL/18), to be implemented on a provisional basis in accordance with paragraph 47 of the Doha Ministerial Declaration (WT/MIN(01)/DEC/1).

## ATTACHMENT 1

### Minutes of the Meetings held in 2006

#### Forty-First Session – 23-24 January 2006

WT/REG/M/41

WT/REG1/M/5	European Communities – Bulgaria, Services
WT/REG2/M/5	European Communities – Romania, Services
WT/REG156/M/2	Turkey – Croatia
WT/REG119/M/1	Georgia – Armenia
WT/REG114/M/2	Kyrgyz Republic – Armenia
WT/REG162/M/2	China – Hong Kong, China, Goods and Services
WT/REG163/M/2	China – Macao, China, Goods and Services
WT/REG165/M/2	Chile – El Salvador, Goods and Services
WT/REG160/M/2	United States – Chile, Goods and Services
WT/REG161/M/2	United States – Singapore, Goods and Services
WT/REG134/M/2	United States – Jordan, Goods and Services
WT/REG155/M/2	Caribbean Community and Common Market, Services

#### Forty-Second Session – 3 and 4 April 2006

WT/REG/M/42

WT/COMTD/1/Add.16	Southern Common Market (MERCOSUR) Agreement
WT/REG44/M/2	Romania – Republic of Moldova
WT/REG155/M/3	Caribbean Community and Common Market, Services
WT/REG156/M/3	Turkey – Croatia
WT/REG160/M/3	United States – Chile, Goods and Services
WT/REG169/M/2	Republic of Korea – Chile, Goods and Services
WT/REG170/M/2	Enlargement of the European Union
WT/REG162/M/3	China – Hong Kong, China, Goods and Services
WT/REG163/M/3	China – Macao, China, Goods and Services

#### Forty-Third Session – 4 July 2006

WT/REG/M/43

WT/REG39/M/5	Establishment of the European Union, Services
WT/REG22/M/4	Turkey – European Communities
WT/REG164/M/2	European Communities – Chile
WT/REG119/M/2	Georgia – Armenia
WT/REG148/M/3	EFTA States – Singapore, Goods and Services

#### Forty-Fourth Session – 13 October 2006

WT/REG/M/44

WT/REG170/M/3	Enlargement of the European Union, Goods
WT/REG164/M/3	European Communities – Chile
WT/REG114/M/3	Kyrgyz Republic – Armenia

## ATTACHMENT 2

### A. RTAs for which factual examination has been completed (79):

ANZCERTA (S)	EU Enlargement (25) (G) *	Georgia-Armenia (G)
Bulgaria-FYROM (G)	EC-FYROM (G)	Iceland-Faroe Isl. (G)
Canada-Chile (G&S)	EC-Israel (G)	Japan-Singapore (G&S)
Canada-Costa Rica (G)	EC-Jordan (G)	Kyrgyz Rep.-Armenia (G)
Canada-Israel (G)	EC-Mexico (G)	Kyrgyz Rep.-Moldova (G)
CARICOM (S)	EC-Morocco (G)	MERCOSUR (G)
CEFTA – Accession of Bulgaria (G)	EC-Romania (G&S)	Mexico-Israel (G)
CEFTA – Accession of Romania (G)	EC-Tunisia (G)	NAFTA (G&S)
Chile-Costa Rica (G&S)	EC-Turkey (G)	New Zealand-Singapore (G&S)
Chile-El Salvador (G&S)	EFTA (S)	Norway-Faroe Isl. (G)
Chile-Mexico (G&S)	EFTA-Bulgaria (G)	Romania-Moldova (G)
Chile-Rep. of Korea (G&S)	EFTA-Croatia (G)	Singapore-Australia (G&S)
China-Hong Kong, China (G&S)	EFTA-FYROM (G)	Switzerland-Faroe Isl. (G)
China-Macao, China (G&S)	EFTA-Israel (G)	Turkey-Bulgaria (G)
EC (Treaty of Rome) (S)	EFTA-Jordan (G)	Turkey-Croatia (G)
EC-P. of Andorra (G)	EFTA-Mexico (G)	Turkey-FYROM (G)
EC-Bulgaria (G&S)	EFTA-Morocco (G)	Turkey-Israel (G)
EC-Chile (G)	EFTA-Romania (G)	Turkey-Romania (G)
EC-Croatia (G)	EFTA-Singapore (G&S)	United States-Chile (G&S)
EC Enlargement (15) (G&S)	European Economic Area (S)	United States-Jordan (G&S)
		United States-Singapore (G&S)

### B. RTAs under factual examination (14):

EC-Faroe Isl. (G)	Georgia-Russian Fed. (G)	Kyrgyz Rep.-Russian Fed. (G)
EC-Mexico (S)	Georgia-Turkmenistan (G)	Kyrgyz Rep.-Ukraine (G)
EFTA-Mexico (S)	Georgia-Ukraine (G)	Kyrgyz Rep.-Uzbekistan (G)
Georgia-Azerbaijan (G)	CIS (G)	EAEC (G)
Georgia-Kazakhstan (G)	Kyrgyz Rep.-Kazakhstan (G)	

### C. RTAs for which factual examination has not yet commenced (65):

Albania-Bosnia & Herzegovina (G)	Croatia-Bosnia & Herzegovina (G)	Moldova-Croatia (G)
Albania-Bulgaria (G)	Croatia-FYROM (G)	Moldova-FYROM (G)
Albania-FYROM (G)	Croatia-Serbia & Montenegro (G)	Moldova-Serbia & Montenegro (G)
Albania-Moldova (G)	EC-Chile (S)	Panama-El Salvador (G&S)
Albania-Romania (G)	EC-Egypt (G)	Rep. of Korea-Singapore (G&S)
Albania-Serbia & Montenegro (G)	EC-Lebanon (G)	Romania-Bosnia & Herzegovina (G)
Albania-UNMIK (G)	EC-Palestinian Authority (G)	Romania-FYROM (G)
Armenia-Kazakhstan (G)	EC-South Africa (G)	Romania-Israel (G)
Armenia-Moldova (G)	EFTA-Chile (G&S)	Romania-Serbia & Montenegro (G)
Armenia-Russian Federation (G)	EFTA-Palestinian Authority (G)	SADC (G)
Armenia-Turkmenistan (G)	EFTA-Tunisia (G)	Thailand-Australia (G&S)
Armenia-Ukraine (G)	El Salvador-Mexico (G&S)	Thailand-New Zealand (G&S)
Bulgaria-Bosnia & Herzegovina (G)	EU Enlargement (25) (S)	Turkey-Bosnia & Herzegovina (G)
Bulgaria-Israel (G)	FYROM-Bosnia & Herzegovina (G)	Turkey-Morocco (G)
Bulgaria-Serbia & Montenegro (G)	Japan-Mexico (G&S)	Turkey-PLO (G)
CAFTA-DR (G&S)	Mexico-Nicaragua (G&S)	Turkey-Tunisia (G)
CEFTA-Accession Croatia (G)	Moldova-Bosnia & Herzegovina (G)	United States-Australia (G&S)
Croatia-Albania (G)	Moldova-Bulgaria (G)	United States-Morocco (G&S)

### D. RTAs yet to be transmitted to the Committee (18):

Costa Rica-Mexico (G&S)	GCC Customs Union (G)	Jordan-Singapore (G&S)
EC-Algeria (G)	Guatemala-Mexico (G&S)	Pan-Arab FTA (G)
EFTA-Rep. of Korea (G&S)	Honduras-Mexico (G&S)	United States-Bahrain (G&S)
EU Enlargement (27) (G)	Japan-Malaysia (G&S)	

\* Once a satisfactory resolution of outstanding issues is reached, the factual examination of this agreement will be deemed concluded.

**ATTACHMENT 3**

Schedule for the Submission of Biennial Reports on RTAs

**A. Reports submitted under the 2004 schedule (9)**

EC - Algeria  
EC - Cyprus  
EC – Malta  
EC - Syria  
United States – Israel  
Australia-New Zealand Closer Economic Relations Trade Agreement (ANZCERTA)  
Czech/Slovak Customs Union  
EFTA - Czech Republic  
EFTA - Slovak Republic

**B. Reports not submitted under the 2004 schedule (2)**

Australia-Papua New Guinea Agreement (PATCRA)  
Caribbean Community and Common Market (CARICOM)

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