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Committee on Regional Trade Agreements

REPORT (2013) OF THE COMMITTEE ON REGIONAL TRADE AGREEMENTS TO THE GENERAL COUNCIL

CHAIRMAN: MR. FRANCISCO A. LIMA MENA (EL SALVADOR)

1 INTRODUCTION

- 1.1. At its first meeting in April 2013, the Committee on Regional Trade Agreements (CRTA) elected Mr. Francisco A. Lima Mena (El Salvador) as Chairman of the CRTA.
- 1.2. During 2013, the Committee held four sessions (in April, July, September and October). The minutes of those meetings are listed in the Attachment. Four sessions are foreseen in 2014.

2 OBSERVER STATUS

2.1. 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.

3 CONSIDERATION OF REGIONAL TRADE AGREEMENTS

- 3.1. In the period 1 January to 1 October 2013, the CRTA received 31 notifications of RTAs, 19 in goods, notified under Article XXIV of GATT 1994, and 12 in services, notified under Article V of ${\sf GATS.}^1$
- 3.2. During 2013, 13 factual presentations were distributed reflecting 23 notifications, counting goods and services separately, all of which were used as the basis for consideration of RTAs in the $\rm CRTA$.
- 3.3. The Chairman held consultations with delegations in an effort to resolve the case of RTAs for which the factual consideration is delayed due to lack of comments from the Parties. The Chairman with the help of the Secretariat, drew up and circulated in advance of CRTA meetings a list of such RTAs. 3

¹ Russian Federation-Uzbekistan (G); Russian Federation-Turkmenistan (G); Chile-Malaysia (G); Panama-Nicaragua (G&S); EU-Central America (G&S); EU-Colombia and Peru (G&S); Canada-Panama (G&S); Canada-Jordan (G); Panama-Guatemala (G&S); EU (28) Enlargement (G&S); Ukraine-Montenegro (G&S); Republic of Korea-Turkey (G); Malaysia-Australia (G&S); Turkey-Mauritius (G); Costa Rica-Peru (G&S); Treaty on a Free Trade Area between members of the Commonwealth of Independent States (CIS) (G); Chile-Nicaragua (G&S); Mexico-Uruguay (G&S); Costa Rica-Singapore (G&S).

² China-Costa Rica (G&S); Guatemala-the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (G&S); Chile-Honduras (G&S); Chile-Guatemala (G&S); Japan-Peru (G&S); El Salvador-Honduras- the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (G&S); EFTA-Montenegro (G); EFTA-Peru (G); Peru-Panama (G&S); India-Malaysia (S); India-Japan (G&S); EFTA-Ukraine (G&S); EFTA-Hong Kong, China (G&S).

³ Documents WT/REG/W/74/Rev.1, WT/REG/W/76 and WT/REG/W/78.

3.4. Under paragraph 22(b) of the Transparency Mechanism (TM)⁴, as of 1 October 2013, all factual abstracts of RTAs for which the CRTA has concluded its factual examination under Article XXIV of GATT 1994 and Article V of GATS were posted on the RTA Database.

4 EARLY ANNOUNCEMENTS

4.1. Paragraph 1 of the TM provides for Members participating in new negotiations and parties to a newly signed RTA to provide information to the Secretariat, to be posted on the WTO website. In 2013, a total of eight early announcements were received from Members, six for RTAs under negotiation and two for newly signed RTAs.⁵

5 SUBSEQUENT NOTIFICATION AND REPORTING

- 5.1. Paragraph 14 of the TM provides for changes affecting the implementation of an RTA, or the operation of an already implemented RTA to be notified as soon as possible after such changes occur. Such communications are to be made available on the WTO website. In the period 1 January to 1 October 2013, notifications of changes for five RTAs have been received and posted on the RTA Database.⁶
- 5.2. Paragraph 15 of the TM provides for parties to an RTA to submit a short written report on the realization of the liberalization commitments in the RTA as originally notified at the end of the RTA's implementation period. No such reports were submitted during 2013.
- 5.3. In order to assist Members in their discussion of implementation reports, the Secretariat issued a follow-up note (JOB/REG/4) that was discussed by Members during the Committee's 68th Session. At the Committee's 71st Session, Members discussed a mock implementation report provided by the EU and Chile on its RTA.

6 DATABASE ON RTAS

6.1. Paragraph 21 of the TM provides for the Secretariat to establish and maintain an updated electronic database on individual RTAs. The database was launched in January 2009 and is available on the WTO public website. The database provides information on all notified RTAs, including the status of the consideration process.

7 PROCEDURES TO IMPROVE AND FACILITATE THE EXAMINATION PROCESS

7.1. No discussion was held on this item.

8 SYSTEMIC IMPLICATIONS OF REGIONAL TRADE AGREEMENTS AND INITIATIVES FOR THE MULTILATERAL TRADING SYSTEM AND THE RELATIONSHIP BETWEEN THEM

8.1. At Australia's request, the CRTA discussed at its 68th and 70th Sessions, recent Working Papers on RTAs which have appeared on the WTO's website. Some Members raised concerns as to the procedural modality to bring these issues before the Committee. The Secretariat clarified that the General Council rules of procedure were followed.

⁴ The General Council Decision of 14 December establishing the Transparency Mechanism for Regional Trade Agreements (WT/L/671) is being implemented on a provisional basis. Members will review, and if necessary modify, this decision, in light of the experience gained from its provisional operation, and replace it by a permanent mechanism as part of the overall results of the Doha Round, in accordance with paragraph 47 of the Doha Declaration (paragraph 23 of the General Council's Decision).

⁵ Under negotiation: EU-Singapore; EU-Morocco; EU-Viet Nam; EU-Malaysia; EU-US TTIP; EU-Japan. Newly signed: Switzerland-China; New Zealand-the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu.

⁶ EFTA-Egypt; EFTA-Jordan; EFTA-Lebanon; EFTA-Mexico; EFTA-Morocco.

⁷ Respectively, "Services rules in regional trade agreements: How diverse and how creative as compared to the GATS multilateral rules?" and "Market access provisions on trade in goods in regional trade agreements".

9 FINAL REMARKS

- 9.1. In an effort to encourage the notification of non-notified RTAs, the Chairman with the help of the Secretariat, continued to draw up and circulate in advance of CRTA meetings a list of non-notified RTAs which have been verified by their parties as being in force and appeared in factual presentations circulated between September 2009 and September 2013.⁸
- 9.2. Although considerable progress has been made in the preparation of factual presentations, the Committee continues to experience some difficulties in adhering to its work programme. This is due to a number of factors: delays in the receipt of statistical data from parties, data discrepancies in Members' submissions, and delays in the receipt of comments from parties.

 $^{^{\}rm 8}$ Documents WT/REG/W/73, WT/REG/W/75/Rev.1 and WT/REG/W/77.

ATTACHMENT

MINUTES OF THE MEETINGS HELD IN 2013

Sixty-eighth Session - 9-10 April 2013

WT/REG/M/68

WT/REG310/M/1 China – Costa Rica, goods and services

Sixty-ninth Session - 3-4 July 2013

WT/REG/M/69

WT/REG303/M/1

WT/REG303/M/1/Corr.1 Chile – Honduras, goods and services
WT/REG312/M/1 Chile – Guatemala, goods and services

WT/REG297/M/1 Guatemala – the separate customs territory of Taiwan, Penghu,

Kinmen and Matsu, goods and services

WT/REG283/M/1 El Salvador, Honduras - the separate customs territory of

Taiwan, Penghu, Kinmen and Matsu, goods and services

<u>Seventieth Session – 17-18 September 2013</u>

WT/REG/M/70

WT/REG322/M/1 Hong Kong, China – The EFTA States, goods and services

WT/REG323/M/1 Montenegro – The EFTA States, goods

WT/REG315/M/1 Ukraine – The EFTA States, goods and services

WT/REG295/M/1 Peru – The EFTA States, goods

WT/REG313/M/1 Peru – Panama, goods and services
WT/REG309/M/1 Japan – Peru, goods and services
WT/REG300/M/1 Japan – India, goods and services

WT/REG329/M/1 India – Malaysia, services

Seventy-first Session - 21-22 October 2013 (to be issued)

WT/REG/M/71

WT/REG/W/79 Draft Report (2013) of the CRTA to the General Council