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**Committee on Subsidies  
and Countervailing Measures**

**EXTENSION UNDER SCM ARTICLE 27.4 OF THE TRANSITION PERIOD UNDER  
ARTICLE 27.2(b) FOR THE ELIMINATION OF EXPORT SUBSIDIES**

**BARBADOS**

Export Finance Guarantee Scheme

*Decision of 13 December 2002*

The Committee on Subsidies and Countervailing Measures (the "Committee"),

*On the basis of* the provisions of Article 27.4 of the Agreement on Subsidies and Countervailing Measures ("the SCM Agreement") pertaining to extension of the transition period under Article 27.2(b) of the SCM Agreement for the elimination of export subsidies;

*Taking into account* the request and other notified information provided by Barbados to the Committee<sup>1</sup> for Export Finance Guarantee Scheme ("the programme") during the consultations between Barbados and the Committee pursuant to Article 27.4 of the SCM Agreement;

*Recognizing with appreciation* the efforts, by Barbados, during the review by the Committee, to describe and clarify the provisions of the programme;

*Considering* for purposes of this decision, Barbados to be a developing country Member eligible to request an extension pursuant to Article 27.4 of the SCM Agreement;

*Considering* that an extension of the transition period for the programme is justified taking into account the economic, financial and development needs of Barbados;

*Noting that* Barbados hereby commits itself:

- (i) not to modify the programme so as to make it more favourable, including as to scope, coverage and intensity of benefits, during the extension period and final two-year period referred to in the last sentence of Article 27.4 of the SCM Agreement, relative to the level of benefits that existed as indicated in the full notification of the programme that accompanied the request for extension<sup>2</sup>;
- (ii) to provide adequate transparency in respect of the operation of the programme, on an annual basis during the period referred to in (i), including

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<sup>1</sup>The notified information on the basis of which this decision is taken is found in documents G/SCM/N/74/BRB, G/SCM/N/71/BRB, G/SCM/N/71/BRB/Corr.1, G/SCM/Q3/BRB/1 to G/SCM/Q3/BRB/11.

<sup>2</sup>G/SCM/N/71/BRB and G/SCM/N/71/BRB/Corr.1.

as to implementation of the standstill commitment, and steps to phase out export subsidies under the programme, through notifications of the programme following the agreed format for subsidy notifications under Article 25 of the SCM Agreement, and review by the Committee;

*Noting further* the firm intention of Barbados to take all necessary internal steps with a view to phasing out export subsidies under the programme not later than 31 December 2005, such that calendar years 2004 and 2005 would constitute the final two-year period referred to above;

*Hereby grants* to Barbados, under Article 27.4 of the SCM Agreement and subject to the terms contained herein, an extension, until 31 December 2003, of the transition period, under Article 27.2(b) of the SCM Agreement, for the elimination of export subsidies as referred to in the notified information<sup>3</sup> under the programme.

*This decision* does not affect the legal rights of Members with respect to any other obligations of Barbados under the SCM Agreement, that may apply to the programme. Among such other obligations, it is recognized that the programme remains subject to Article 3.1(b) of the SCM Agreement, which prohibits subsidies contingent, whether solely or as one of several other conditions, upon the use of domestic over imported goods.

*This decision* does not affect any rights, obligations or commitments of Members under any other WTO Agreement with respect to the programme; and is without prejudice to the existing and future relationship between the SCM Agreement and any other WTO Agreement, and has no precedential value for any other purpose.

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<sup>3</sup> Footnote 1, *supra*.