

Committee on Trade and Development
Special Session

Original: English

ELEMENTS FOR REPORT TO THE GENERAL COUNCIL ON SPECIAL AND DIFFERENTIAL TREATMENT

Communication from Japan

The following communication, dated 2 July 2002, has been received from the above delegation.

Elements for Report to the General Council on Special and Differential Treatment

I. GENERAL REMARKS

1. WTO Members have held discussions on special and differential (S&D) treatment under the mandate of paragraph 44 of the Doha Ministerial Declaration, which has brought home to us the necessity of examining the following issues.
2. WTO Members will continue making efforts to send recommendations to the General Council towards the end of July. However, it is quite unrealistic and difficult to agree on some concrete measures on individual provisions concerning the proposals from Africa and other countries. Therefore, we need to discuss which elements should be included in the July recommendation. It may include appropriate place and direction of further work towards additional recommendations by the time to be agreed upon the remaining issues.

II. CONCRETE ELEMENTS

3. Principles and Objectives of S&D Treatment

- (a) It is necessary to make special and differentiated consideration towards developing Members.
- (b) It is important to maintain the integrity of the WTO Agreements as trade rules.
- (c) If exemption or reduction of obligations of the WTO Agreements will be admitted, it should be provisional, not permanent. Its ultimate objectives should be to integrate effectively developing Members into the multilateral trading system.
- (d) Flexible treatment will be necessary according to development stage, capability and particular necessity of the developing Members.

4. Progress report on the discussion of the Committee on Trade and Development (CTD) Special Session

- (a) Discussion on the major proposals submitted so far.
- (b) Update of the utilization of each S&D provision.

5. Important notice for further study after July

- (a) Clarify appropriate place for study on each S&D treatment provision.
 - (i) In case that there is a relevant negotiating body, it will be taken up, as appropriate, at the negotiating body. It is necessary to make an input from the CTD into each negotiating body and vice versa.
 - (ii) In case that there is not a relevant negotiating body, it will be taken up, as appropriate, at each Committee.
 - (b) How to set up the procedure or monitoring mechanism concerning utilization of the S&D treatment provisions?
 - (i) It needs to discuss whether to set-up a new monitoring mechanism. If so, under which kind of Terms of Reference should be formulated for the mechanism.
 - (ii) The core element of the monitoring mechanism may be to make input and feedback efficiently between the CTD and each negotiating body or relevant Committee.
 - (iii) It also needs to examine how to cooperate with the existing Sub-Committee on Least-Developed Countries (LDCs) concerning the issues related to the LDCs.
 - (c) Direction of future study
 - (i) To clarify S&D treatment provisions into some categories such as exemption or reduction of obligations, capacity building according to their contents, then to make further examination.
 - (ii) To study how to make S&D treatment provisions more operational after examining the present state of play.
 - (iii) To identify which trade-related technical assistance/capacity-building (TRTA/CB) will be further needed after monitoring the past achievement of the various TRTA/CB and to reflect it on the future TRTA/CB activities of the WTO without obligating developed Members financially and personally.
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