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A. ADOPTION OF THE DRAFT AGENDA

1. The Chairman said that the draft agenda for the meeting was contained in airgram WTO/AIR/1825/Rev.1 of 25 June 2002. He proposed a slight modification of the Agenda and suggested that Members dealt with the report of the Joint Advisory Group (JAG) on the International Trade Centre UNCTAD/WTO (ITC) under item F after concluding the discussion on Technical Cooperation and Training under item C. That would enable the guest speakers, the Chairman of the JAG, Ambassador Girard and the ITC Executive Director, Mr. Bélisle, to be present when Members discussed agenda item F. He said that he had been informed by the Secretariat that sub-item (4) on training under item C would relate to all WTO training activities. It would not be limited to those of the Training Institute.

2. The representative of Canada said that her delegation wished to add an item under "Other Business" regarding duty-free and quota-free market access for LDCs as well as details about an African programme that her government had developed subsequent to the G-8 meeting.

3. The agenda was adopted as amended.

B. OBSERVERS

(i) *Request for attendance of ad hoc observers*

4. The Chairman recalled that in previous sessions of the CTD, Members had agreed to invite a number of intergovernmental organizations on an ad hoc meeting-by-meeting basis. Those were the Arab Maghreb Union (AMU); the Economic Community of West African States (ECOWAS); the Economic Cooperation Organisation (ECO); the Inter-Arab Investment Guarantee Corporation; the Islamic Development Bank (IDB); the Organisation of African Unity (OAU); the Organisation of the Islamic Conference (OIC); the South Centre; the South Pacific Forum; the United Nations Environment Programme (UNEP); the West African Economic and Monetary Union (WAEMU); and the World Intellectual Property Organisation (WIPO). He proposed that, in accordance with the CTD procedures, those Organizations be invited to the next formal meeting.

5. It was so agreed.

- (ii) *Further consideration of request for observer status by the League of Arab States, the Organization of the Petroleum Exporting Countries (OPEC), the Gulf Organization for Industrial Consulting, the Organisation Internationale de la Francophonie, and the Common Fund for Commodities*

6. The Chairman said that at previous meetings the Committee had had before it a number of outstanding requests for observer status. Those came from the League of Arab States, OPEC, the Gulf Organization for Industrial Consulting, the Organisation Internationale de la Francophonie and the Common Fund for Commodities. The positions of delegations were well known and on the record. He proposed that, unless there had been any recent change of position, Members revert to those requests at the next formal CTD meeting.

7. It was so agreed.

C. TECHNICAL COOPERATION AND TRAINING

- (i) *Statement by the Chairman of the Committee on Budget, Finance and Administration in Relation to Pledges Announced and Payments Received to Finance the Implementation of the Coordinated WTO Secretariat Annual Technical Assistance Plan (WT/BFA/SPEC/77)*

8. The Chairman said that the first sub-item under item C on Technical Cooperation and Training was a statement by the Chairman of the Committee on Budget, Finance and Administration (BFA) in relation to pledges announced and payments received to finance the implementation of the Coordinated WTO Secretariat Annual Technical Assistance Plan. Further to the decision of the General Council in December 2001, the CTD and the Committee on Budget, Finance and Administration (BFA) were jointly responsible for monitoring the level of resources and expenses related to the execution of the Plan. Mr. McMillan, Chairman of the Committee on Budget, Finance and Administration, would therefore give a report to the CTD.

9. Mr. McMillan, chairman of the Committee on Budget, Finance and Administration, said that he would report on funds received against the Doha Development Agenda Global Trust Fund (DDAGTF). He recalled that the General Council on 19 and 20 December had approved the terms of reference for the DDAGTF which were contained in the report of the BFA (WT/BFA/56). In particular, the General Council had approved a target at that point of CHF15 million for the Trust Fund for the year 2002. That target was phased in three steps. First, there was a target of 25 per cent of that funding, about CHF3.75 million, to be deposited in the WTO bank account by the end of 2001. The second milestone of 75 per cent, or CHF11.25 million, should have been met in March 2002. At the end of June the full amount of CHF15 million should have been received. He said that the BFA also had created a buffer account of a further CHF1 million out of the 2000 surplus account to cover temporary shortfalls in the Trust Fund in case the contributions did not keep pace with the expenses of the various activities. Since then the CTD had approved the Coordinated Annual Technical Assistance Plan for 2002. The Secretariat had estimated in that Plan a total cost of CHF17.3 million after the deduction of an ambitious amount of cost sharing of CHF5 million with other institutions, including UNCTAD and a number of regional development banks. The Pledging Conference held on 11 March had produced an unprecedented level of pledges from Members.¹ Donors had announced pledges totalling CHF21.3 million to the DDAGTF for 2002 and a further CHF 4 million of related funding earmarked to specific objectives. He said because that had been put in place almost three months into 2002, it had taken the BFA a little time to deliver on its commitments. Since the last time he had reported to the CTD on 25 April 2002, the situation had dramatically improved and the June

¹ The precise figures were available in document WT/BFA/SPEC/77 which had been distributed to the CTD.

deadline had almost been met. Document WT/BFA/SPEC/77 showed that the WTO had received a total of CHF14.7 million by 25 June. That change over the last three months was highly encouraging. He thanked all donors that had helped meet that target.

10. However, he went on to say that Members should not be complacent as there was another CHF6.6 million pledged for 2002 which had not been remitted. He recalled that there was a clear link drawn in the Doha Ministerial Declaration between availability of technical assistance and agreement to deal with the issues set out there. Those funds needed to be received soon if the Secretariat was to deliver an ambitious plan on time. He urged all donors who had not yet done so to transfer their promised contributions as quickly as possible.

11. The representative of Australia brought to the Committee's attention her Government's contribution of AUD460,000 which had been paid in full. Her delegation's support for the DDAGTF was in addition to the AITIC contribution of AUD500,000 and the successful delivery of a trade policy training course for African trade negotiators which was run in cooperation with the Government of South Africa in May 2002. That training course was delivered to 25 participants from 16 African countries including seven LDCs and two WTO non-resident Members. Her Government would provide AUD25 million of trade-related technical assistance during the 2002-2003 financial year. Overall, her delegation was pleased with the implementation of the 2002 Technical Assistance Plan including the advanced training courses for Government Officials and activities of the WTO Training Institute. Her delegation commended the Secretariat on the transparency of its reporting process. She trusted that the ongoing reporting provided would assist the Secretariat and the Membership to fine tune the 2003 Plan, thereby allowing the WTO technical assistance strategy to be continually improved. Her delegation was especially appreciative of the work being done with other organizations, particularly the regional development banks. She requested information on three points so as to clarify the situation and to possibly identify areas where Members could make a contribution to the process. Those included the types of assistance being provided on an ad-hoc basis, the level of response to the call for requests for technical assistance in 2003, and the issues that the WTO was having problems resolving with other agencies. It was in the interest of all WTO Members to make the technical assistance strategy as effective and efficient as possible. Her delegation would be happy to look at ways of making that possible, including through action in other organizations.

12. The Committee took note of the presentation made by the Chairman of the Committee on BFA and the statement made.

- (ii) *Implementation of the 2002 Technical Assistance Plan: Report by the Secretariat (CRP/1)*
- (iii) *Advanced Training Course for Government Officials on the WTO Trade Negotiations: Update by the Secretariat (CRP/1)*
- (iv) *Activities of the Training Institute (CRP/2)*
- (v) *Preparations/Procedures for the 2003 Plan: Information by the Secretariat (CRP/1)*

13. The Chairman invited Deputy Director-General Ravier to introduce all four remaining subitems at the same time. He said that the content of Mr. Ravier's presentation was available in two conference documents with the symbol CRP/1 for technical cooperation and CRP/2 for training activities. He reiterated that the item on training dealt not only with the activities of the WTO Training Institute but all WTO training activities.

14. Deputy Director-General Mr. Ravier said that the first conference room paper CRP/1, prepared by the Secretariat was circulated on 26 June, an extract of which was available for Members. That document intended to summarise the status of the implementation of the 2002 Technical

Assistance Plan and covered a number of specific points on technical co-operation activities that had been raised by delegations during the last CTD meeting. The paper covered eight points.

15. The first point was about the implementation of the 2002 Technical Assistance Plan. What Members needed to keep in mind was that, as of 30 June, a total of 261 activities had been undertaken, including 185 planned activities. That was 36 per cent of the activities in the 2002 Technical Assistance Plan. There was a discrepancy between planned activities and activities actually implemented. That discrepancy was due to the ad-hoc requests. He said that he would not wish to enter into the discussion on ad-hoc versus planned activities. The number of ad-hoc requests were so substantial that it might prevent the Secretariat from having an efficient management policy. Ad-hoc activities went against sound management and obliged the Secretariat to take difficult decisions in order to fulfil the activities in due time. The Director General had recently taken the decision to recruit some professionals on yearly contracts to help the Secretariat deliver technical assistance activities. That should allow the Secretariat to keep to the Plan and enable it to present to Members, by the end of the year, an implementation ratio close to one hundred percent.

16. The second point related to the cooperation with regional development banks. He said that the first meeting with heads of regional development banks had been convened by the Director-General on 3 May 2002 in Geneva. Participants in that meeting had reached an understanding to maintain the strategic partnership between the WTO and regional development banks as seen in Annex I of the conference room paper CRP/1. So far, collaboration had been formalised with the Arab Monetary Fund, the Asian Development Bank, the Inter-American Development Bank and the Islamic Development Bank. The Secretariat was currently working towards setting up the same kind of Memorandum of Understanding with other regional development banks, notably the African Development Bank.

17. The third point covered the questions of mainstreaming trade through Ministerial trade conferences and experience had been gained with a trade ministers' Conference organised by the Inter-American Development Bank with the collaboration of the WTO in February 2002. That Conference showed a way to enhance the understanding of the concept of mainstreaming trade policies into global economic development policies in developing, developed and transition economies. He said that the Secretariat hoped to institutionalize that kind of format in partnership with the regional development banks he had mentioned. The WTO Secretariat would work with finance and trade ministries in various developing country regions to ensure that trade was, and continued to be, mainstreamed into development plans and strategies for poverty reduction. So far, two ministerial conferences involving trade and finance officials had been organised, one in Tbilisi, Georgia in May 2002 and the other in Zagreb, Croatia in June 2002.

18. The fourth point related to the establishment of the Doha Development Agenda Database on Trade-Related Technical Assistance and Capacity-Building. He said that it was a joint exercise between the WTO and the Development Assistance Committee of the OECD and the idea was to set up a database that would answer the question of who did what. The database was based on matrices and its main unit was the "country file". The idea was to develop a matrix for each country consisting of lines containing the different technical assistance activities and columns showing which activity was undertaken by what agency in the field of trade related technical assistance. One important step had been to reach a common definition of those activities, and that work had already been completed. He said the work was going well and a demonstration of the main features of the database would be organised for the high-level meeting on technical assistance for senior officials on 16 July. There would also be a demonstration at the next Trade Negotiations Committee on 19 July.

19. The fifth point related to Inter-Agency Cooperation. He said that despite the fact that the paragraph on inter-agency cooperation in document CRP/1 was short, cooperation was at the core of

the Secretariat's activities and was functioning efficiently both within the frameworks that had been set up with a number of inter-governmental organizations and on a day-to-day basis.

20. The sixth point related to the Report of the Pledging Conference. He said that Members had seen that WT/COMTD/37/Rev.1 reflected the comments made by delegations.

21. The seventh point concerned the Doha Development Agenda Advanced Training Courses. He said he would revert to that at a later time when speaking on the training activities. Annex II of document CRP/1 showed where Members stood on the Advanced Training Courses for Trade Policy Officials. It was an undertaking that was considered in Annex I of the 2002 Technical Assistance Plan. The programme for those advanced training courses would be jointly delivered in a tri-party relationship between the WTO, Academic Centres of Excellence, Research Institutions, Policy Oriented Think Tanks, and Regional Development Banks. The first of those two-week courses had been organised in June 2002 in the Western Hemisphere with the collaboration of the Organisation of American States and Georgetown University to the benefit of Latin American Countries. Other courses would follow according to the plan that appeared in Annex II.

22. The final point was with respect to item C(v) of the agenda on the 2003 Technical Assistance Plan. He recalled that the Secretariat had requested all delegations to forward their priority requests for 2003 to the Secretariat by 31 July 2002, so as to allow the WTO Secretariat to submit the draft 2003 Technical Assistance Plan immediately after the summer break. The 2003 Plan would be drafted in August. However, that depended entirely on delegations' inputs. He reminded Members, observers and international organizations of the initial announcement made at the Fortieth Session of the CTD on 25 April. The draft 2003 Technical Assistance Plan would be submitted to the CTD for authorisation in October 2002. A note on the financial implications of the 2003 Plan would be submitted to the BFA Committee in November 2002. A pledging conference would be held in December 2002/January 2003.

23. He went on to say conference room paper CRP/2 contained a list of all the training activities offered by the Secretariat as a whole in 2002. The presentation in a single document should provide Members with information on all the WTO's training activities. There were three categories of activities. Those held in Geneva, long-distance training activities and field-based activities at the regional level. There were five types of Geneva-based activities. The first four lines of the table in CRP/2 covered trade policy courses organized in Geneva, which lasted for a period of 12 weeks. They were the main pillar of the training provided by the WTO Training Institute. The 19th training course, in English, had ended in April for the majority of the participants with the exception of those from the Commonwealth. The Training Institute and the Commonwealth Secretariat had organized two extra weeks of training for the participants from the Commonwealth. The 19th course had been immediately followed by the 20th course, in Spanish, which would end at the end of July. For the first time, the Training Institute would hold two parallel trade policy courses beginning in September 2002. Those would be held in English in the two new training rooms that were being built on the fourth floor of the WTO building. Line five and six of the table showed the WTO introduction courses for LDCs, which lasted for three weeks. The first such course given by the Institute had been held in English in March 2002. The programme and the training material had been updated and through a strengthening of cooperation with the International Trade Centre (ITC), a concrete hands-on approach had been used to attempt to address the specific interests of LDCs. That type of approach would be used for the second course in French to be held in November 2002. The third type of training involved the specialized courses on rules and procedures for dispute settlement, each lasting one week. Delegations were already familiar with those courses. The training programme and material for that activity, which was conducted with the cooperation of the Legal Affairs Division and the Secretariat of the Appellate Body, had been partially modified. The fourth element of training involved the WTO induction days which were mainly intended for new arrivals to Geneva. Two of those had already been carried out, one in February and one in May. A third one would be held in

mid-September. The fifth element of training concerned the training of trainers. The first phase of the programme, launched in the spring would continue through the fall. The programme already seemed to be yielding fruitful results which related to a qualitative change in the approach to training carried out by the collaborators from the Secretariat. The second phase would take place near the end of the year and was currently being prepared by the Secretariat. That would enable the Secretariat to address the needs of its training partners in the developing countries themselves. He said that in the CTD Members had always said that the Secretariat had to improve the quality of trainers so that those following the training activities could benefit from the higher quality of the trainers' work. That type of activity only made sense if the training for trainers could be broadened to reach those in developing countries, so that there could be teams of trainers in the countries which were benefitting from the WTO training programmes.

24. He went on to speak about the other two categories of activities, the distance learning activities and the activities in the field. There were two types of distance learning. The first was video conferencing where the Training Institute, in close cooperation with the World Bank, had taken part in five conferences held simultaneously in Geneva and Washington and four other sites in developing countries. To date there had been twenty hours of training given in twenty developing country partners, using the telecommunications technology and the infrastructure set up by the World Bank as part of its "Global Development Learning Network" programme. The second type of distance learning was the new online courses. After several months of designing the courses, the Training Institute had initiated an introductory course to the WTO and its fundamental principles, which was currently available on the Internet in English. The participants were guided by tutors which made the courses truly interactive. It was still a pilot project in which around 50 national officials from 30 developing countries took part. The lessons to be learnt from that pilot project would enable the Secretariat in 2003, to launch a series of Internet-based interactive courses in the three official languages of the WTO on various subjects. He said that the third category of training activities at the WTO were the field-based activities. Those were activities conducted outside Geneva. The first two lines under that heading showed two new trade policy courses lasting three months. They would be held in Casablanca in French and in Nairobi in English, and would start on 8 and 15 July respectively. He said that those recent initiatives taken by the Director-General were supplementary to the regular activities of the Training Institute. It was a new activity that had been launched over a short period of time. He said that there had been problems with financing but he hoped that the Secretariat would be able to obtain the necessary funds in the near future. There were also 15 short trade policy courses, which should involve more than 450 participants, and there were four advanced training programmes for negotiators which should involve around 100 participants.

25. He went on to mention the strengthened cooperation between the WTO Training Institute and universities. The Training Institute was moving towards such cooperation which would be non-exclusive. He recalled that one of the reasons why the Training Institute had been created was to give it a certain amount of independence which would facilitate the building of relationships with other academic institutions throughout the world. The Secretariat wanted to allow academic institutions to have an independent partner to deal with. The Secretariat's relationship with academic institutions had since developed rapidly and there were several possibilities that had been realised in the framework of that cooperation. A large number of potential partners had shown a keen interest and the Secretariat would have to choose some in a way that would not be discriminatory. The Secretariat would have to consider the logistical problems, the different types of cooperation, and the financial and human resources available in the Institute.

26. The representative of Japan said that his delegation felt that the technical assistance and capacity-building activities were important instruments to effectively integrate beneficiary countries into the multilateral trade system. His delegation was ready to continue to support the efforts by beneficiary countries through the WTO, other international organizations or through bilateral activities. He said that he wished to make three points. The first was with respect to the revised

version of the Report of the Pledging Conference. His delegation was one of those which had registered concern over the previous version and it appreciated the improved version that the Secretariat had provided. The second point was that his delegation was pleased that the Secretariat currently was better equipped to meet the target of the Technical Assistance Plan for 2002, since his delegation had had certain concerns regarding the pace with which the Secretariat had implemented the planned activities. In that regard he noted that Mr. Ravier had mentioned that ad hoc requests were being made that it would take time to respond to. The preparation time for the 2002 Technical Assistance Plan had been rather limited. That was one of the main reasons why ad hoc requests were being made by delegations. The third point was that, in order to frame the 2003 Technical Assistance Plan, Members needed to keep the pace explained by Mr. Ravier. That would give for the 2003 Technical Assistance Plan a better prospect of success. He said that in order for it to be successful it was important to monitor the effectiveness and pace of the implementation of the activities and then report back to the CTD or any other fora. That would provide Members with a view about what had to be improved and what should be continued in the following year. Reflecting on his Government's bilateral experience with other developing partners, he said that it was important for beneficiary countries to tactically choose the activities in order for them to improve the capacity within that beneficiary country's government. His delegation would therefore welcome information from the Secretariat with respect to how it chose the trainees of the training activities, the effectiveness of those activities, the pace of future activities and how the Secretariat could encourage the beneficiary countries to provide their priority requests by the end of July.

27. The representative of Venezuela reiterated that her delegation attached great importance to the issue of technical assistance and capacity building. Paragraph 3 of document CPR/1 indicated that 185 different activities had been planned and carried out. Of those, 75 had responded to requests by members. Her delegation was pleased that the Secretariat was taking into account requests which had not been included in the Plan and which responded to the requirements of developing countries. Her delegation noted that 37 per cent of the activities under the Technical Assistance Plan had been carried out and agreed with the representative of Japan in that the Secretariat had to improve the pace of implementation in order for all the planned activities to be carried out. That would enable the Secretariat to respond to the ad hoc requests made by Members. She said that she wished to make a distinction between "regular" technical assistance coming from the WTO which related to the application of the agreements and the "new" technical assistance which responded to the different goals set for Members, especially the developing country Members, at the Doha Ministerial Conference. Her delegation would be concerned if the importance of the normal technical assistance programmes which dealt with the application and implementation of Agreements, for example, the trade policy review, were left aside. There should be no imbalance between the two types of technical assistance and she hoped that the Secretariat could make a distinction between those two types of technical assistance. Her delegation was pleased with the efforts made to strengthen the ties with regional development banks and to carry out the work plan approved by Ministers at the Doha Ministerial Conference with respect to inter-agency cooperation. She noted the distinction made between cooperation with the World Intellectual Property Organization (WIPO) which was referred to in the document as "an effective form of fusion with WIPO", and cooperation with UNCTAD which was progressing on an ad-hoc basis. Cooperation between agencies was important and cooperation with UNCTAD deserved special attention. Her delegation hoped that future cooperation, in all its aspects, would become effective and efficient.

28. She went on to say that DDG Ravier had reported that the training programmes were working well and that their objectives had been updated in order to improve the participation in negotiations. Her delegation was pleased to see that courses had been organised jointly by the WTO and Georgetown University. Making a distinction between training provided in Geneva, distance training and training in the field was positive. With respect to distance learning activities, her delegation wished to know when the pilot courses would be established so that Members could follow them in Spanish. With respect to the training for trainers programme, she said that it would improve the

quality of trainers so that they could improve the quality of their work. Her delegation had a concept of training that went somewhat beyond that. It felt that training was for public officials, whether or not they were negotiators. The consequence of that training would be to build the capacity of officials in carrying out activities in relation to trade. It was her delegation's understanding from the report that the training of trainers programme was being strengthened. Another aspect was the "export" of such courses to the regions. Two pilot projects already existed in Africa and, at the last CTD meeting, Members had been informed that such projects would be launched in other regions, including Latin America and the Caribbean. Her delegation's expectation was to have a broader group of public officials in the regions making use of the resources made available to them. Many of the facilitators would be the negotiators and officials who had attended the training programme in Geneva. The third aspect was a much broader view of the training. The fourth part of "Strengthening Cooperation between the Institute and Universities" in the report referred to the training of professors who taught WTO disciplines in universities and postgraduate institutes. That was important and the WTO Secretariat had to pay close attention to that group of people for two reasons. Firstly, in addition to professionals aiming for public service employment, universities also trained people intending to go into private-sector firms and the private sector also needed a better grasp of WTO objectives and principles since many firms were affected by the processes and the decisions adopted in the WTO. Countless professors from her country taught WTO disciplines in universities and postgraduate study centres, with the best of intentions. However, the knowledge they had about the WTO and its Agreements was limited in many cases. That was why her delegation felt that it was the Secretariat's duty to provide the tools that those professors required to be able to teach in a more effective way. That could contribute to improving the negative image in universities of what the WTO's principles and long-term goals were. Teaching clarified doubts which, in many cases, arose as a result of the lack of information. That was in line with what was proposed by the WTO on pages 17 and 16 in its booklet "The Road to Doha and Beyond". She concluded by saying that it was important to keep the spirit of independence which existed in universities. That independent spirit brought with it challenges but would enable Members to improve the image of the WTO in teaching institutions in her country.

29. The representative of Pakistan said that his delegation had a special interest in the field-based activities because in 1999 it had made a similar proposal. His delegation had proposed that in addition to the trade policy courses conducted in Geneva it would be worthwhile to have ten to twelve week duration trade policy courses in host countries on a regional or country-specific basis. He said that he was pleased that the Secretariat had been able to operationalize that proposal. His delegation sought clarification with respect to the location of the field-based training activities. He asked whether they were demand driven, in terms of the host country requesting for the courses, as was the case with the delegations of Kenya and Morocco. He asked if that was so, who would finance those courses, whether the financing would be on a joint basis, and whether other governments could apply to host such courses. Holding field-based trade policy courses was beneficial for any country as the training could reach a larger number of people.

30. The representative of Colombia said that despite the fact that there were a large number of technical assistance activities which remained to be carried out during the rest of the year, she commended the effort put into implementing the agreed activities for 2002. However, her delegation hoped that the rate of implementation would improve in 2003. Her Government was of the view that predictability and regional balance in the distribution of activities were key factors on which the new technical cooperation strategy should be based. Developing country beneficiaries would through such capacity building be provided with additional knowledge and increased negotiating power which would help them achieve fuller participation in the multilateral trading system. Her delegation hoped that those two elements, together with its request for technical cooperation activities, would be pivotal in the preparation of the 2003 Technical Assistance Plan and that the personal decisions of some members of the Secretariat under no circumstances would be allowed to prevail and end up obstructing the implementation of the activities. She thanked the Technical Cooperation Division for

its contribution to the development of the regional dispute settlement seminar held in Bogotá and attended by almost 40 Latin American officials. The seminar had been highly successful and achieved its objectives. She supported the point made by the representative of Venezuela with respect to the importance of the training of trainers. The technical assistance established in the Annual Plan was of particular significance to her Government since it provided her Government's officials with training in important current issues in the short term. It was essential that it be given greater importance and that particular attention be paid to the allocation of resources to the second phase of the Training of Trainers Project and the distance-learning trade policy courses, since those were long-term projects which would enhance awareness of WTO issues in Members and would consequently have a great impact. A training of trainers programme in a university and at an international business department had been established in her country, both of which had been met with great success in all regions. That project had been set up and coordinated by the Ministry of Foreign Trade in conjunction with a group of 50 universities throughout the country and had succeeded in developing export culture. Her delegation believed that it was the universities and institutions that had made it possible to ensure that information on international trade was disseminated in a coherent and consistent manner. Students, officials and entrepreneurs were all aware of the benefits accruing to them as a result of that. It was important to increase resources for the training of trainers programme, which would increase the capacity of her Government's officials.

31. The representative of Indonesia sought clarification on the field-based activities and asked whether the Secretariat would provide such ad-hoc trade policy courses in other regions. The Doha Development Agenda Advanced Training Course in Annex II of CRP/1 showed that the training for government officials would be organised sometime in April 2003, but his delegation was not aware of the estimated number of participants for that course. He asked if the Secretariat could provide the estimated number of participants in those activities for the Asia Pacific Region.

32. The representative of Kenya said that he hoped that the delegation of Pakistan had not proposed that the costs for the ad hoc field-based trade policy courses remain ad-hoc. His delegation wished to see the courses become permanent features in Africa. That would enable African countries to participate fully in WTO activities. He said that he hoped that adequate funds would be sourced and set aside to ensure that those courses were run on a permanent basis. His delegation hoped that the Geneva-based training of trainers activities could be included in the field-based activities. He said that perhaps they could borrow the form used in the JITAP programme which had a training component, so that there would be trainers in the host countries who could expand the training. He said that with respect to the 2003 Technical Assistance Plan, a deadline of 31 July for the submission of requests had been set. That deadline was close in time and delegations sometimes needed technical assistance to identify their technical assistance needs. Members had to consider that when working on the work programme. He proposed that the Secretariat send missions to Members that had not been responding in time to assist them identify their technical assistance needs. That would make the work programme comprehensive and minimise the number of ad-hoc requests.

33. The representative of Canada said that her delegation felt that the start, in the first part of the year, in the delivery of the Doha Development Agenda Technical Assistance was impressive. 2002 was clearly a year of learning. Many different modes of delivery were being tried, from short and medium to long-term types of programmes both in Geneva and the field. Her delegation hoped that those were being monitored through the work of Mr. Paul Rolian, Director of the Technical Cooperation Audit, and looked forward to a report on all those various activities. She said that with respect to the question of ad-hoc versus planned activities, her delegation had noted, as had other delegations, that approximately a third of the technical assistance activities that had taken place were ad hoc activities. That was not necessarily good or bad. However, it did have financial and staffing implications. Her delegation hoped that when the report was provided, it would indicate where the planned activities had been delivered, where ad-hoc activities had been introduced, why the ad-hoc activities had been given priority over planned activities and what activities had not been delivered

and why. She said that she was certain there were good reasons why some planned activities were not delivered. There might for example be timing constraints. Her delegation wished to see that presented in the end of the year report to get the full picture. Her delegation appreciated the Secretariat's work towards a 2003 Plan which would reduce the number of ad-hoc activities bringing the planned and delivered activities much closer together.

34. The representative of the European Communities said that the comments he was about to make were only to allow for the optimal preparation of the mid-July event on technical assistance and the preparation of a report at the end of the year. He questioned whether the CRP form of documents for the information on the Implementation of the 2002 Technical Assistance Plan was the best way to proceed. Those documents were not available on the website and he asked why the information could not be provided in the form of normal WTO documents that would allow maximum diffusion and distribution of that information. He said that it was not clear whether the situation regarding the ad-hoc activities had improved and what the financial implications would be of the planned activities and the extra one third ad-hoc activities taking place. He asked what criteria the Secretariat would use when deciding on the execution of new ad hoc activities. It was his understanding that unless the criteria was made clear, the Trust Fund would be difficult to use. His delegation felt that the database was important. However, there seemed to have been problems with the information gathering with the OECD with respect to how the activities would be classified. His delegation asked for information on progress in that regard. With respect to point 9 in CPR/1 on Inter-Agency Cooperation, he suggested that the Secretariat provide Members with a short outline of what the state of play was with the various other agencies in terms of what sort of memorandum had been concluded, what cooperation had been made, and what was envisaged. That could be part of the preparation of the 2003 Technical Assistance Plan. It was sometimes difficult ex-post to evaluate and consider the number of numerous activities, but it was important to get an idea on how the issue was moving forward.

35. He went on to say that with respect to the activities under training, including those covered by the Training Institute and by other parts of the Secretariat, his delegation wished to have more information on who exactly did what and why. From his delegation's point of view, training was different to technical assistance because it was mainly a deductive exercise and it might be useful to ensure that the necessary know how and synergies, which were possible were fully utilised, even if different WTO divisions were involved. He noted that the number of participants in the African field-based course had decreased from 25 to 19. He asked what implication that would have on costs and on the ratio of trainers to trainees, which, in his delegation's view, might not even initially have been optimal. He said that with respect to point 12 of CRP/1, it was interesting to hear what the representative of Kenya had said on the planning and the difficulty to get the necessary information. His delegation was pleased that the Secretariat had undertaken steps to ensure that the information necessary could come forward, not only from Members' missions but also directly from their governments. His delegation believed that there were other sources to ensure that the Plan broadly covered all the issues that Members wished to address. He gave the example of his delegation's wish to ensure that the information from other Committees dealing with technical assistance was adequately taken into account. He asked the Chairman to ensure that that source was used to fully assess the needs of Members. Going through what had been done in other WTO Committees on technical assistance was one way to ensure that nothing was forgotten, no country was overlooked, and that all aspects of what should be done were taken into account. With respect to the point made on auditing, he said that it was still early to talk about the first experiences with the 2002 Annual Technical Assistance Plan because any auditing exercise had just begun and there would not be much of a result available. However, by the end of the year some sort of ongoing evaluation should be part of the exercise in order to give delegations a full picture of what was taking place.

36. The representative of Morocco said that the trade policy course to be held in Casablanca in July would be the first trade policy course in French to be held outside Geneva. That course would be

held in partnership with the Institut Supérieur de Commerce et de Gestion d'Entreprise (ISCAE) in Casablanca. That was concrete proof of a good form of cooperation with universities which his delegation had always advocated, particularly in the CTD. His delegation believed that that additional activity was a good initiative which would help to establish real proximity in a continent where there was great need for technical assistance and capacity-building. His delegation hoped that that type of activity would be expanded to other regions in the future. He said that the Memorandum of Understanding that had been signed between the Casablanca Institute and the WTO Training Institute was a concrete example of the new strategy within a framework of activities which was strategic and beneficial to the WTO and which was aimed at capacity building and bringing about a greater proximity.

37. The representative of China said that his delegation, like other developing Member countries, attached great importance to the issue of capacity-building. However, it was unfortunate that, in spite of the efforts made, it was still difficult to meet Members' increasing and diversified needs. It was his delegation's view that capacity-building was part of a country's development endeavour. No single agency, including the WTO, could meet all the demands in that area. It was thus important to find creative ways to match the resources of the WTO with other resources. His delegation was pleased to see that the WTO Secretariat had begun cooperation with regional development banks. That was a typical example of how the WTO resources could be used as a leverage. Cooperation with regional development banks would be conducive to making the training activities more relevant in the regional context. It was his delegation's view that the potential capacity of developing country Members to be involved in technical assistance activities should not be underestimated. There were many existing training facilities, human resources, and sometimes financial resources available in developing Members countries that could be used. The question was how to integrate all those factors into professional training activities. In that respect, his delegation suggested that the Technical Cooperation Division develop a handbook to help developing countries develop and implement training and technical assistance activities for themselves and by themselves.

38. The representative of Oman said that her Government had benefitted from several national and regional activities in 2002. The national and regional seminars had been well attended and Omani officials had been satisfied with the results. She said that her Government, as one of the recently acceded Members, had extensive obligations that had to be implemented immediately, without any transitional periods. Her delegation believed that giving priority to the technical assistance provided to her Government would enable Omani officials to enhance their understanding of the obligations that had to be implemented. Technical assistance should not only be provided in the form of seminars or workshops. It should also include sponsoring the participation of officials from her capital to attend seminars and meetings in Geneva. Without that type of assistance, it would always remain difficult for her delegation to fully participate in WTO's work. She concluded by saying that her delegation would work with the Chairman in order to ensure that its needs and priorities were reflected in the 2003 Plan.

39. The representative of Tanzania said that the Secretariat needed to assist delegations, and especially LDCs, in coming up with activities for the 2003 Plan as the July deadline was too close. Her delegation appreciated the effort made to organize field-based trade-policy courses in Nairobi and Morocco. She said that as thirty-four of the LDCs were in Africa, her delegation expected that one of the courses would be held in one of those LDCs. If the WTO was serious in assisting LDCs to build capacity, then one of the courses should be held in an LDC. Universities existed in the LDCs. It would thus be possible to hold training there. It was only a question of selection one LDC and begin the course.

40. The representative of Malaysia asked whether the number of participants listed in CRP/2 for the Geneva-based trade policy courses included those that were self-financed. Her delegation would appreciate to get a clearer picture of which participants were funded by the WTO and which were

self-funded. With respect to the ad hoc residential trade policy courses, she asked how the residential trade policy courses being held in certain regions would affect the participation in the regular Geneva-based trade policy courses. She asked how it could be ensured that the quality of the field-based training given in the residential trade-policy courses would be equally high as for those carried out in Geneva. With respect to the normal technical assistance activities, her delegation was aware that it might not be possible for a Member's technical assistance needs to be solely met by the WTO. Cooperation with other organizations, as well as regional development banks, could be useful to ensure a more seamless delivery of technical assistance. In some WTO Committees, such as the TBT and SPS Committees, some of the technical assistance requested was of a technical nature and went beyond the competence of the WTO. She asked how the WTO could address such needs. Her delegation was aware that some WTO agreements provided for technical assistance on a bilateral basis. She asked how the Technical Cooperation Division could work with the bilateral providers to meet some of those requests which could be met more substantively.

41. The representative of Egypt said that if he had understood correctly, with respect to the internet-based course in CRP/2, Deputy Director-General Mr. Ravier had said that the course would, in the pilot phase, include 30 participants from different countries. There were currently only four participants from Africa and he asked why that number was so low. He also asked whether, in CRP/2 under Distance-Learning Activities, "Pilot Project (English) Geneva" meant that participants in capitals took the course via the internet. He was therefore unsure what "Geneva" referred to.

42. The representative of Guinea said that her delegation attached great importance to the WTO training courses since they provided trade-policy capacity-building for officials in her Government in both the short and long terms. She thanked the Secretariat for its contributions to the seminar on agriculture organized in Conakry by UNCTAD for ECOWAS member countries and said that her delegation welcomed the continuation of such cooperation in the future. Her delegation hoped that the Secretariat would give priority to the training of civil servants in Member countries so that they could train other trainers on trade policy. Her delegation also wished to have residential trade-policy courses, similar to those organized in Kenya and Morocco, organised in other capitals in Africa. She said that her Government would be pleased to host such activities in its capital in 2003.

43. The representative of Tunisia said that the date of 31 July was too close to enable his Capital to identify its needs for 2003. He said that, despite the progress made on the pace of implementation, the national activities for 2002 had not even begun in some countries. His delegation supported the delegation of Venezuela's proposal on strengthening cooperation between universities and the WTO Training Institute.

44. The Chairman said that technical assistance and capacity-building was an important part of the work of the CTD. A number of delegations had raised questions, commented on the programmes, and made useful suggestions for the future. He asked Deputy Director-General Mr. Ravier to respond to some of the main questions that had been raised in the meeting.

45. Deputy Director-General Mr. Ravier said that the Secretariat had noted the many statements made and would respond individually to Members on questions he would not mention. A number of the questions asked dealt with the field-based activities. The field-based activities related to three different products. They were the ad hoc residential trade policy courses in Nairobi and Casablanca, the short trade policy courses and the advanced training programme for negotiators which was described in Annex I of the 2002 Technical Assistance Plan. All were new activities which had to be evaluated before they were prolonged or extended. The ad hoc residential trade policy courses represented a first attempt to deliver ad hoc trade policy courses. The reason why they were being delivered in the African countries was because it was on the African continent that the needs were the greatest. Those courses were demand-driven and it was possible to hold them in other countries. The Director-General, during his trips to Africa over the past month, had noted that the needs were

greatest there and thus the choice of having the courses in one Anglophone and one Francophone African country had been made according to needs expressed. That did not mean that there were no needs elsewhere and that the Secretariat would not take other needs into account if they were expressed. However, the two courses first had to be held and evaluated. In response to the question posed by the delegation of Malaysia as to how it could be ensured that the quality of those courses would be as high as those being held in Geneva, he said that once the courses had taken place, their effectiveness could be evaluated. The Training Institute had closely followed the process of preparing the courses in line with the Geneva-based courses and the teaching staff would be a mix of local trainers, people from the WTO Secretariat, and people from outside the WTO Secretariat. There was no reason to believe that the quality of the residential training courses would be lower than that of the courses held at the WTO. The only difference was that participants in a course held at the WTO headquarters would be able to meet with delegations and attend WTO meetings. From that point of view there was an additional advantage of attending the Geneva-based courses. Apart that, everything else should qualitatively be the same as what took place in Geneva.

46. He went on to say that the Advanced Training Programme for Government Officials and Negotiators was a direct result of the fact that a round had been launched at the Doha Ministerial Conference and that there was an upcoming Ministerial Conference. Members had therefore identified the need to improve the negotiating capacity of government officials in charge of trade policy. That was why those courses were going to focus on negotiation skills. They would not be general courses on the WTO, but would focus on negotiation techniques. He said that Members could see in CRP/1 that one of the courses had already taken place and that other courses would take place in Arab countries, Central Europe, the African Anglophone countries throughout 2002. The courses would then continue in 2003 in Asia and the Pacific. With respect to the question on the Asia/Pacific course, he said that it would in principle take place at the Beijing University with the help of the Asian Development Bank, and that it would be given to 29 participating countries, with one participant from each country. The short-term trade policy courses were also the result of demand. Members had expressed the view that the short-term trade policy courses were a good product that should be kept. However, Members wished to have something more flexible so that those courses could be delivered in the field over a shorter time-period. The Secretariat had then offered courses with a duration of three weeks in the requesting countries. In response to the question from the delegation of the European Communities regarding the difference between the WTO Training Institute and WTO technical cooperation, he said that it was not useful to get into that debate. There were always difficulties in defining where the line between them should be drawn. Within technical cooperation there was constant progress with respect to its content, from basic technical cooperation which consisted of explaining the rules as they were, to a more proactive technical cooperation with a stronger focus on training. Of the three field-based activities, only the ad hoc residential trade policy courses were entirely provided by the Training Institute. The other two had a technical assistance component. That was a situation which he was not certain would last because the three field-based activities needed to be defined in the future and remained flexible. He said that the situation that Members currently saw was not necessarily the situation they would see in six months' or a year's time.

47. He continued by saying that some delegations had felt that the 31 July deadline was too short for Members to submit their requests for 2003. He said that the Secretariat was in the hands of the Members. If Members could not submit their requests by 31 July, then the Secretariat would have to delay the creation of the 2003 Technical Assistance Plan. However, it was necessary to stick to that deadline if Members wished to present the 2003 Plan to the October meeting of the CTD and the Budget Committee at the end of November and be able to finalise before the end of 2002. Members would otherwise find themselves in the same situation that they had found themselves in 2002, with the 2003 Plan only to be approved by the CTD in March 2003. That would delay and make the implementation of the programme difficult. The longer the deadline of 31 July was put off, the more difficult it would be to have the Plan ready for 2003. He said that, with respect to identifying needs,

he had heard Members say that they needed technical cooperation to enable them to identify their technical cooperation needs. Everything was possible. However, missions by definition were expensive because people needed to be sent out to the different countries. That was why the Secretariat did not leave identification of needs by missions. Sending out special missions to identify technical cooperation needs meant that there would be less resources available to provide regular technical cooperation. With respect to the question posed by the delegation of Egypt on the internet courses, he said that the pilot programme included some fifty participants from thirty different developing countries. Once the evaluation of that activity had been carried out, the Secretariat would be able to see how to develop the programme further.

48. The Chairman said that the question of field-based training was of interest to Members in the CTD. He asked DDG Mr Ravier if he could provide written responses to delegations on the questions that had not been answered. Members could then return to the topic at the next meeting of the CTD.

49. The Committee took note of the report on the technical assistance and training and the comments made, and looked forward to receiving written replies to the questions that had not been answered.

F. REPORT ON THE 35TH SESSION OF THE JOINT ADVISORY GROUP ON THE INTERNATIONAL TRADE CENTRE UNCTAD/WTO

50. The Chairman said that the Joint Advisory Group on the International Trade Centre UNCTAD/WTO (JAG) held its 35th Session on 15 - 19 April 2002. The report on that meeting was contained in document ITC/AG/(XXXV)/191 of 6 May 2002. He invited the Chairman of the JAG, Ambassador Girard of Switzerland, to present the report.

51. Ambassador Girard said that, during its thirty-fifth session in April 2002, the JAG had reviewed the work carried out by the International Trade Centre (ITC) in 2001. The Report of the JAG had been issued as document ITC/AG/(XXXV)/191. In their opening statements, the UNCTAD Secretary-General and the WTO Deputy Director-General had underscored the high quality of ITC's work. They had both pointed out that ITC, UNCTAD and the WTO had pursued and expanded their cooperation, especially with regard to the LDCs. The WTO DDG had also emphasized that, in the Doha Ministerial Declaration, the Ministers had reaffirmed their support for the work done by ITC and had stressed that it should be further enhanced. In that connection, the DDG had expressed the wish that ITC's donors allocate extra funding so that the ITC could step up its efforts to increase the capabilities of developing countries. The Director-General of UNIDO, who had attended a meeting of the Joint Advisory Group for the first time, had referred to the increased cooperation between UNIDO and ITC, UNCTAD and the WTO and trusted that such meetings would help UNIDO to find better ways to interact and achieve joint objectives by working cooperatively. In his introductory statement, the Executive Director of the ITC had noted that, over the past three years, the ITC had worked towards becoming a more focused organization. Its emphasis was directly focused on the critical issue of building national capacities for international competitiveness. The Executive Director had said that he hoped that the thirty-fifth session of the JAG would provide ITC with the guidance and resources it needed to respond comprehensively to the challenge of delivering trade-related assistance and capacity building in the post-Doha era. The Joint Advisory Group had expressed its satisfaction with ITC's performance in 2001, noting that the organization had maintained its role as a key niche player in its sphere, and had offered high quality service to its clients. A number of topics had been addressed in the general debate. The Joint Advisory Group considered that the Joint Integrated Technical Assistance Programme (JITAP) and its coordinated approach to technical cooperation had worked extremely well. Some representatives had recommended, not only that JITAP be continued, but also that the approach be replicated in other developing countries. Several representatives had underscored the importance of the World Trade Net programme in building business capabilities for

timely inputs into preparations for negotiations and in reinforcing cooperation between the business community and trade policy makers. Comments had also been made on ITC's participation in the Integrated Framework initiative, and the organization had undertaken to provide active export development support for countries participating in the Integrated Framework. Other delegations had encouraged ITC to work towards an expansion of the number of LDCs involved. The Joint Advisory Group had mentioned the role played by ITC in fostering the public-private sector partnership both in the preparations for and in the follow-up to the Doha Ministerial Conference. It had noted ITC's work in the area of trade in services and commended the launching of the E-Trade Bridge programme, which was seen to be relevant to the future international competitiveness of developing and transition economies, despite the connectivity problems encountered by many of them. In addition, the Joint Advisory Group had taken note of the Report of the Consultative Committee on ITC's Global Trust Fund.

52. He continued by saying that with respect to the specific topic of the Doha Development Agenda, the JAG had registered that in a paper ITC had identified existing programmes and priorities of developing countries, including LDCs and economies in transition, and had assessed its own capacity to deliver. The JAG had acknowledged that ITC was well positioned to make a contribution but that it had to expand its resource base to implement its planned approach.

53. He went on to draw Members' attention to paragraphs 89 to 91 of the JAG Report, that was, relating to item 8 of the JAG agenda. At the thirty-fourth session of the JAG, held in the spring of 2001, a proposal had been made for issuing official documentation of the JAG in the Arabic and Chinese languages, in addition to the four current languages of publication. The request had been costed and included in the ITC budget submission to the United Nations and the WTO. However, no political decision had been reached at the WTO General Council or the UNCTAD Trade and Development Committee, which would have enabled the budgetary organs to consider the increased costs involved. The question had been raised once again at the JAG's thirty-fifth session in 2002. Following that meeting, he had received a communication from the Egyptian Ambassador urging him to reiterate to ITC's parent organizations how important it was for the documents of the JAG to be translated into Arabic and Chinese. He asked the CTD Chairman to consider that request so that a decision could be reached during the next budget cycle. He concluded by expressing, on behalf of the JAG, his gratitude to the numerous governments that had announced financial contributions to the ITC at that session, namely the delegations of Canada, China, Denmark, Finland, France, Germany, India, Ireland, Italy, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom.

54. The representative of Egypt said that his delegation appreciated the quality of the technical assistance provided by the ITC and hoped that it would be extended to as wide a range of sectors as possible. That was why his delegation, on behalf of the Arab Group, wished to see the CTD, and subsequently the General Council, approve the proposals made in paragraphs 89, 90 and 91 of the JAG Report. He reiterated that translation into Arabic of the documents of the meetings of the JAG, especially the annual report, would lead to wider dissemination of information on the activities and the technical assistance provided by the ITC in the Arab world. The greatest beneficiaries of such information dissemination would be the SMEs, which was the group that was supposed to benefit most from the ITC's activities.

55. The representative of Mauritania said that the ITC efficiently supported developing countries in a concrete way. His delegation hoped that support would be given to ITC so that its high quality work could continue. His delegation supported the delegation of Egypt's request for the translation of the JAG documents into all of the working languages of the United Nations (UN) system. That was important for all the documents within the WTO and would enable all delegations to work on a level playing field.

56. The representative of China supported the request made by the delegations of Egypt and Mauritania with respect to the translation of documents. It was his delegation's view that the reports of the JAG and the ITC annual report should be translated into all UN working languages. He said that his delegation had also brought up that issue in the UNCTAD Trade and Development Board and sought the support of the CTD in that respect.

57. The representative of Senegal said that ITC's high quality technical cooperation contributions explained why the work of the JAG was followed closely by so many delegations, including his own. His delegation ensured that delegates from his capital participated every year. That was why his delegation, like others, wished to draw attention to the request for translation of documents by emphasising the fact that the preparatory documentation for the preparation of the JAG was important. Delegates from capitals were often faced with the problem that the documentation was only available in English. His delegation hoped that that problem would be resolved in the future given the importance of the work that was being done.

58. The representative of the European Communities said that Members' continued support for ITC's work had been well expressed by Ambassador Girard and by what was reflected in paragraph 87 of document ITC/AG/(XXXV)/191 where the announcement of trust fund contributions were stated. He said that with respect to the point raised on the translation of documents, his delegation would have to revert to it after some reflection. It was not clear to him how the discussion on the language issue had gone in the JAG and what the nature of such a precedent would be. Members needed some more information to consider that.

59. The Chairman asked DDG Ouedraogo to provide a clarification on the issue of the translation of documents into Chinese and Arabic.

60. Deputy Director-General Ouedraogo pointed out that Members were in a WTO forum and that at the WTO the official languages were French, English and Spanish. For the time being, Members had not taken a decision regarding Chinese or Arabic. He said that asking for an endorsement from the General Council might constitute a problem. The General Council might find it difficult to take a decision on languages which, for the time being, the WTO had not adopted as official working languages. It was true that problems of translation of documents had always been a thorny issue within the WTO and many delegations had already flagged that point. Efforts were being made at the budgetary level in order to fill the gaps. He said that it was up to Members to decide. For the time being, the WTO as an organization which only worked in three official languages.

61. Mr. Bélisle said that the ITC were at Members' disposal, not only from a technical assistance perspective but also from that of languages. He said that if Members wished more elaborate information regarding what had been done on the issue of languages following the previous year's request, such information could be provided as he had followed the issue closely with both parent organizations. The ITC was there to service the Members as well as it could and in languages Members deemed appropriate.

62. The Chairman said that it was important that the information be available in other languages for wider dissemination. That would enable Members to understand and interpret what was happening. He said that it would be helpful if the ITC Secretariat could provide something about the background in writing.² Members would revert to that subject at a later stage.

63. The representative of Egypt sought clarification with respect to the ITC report. He asked if it was acceptable, when the CTD presented its report to the General Council, to specify that the proposal

² The ITC Secretariat subsequently provided Members with information regarding the issue of languages in document WT/COMTD/40.

regarding translation of documents had been supported by several delegations and that one delegation had expressed its wish to have additional information in that regard. He asked if it would be possible to then ask the General Council to adopt the decision, as the delegation of the European Communities would then have had additional time to consider the issue and the supplementary information that they had asked for by that time.

64. The Chairman said that the Committee would report on the discussion that had been held in the Committee when the report was put forward to the General Council. He had requested the Executive Director of the ITC to provide a full account of the discussions that had taken place on the translation. They would be an important element of the report to the General Council.

65. The Committee took note of the report by the Chairman of JAG and would forward it to the General Council for adoption.

I. THE NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT: PRESENTATION BY THE NEPAD SECRETARIAT

66. The Chairman said that the New Partnership for Africa's Development (NEPAD) was a development policy framework first adopted by African Heads of State/Government in Lusaka in July 2001. It was a commitment by African leaders to eradicate poverty and to place Africa on a path of sustainable growth and development. NEPAD was considered as a long-term vision of an African-owned and African-led development programme. It was a plan for Africa's development which would promote, through a peer review mechanism, good governance, democracy, the rule of law, and good economic and corporate governance, in return for increased investments, aid and development support from the West, and full market access for Africa's exports. At the recently completed G8 Summit in Kananaskis, Canada, NEPAD had been on the agenda. He invited Professor Wiseman Nkuhlu, head of the NEPAD Secretariat to say a few words on the results of the G8 Summit for NEPAD, and suggest how the WTO, through its work on technical assistance and market access, could support the work of NEPAD, Africa's new development framework.

67. Professor Wiseman Nkuhlu said that the African Heads of State that were leading the initiative had met the G8 in Kananaskis a few days earlier. He had prepared an input that dealt with the market access initiative of the NEPAD programme. He said that due to the time constraints he would not deal with why the WTO should be interested in development. He would rather give an input on the issues that NEPAD had been dealing with. He would deal with the introduction of NEPAD and the market access initiative and also look at the relationship that NEPAD had with the WTO and the type of support that it wished to get from the WTO. He said that NEPAD was a political process. After approval of the policy framework document by the OAU Summit in 2001, the Heads of State Implementation Committee of Fifteen, three from each of the OAU regions had been appointed. The nominations had come from the African Ambassadors in Addis Ababa and those fifteen countries became the members of the Heads of State Implementation Committee. The focus of the Heads of State Implementation Committee was twofold. One element of focus was to accelerate the social, economic and political reforms in Africa and the second was to strengthen Africa's capacity to negotiate at a global level, especially with respect to trade issues. The internal focus was mainly initiatives that were directed at consolidating democracy and sound economic management, and covered conflict prevention; management resolution; promotion of intra-Africa trade; strengthening the regional economic community structures; as well as further measures to deepen democracy and promote sound economic management. The Heads of State Implementation Committee believed that those kind of initiatives were necessary not to address the concerns of the international community, but to deal with the fact that for Africa to develop it needed in the first place to give security to its own people. There had to be political stability and Africans needed to feel that their leaders took democracy seriously and that the issues of corruption were addressed. The Heads of State

Implementation Committee believed that it was time for African leaders to take leadership in ensuring that those measures were taken. Since the establishment of the Heads of State Implementation Committee in October 2001, the focus had been on the social, economic and political transformation processes that needed to be accelerated in the continent and the roles that political leaders needed to play in that. He said that he was pleased that the outcome of that was a far-reaching agreement on an instrument called "A Declaration on Political Economic Cooperate and Financial Governance" which was going to be presented by the Committee to the OAU as well as an "African Peer Review Mechanism". The African Peer Review Mechanism's primary purpose was to enable African countries to share experiences on good practices and reinforce those practices. It was less of a punitive mechanism, that African leaders had in mind. It was actually to say that, if for example Botswana had done well in providing a conducive environment in the mining sector and as a result made itself attractive to mining companies, other countries could learn from that. It was also to ensure that those experiences in macroeconomic management were shared.

68. He went on to say that the second leg focused on the relationship between Africa and the international community, primarily on issues that required coordination such as market access issues, the resolution of conflicts, and issues involving the reforms of Official Development Assistance (ODA). After the approval of the framework document by the Heads of State in July 2001, the heads of state had made a presentation on NEPAD to the G8 in Genoa explaining that the African leaders were serious about accelerating the pace of reform in Africa to make it attractive to domestic and foreign investors, but for that to succeed it would need additional resources from the international community. The response of the G8 was that it would constitute a committee of personal representatives, which would prepare a response to that presentation. The Steering Committee which supported the Heads of State Implementation Committee had spent from October 2001 to May 2002, providing inputs and having interaction with the G8 personal representatives to ensure that there was a common understanding on what Africa saw as priorities and how African leaders felt that those priorities should be addressed. That interaction made a significant input in the preparation of the response by the G8 personal representatives. The response was presented in Kananaskis in the form of a G8 Africa action Plan. That Plan covered all the priority areas as identified by the Heads of State Implementation Committee. The main point that the African leaders had been emphasizing was the need to build a new partnership that was anchored on mutual respect and mutual accountability. Not the kind of relationship that countries had then, where when a problem arose, it was only the LCD's that needed to reform. When things went wrong it was rare that it was the developed countries which had to take corrective action. It was that balanced partnership that African leaders were hoping for. He said that it also had, to a large extent, been achieved in the Kananaskis declaration. If one looked at the number of interactions that had taken place between African leaders and the G8 leaders during the last year, an agreement had been reached that those interactions were going to continue over the following years. There had been a commitment to accept NEPAD as the framework that would form the relationship between Africa and the developed countries. There had also been the commitment that no country that was genuinely committed to poverty reduction, good governance and economic reform, would be denied the chance to achieve the millenium development goals.

69. He continued by saying that according to their statements, President Obasanjo, President Boreflecker, President Mbeki and President Watt, were satisfied with the response because it was an initial response, a point of departure. What the response said was that the invitation to change the partnership had been accepted and that new partnership would be based on certain principles and that as a start, the G8 was going to support actions and projects in order to kick start the programmes. The content of the programmes was still to be worked out. For example, there was a long list of actions under peace and stability, economic growth, and trade, and the next stage was to work out the detailed projects under each of those as well as the costing of those projects. That was possibly where the real test was going to be, in terms of working out those details and negotiating the support of the programmes. He said that the response from the African leaders was expected to be more concrete than it had been. That was a matter of concern. He said that for priorities like

universal primary education the costing had been made and what was required was a project such as the one that had been recently completed by the World Bank. That report went into detail country by country and it could have been taken as a starting-point to provide knowledge about how much money was needed to enable African countries to achieve universal primary education. NEPAD had worked out a detailed programme with the Food and Agricultural Organization (FAO) which clearly showed what should happen in each country under four programmes. NEPAD believed that there was enough material in that area to go further than they had done. He concluded by saying that the Heads of States Implementation Committee was a committee of the OAU, President Obasanjo, as Chairman of that Committee, would soon report to the OAU in full. The question of how the response of the G8 would be followed up was a matter for the OAU. A start had been made and like all projects of that kind it could have been better, however he believed that the foundations that were there were better than before.

70. The representative of Ghana said that he had been eager to hear what concrete role the WTO was expected to play in the NEPAD process. If there was a role that the NEPAD process was hoping the WTO would play, then his delegation appreciated if they could be made aware of what that was.

71. The representative of Mauritius said that his delegation appreciated what Professor Nkuhlu had said about the need for a new partnership based on mutual respect and mutual accountability. He referred to an article that had appeared in a publication the previous week, where a commentator had made disparaging remarks about NEPAD. It was compared to a "knee pad", suggesting that it was a symbol of capitulation. Such remarks about a bold and ambitious programme could do a lot of harm. That was why his delegation were gratified when Professor Nkuhlu had said that the G8 recognised that NEPAD was a bold and clear sighted vision of Africa's development.

72. Professor Nkuhlu in response to the delegation of Ghana's question about the WTO's relationship with NEPAD, said that the major issue for NEPAD was the issue of coordination. The primary support was in the area of capacity building. It was important that, in a complex environment where African countries had liberalised and were continuing to do so, the imbalances in the capacity to negotiate and defending positions that they wished to take remained a matter of concern. The WTO's role would be to provide technical support and capacity building. The NEPAD process on the African side was strengthening the political leadership. There was nothing more important than the issues related to trade to enable Africa to industrialise and become a meaningful player in the global economy. That was an area where NEPAD needed capacity and better coordination on the African side. NEPAD was not taking over the role of the individual countries that negotiated those positions, it needed better coordination and insurance that on the African side there was stronger coordinated political leadership. He thanked the delegation of Mauritius for stating the correction that NEPAD was not "Knee-pad".

73. The Chairman thanked Professor Nkuhlu for his presentation which he said was a learning experience for him. He was pleased that NEPAD had taken the right step forward.

74. The Committee took note of the presentation and the statements made.

D. NOTIFICATION UNDER THE ENABLING CLAUSE - NOTIFICATION FROM INDIA AND SRI LANKA (WT/COMTD/N/16)

75. The representative of Sri Lanka said that his statement was being made on behalf of his delegation and the delegation of India. The Free Trade Agreement (FTA) which had been signed between the Governments of India and Sri Lanka on 28 December 1998 had entered into force on 15 December 2001. The objectives of the Agreement were:

- (i) to promote through the expansion of trade the harmonious development of the economic relations between India and Sri Lanka;
- (ii) to provide fair conditions of competition for trade between India and Sri Lanka;
- (iii) for the contracting parties to pay due regard to the principle of reciprocity in their implementation of the Agreement; and
- (iv) to contribute, to the harmonious development and expansion of world trade by the removal of barriers to trade.

76. He said that the Government of India would grant duty-free access to all exports from Sri Lanka with respect to items freely importable into India. As the respective phase-out schedule of each country was concerned, zero duty would be applied by both governments to some items from the date of entry of the Agreement. For the remaining items, except for items contained in the negative lists, tariffs would be gradually reduced to zero per cent by the Government of India within three years from the entry into force of the Agreement. The Agreement provided for an eight year period for reducing the tariffs to zero level for the Government of Sri Lanka. The different time schedule for phasing out tariffs as well as the respective negative lists, reflected the recognition in the Agreement of the different levels of economic development in the two countries. He said that, with respect to Article XVII, the Agreement would enter into force on the 30th day after the parties had notified each other that their respective constitutional requirements and procedures had been completed. Following completion of those requirements and procedures by both the Governments, the FTA had entered into force on 15 December 2001 and had been notified to the WTO pursuant to the Decision of 28 November 1979, under the GATT on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries, known as the "Enabling Clause". The Governments of India and Sri Lanka believed that the establishment and promotion of FTAs would help the development of their respective national economies and strengthen intra-regional economic cooperation as well as world trade.

77. The representative of India thanked the representative of Sri Lanka for his statement on behalf of the Governments of India and Sri Lanka and endorsed what he had said. His delegation understood that there were constraints in scheduling the meetings and he suggested that the Secretariat bear those constraints in mind when drafting the agenda, instead of having to resort to last minute changes. He had noticed that technical cooperation had been taking up a few hours of the last two CTD meetings. It was important for delegations that the procedure for discussing various agenda items be made smooth. He suggested that one Session of the CTD session be allocated fully to technical cooperation. It would then be easier to know when the items would come up for discussion and the concerned officers could be present. In some missions various agenda items were dealt with by different officers. Given that there normally were a number of simultaneous meetings, coordination was necessary.

78. The Chairman said that the representative of India had made some valid points that the Secretariat needed to keep into account.

79. The representative of the United States said that her delegation had received the document late and did therefore not have many comments to make. She asked what the status of the notification was, whether it was for information purposes or whether Members were to engage in discussing it. Additionally, she asked whether notifications under the "Enabling Clause" required notification in the Committee on Regional Trade Agreements (CRTA).

80. The representative of Pakistan said that, like the delegation of the United States, his delegation needed more time to look at document WT/COMTD/N/16. His delegation might make comments during the next meeting of the CTD if item D of the agenda was taken up again. He said that the comment made by the representative of the United States was valid and his delegation endorsed it.

81. The Chairman said that he believed the best option was to keep item D on the agenda and revert to it at the next CTD meeting, along with the clarification that had been sought by the delegation of the United States.

82. The representative of India said that the problem that had been highlighted by the delegations of the United States and Pakistan was genuine. The reason behind the document's (WT/COMTD/N/16) late circulation was that his delegation had submitted the document after the first version of the agenda had been issued. It could therefore not have been included in the original version of the agenda. In view of that, his delegation had no problem in having the item included on the agenda for the next meeting of the CTD for further discussion. His delegation looked forward to clarification and consultation with the Secretariat with respect to the point made by the representative of the United States as to whether the FTA between India and Sri Lanka should be notified to the CRTA. He said that the last time that an agreement had been notified to the CTD under the "Enabling Clause", his delegation had raised some questions which remained unanswered. Firstly, his delegation wanted the full text of the Africa Growth and Opportunity Act (AGOA) which had been notified and not made available at that meeting. Only the list of items on which some concessions were being made had been circulated at the meeting. He asked whether the full text of the AGOA had been received, and if so, if it had been circulated to Members.

83. The representative of Pakistan sought clarification on whether the annexes that were referred to in footnote 1 of WT/COMTD/N/16 would be circulated in hard copy or were to be retrieved from the WTO website.

84. The Secretariat said that it was custom not to circulate voluminous annexes to notifications of FTA's. If received in electronic form from the signatories, the Secretariat would make the annexes available electronically. The documentation was kept in hard copy with the Secretariat so that Members could consult it or request copies of it from the Secretariat.

85. The representative of the United States said in response to the representative of India's inquiry regarding the AGOA that, a notification had been made to the CTD concerning certain preferences under it. The AGOA had been notified to the extent that preferences were given to LDCs. Her delegation would notify the AGOA and request a waiver in the Council for Trade and Goods. For the purposes of the CTD, the notification had been made by way of information on certain tariff preferences given to LDCs in Africa.

86. The Committee took note of the statements made and decided to revert to the notification at its next meeting.

E. GENERALIZED SYSTEM OF PREFERENCES

(i) *Notification By Japan (WT/COMTD/N/2/Add.11)*

(ii) *Notification By Switzerland (WT/COMTD/N/7/Add.1)*

87. The Chairman said that a notification by the delegation of Japan was contained in document WT/COMTD/N/2/Add.11.

88. The representative of Japan said that the main point of his delegation's notification (document WT/COMTD/N/2/Add.11) was that Senegal had been added to the list of LDC beneficiaries as it had been designated an LDC in April 2001 by the United Nations General Assembly. His Government's Generalized System of Preferences (GSP) Scheme for LDCs was open to all LDCs. Any LDC that wished to be a beneficiary of that Scheme was requested to make an official request to the Government of Japan.

89. The Chairman said that a notification received from the delegation of Switzerland was contained in document WT/COMTD/N/7/Add.1.

90. The representative of Switzerland said that he would be happy to answer any questions on his delegation's notification.

91. The Chairman said that to the extent that the two notifications related to measures in favour of LDCs, Members should, according to the reporting procedures, agreed to at the thirty-second Session of the CTD, forward them to the Sub-Committee on LDCs for substantive consideration and reporting back.

92. The representative of Sri Lanka sought clarification from both the delegations of Japan and Switzerland with respect to whether their revised GSP schemes contained more flexible rules of origin criteria in order to give more favourable treatment to LDCs. She asked whether the rules of origin criteria which prevailed with the Swiss 1997 GSP Scheme and the Japanese scheme remained as they were, or whether flexibility had been added to the criteria.

93. The representative of India asked the delegation of Japan how the ceiling quotas for industrial products for Fiscal Year 2002 were allocated between the various LDCs.

94. The representative of Japan said, with respect to the representative of Sri Lanka's question, that his delegation's notification did not include any change with respect to the criteria for deciding rules of origin. In response to the delegation of India's question, he said that Table 2 on page 6 of WT/COMTD/N/2/Add.11 related to the allocation of ceiling quotas for industrial products for Fiscal Year 2002 for LDCs. However, the ceiling quotas for industrial products were not limited to the Japanese GSP Scheme for LDCs, it was a GSP Scheme for the developing countries in general.

95. The representative of Switzerland said that there had been no change to the rules of origin criteria that were already valid with the 1997 Preference Scheme. He was not certain what kind of change the delegation of Sri Lanka would have expected and what problem it had with the existing rules of origin.

96. The Chairman said that those subjects would be discussed in the Sub-Committee on LDCs and delegations would have a chance to ask more detailed questions and seek answers at that stage.

97. The representative of India said that the delegation of Japan had clarified that the main annex to the notification (WT/COMTD/N/2/Add.11), on pages 2 to 5 related to the GSP Scheme which was applicable to all developing countries. He asked how that could be referred to the Sub-Committee on LDCs. He thought that the last page of the annex in WT/COMTD/N/2/Add.11, which dealt with just one item and the fact that Senegal had been added to the list of LDCs would go to the Sub-Committee on LDCs, and not the entire notification.

98. The Chairman clarified that to the extent that they related to the LDCs, both notifications would be referred to the Sub-Committee on LDCs. However, the representative of India was correct in noting that the overall GSP Scheme it was for the CTD to consider.

99. The representative of Sri Lanka said that the question posed by the representative of India had not been completely answered. The representative of India had asked how the ceiling quotas for industrial products would be allocated. She assumed that, within the quota, the preferential duty would be applicable so that once the quota was exceeded the normal rate of duty would be applicable. That was why there was a GSP ceiling. However, there were different ways to allocate that quota. It could be allocated on a first come first served basis, which meant that the country which exported first would fill the quota or it could be allocated by reserving country quotas. She sought clarification from the delegation of Japan as to whether the Government of Japan allocated what she assumed was a global quota on a first come first served basis or whether each beneficiary country had a quota which was determined based on the country's export performance during previous years. Her delegation did not expect those questions to be responded to at that meeting but wished to get further information at a subsequent meeting.

100. The representative of Japan said that he would ask his capital to provide him with confirmed responses to those questions. With respect to the ceiling quotas for industrial products for LDCs, he said that his Government had already achieved almost 100 per cent duty-free and quota-free treatment for LDCs. Therefore, he did not believe that each of the items listed on pages 2 to 5 of WT/COMTD/N/2/Add.11 affected the imports from LDCs. Only page 6 of WT/COMTD/N/2/Add.11 had a quota which related to a couple of LDCs. There was a detailed description with respect to the ceiling quotas for the items listed on pages 2 to 5 of WT/COMTD/N/2/Add.11 which related to the first come first served scheme. For instance, where one of the exporting country's exceeded a certain percentage of a whole quota then it reached the ceiling for that country.

101. The Chairman said that the questions posed required more detailed answers.

102. The Committee took note of the notifications and would forward their LDC segments to the Sub-Committee on LDCs for substantive consideration and reporting back. The other parts that related to developing countries in general would be kept on the agenda for the next Session. That would enable delegations to receive responses to the questions posed.

G. PARTICIPATION OF DEVELOPING COUNTRIES IN WORLD TRADE (WT/COMTD/W/100)

103. The Chairman said that the CTD had the mandate to keep under continuous review the participation of developing country Members in the multilateral trading system. In order for the Committee to fulfill that part of its Mandate, the Secretariat had produced a paper contained in document WT/COMTD/W/100.

104. The representative of the United States said that the type of analysis provided by the Secretariat in preparing the document WT/COMTD/W/100, helped inform Members' discussions and provided useful insight. One aspect of the report that her delegation found not worthy was that countries that diversified into higher technology sectors, from exporting only primary products, had increased their participation in global trade in the longer term. According to the WTO Secretariat Report, world exports were correlated with the level of technology. The highest growth rates were recorded in the high technology category, accounting for more than a quarter of world exports in the year 2000. The lowest overall growth rate of 3.2 per cent was recorded in primary products. Her delegation particularly appreciated the fact that the Secretariat had provided both regional and country level analysis to reflect the wide range of participation of Members. Among the points highlighted was the fact that some Members had had greater success in increasing their participation in the trading system than others. The report also highlighted the well known success of Asian economies such as China; Hong Kong, China; Chinese, Taipei; The Republic of Korea and Singapore; and their increasing share in global trade. China had become the fourth largest trader in the world. In addition, there were other regions that had experienced some growth in trade. The Secretariat report also mentioned dynamic exporters including

some Members from other geographic regions whose merchandise exports had increased by more than 10 per cent annually. In future reports, her delegation would be interested to learn more from the Secretariat and Members about other relevant factors, domestic and others, that assisted countries in increasing their participation in the global trading system.

105. The representative of Paraguay said that document WT/COMTD/W/100 contrasted to the report presented by UNCTAD and that WTO Members therefore could reflect upon both documents. His delegation found the document useful with respect to the information it contained on the trends, evolution and increase in the industrial production of developing countries as well as their exports of industrial products. His delegation also noted a slight improvement in some regions or in some countries. He requested that the Secretariat carry out a more detailed analysis with respect to the participation of developing countries, in referring specifically, for example, to a region such as Latin America which contained both giant industrial countries and other less industrially developed countries. The information did not reflect the realities of all countries in one region when the two types of countries were merged into one regional image. His delegation asked the Secretariat to issue a revision of the document providing a breakdown of the information by region, including for example more details on the Asian, African, Latin American and Caribbean regions.

106. The representative of the European Communities said that Members might have to revert back to the document (WT/COMTD/W/100) at the next meeting as delegations would then have had more time to study it. His delegation found the document interesting and some of the trends that had been identified might warrant an in depth discussion. The representative of the United States had already alluded to some of them when mentioning the relationship between high technology and commodity exports, the problem of commodity prices, the disparities among developing countries and the value of regional integration. He said that Charts 1 to 4 of the Annex were intriguing in showing the progress that some countries had made in reducing their dependency on primary products, while others had not been able to do so. If that was coupled with the actual growth of GDP or exports it would probably be more significant. His delegation looked forward to a deeper discussion along the themes he had just indicated.

107. The Chairman said that when he first had seen document WT/COMTD/W/100, he had felt that it required serious consideration and deep examination and that Members would not have enough time to react to it at that meeting. He therefore proposed that the item be kept on the agenda and that document WT/COMTD/W/100 be discussed at the next meeting. The Secretariat would make a revision of the paper with more desegregated data as had been requested by the delegation of Paraguay.

H. PARAGRAPH 51 OF THE DOHA DECLARATION ON IDENTIFYING AND DEBATING DEVELOPMENTAL AND ENVIRONMENTAL ASPECTS OF THE NEGOTIATIONS, IN ORDER TO HELP ACHIEVE THE OBJECTIVE OF HAVING SUSTAINABLE DEVELOPMENT APPROPRIATELY REFLECTED

*Submission by the European Communities
(WT/COMTD/W/99 – WT/CTE/W/208 - TN/TE/W/3)*

108. The Chairman said that agenda item H actually contained two sub-issues. One was the submission by the European Communities contained in multi-symbol document WT/COMTD/W/99 – WT/CTE/W/208 - TN/TE/W/3 and the other was the overall question of how the CTD should proceed with work on the agenda item. He suggested that Members treat those sub-items simultaneously.

109. The representative of the European Communities said that the main purpose of submitting that document was to ensure that Members were aware that it existed. His delegation believed that Members needed to seriously consider what was in the Doha Ministerial Declaration about

encouraging voluntary sustainability impact assessment. To be precise on what that could mean, his delegation had provided two documents, one was on the methodology that had been used by the European Communities. The methodology was important in terms of the type of assessment in question. The second part provided an example of how an assessment could be done, considering some sectors and some products. He urged Members to read the introductions as well as the methodologies and case studies, as they would give an idea of what his delegation was doing. Further information was available on the website <http://idpm.man.ac.uk/sia-trade> as indicated in the covering letter in WT/COMTD/W/99 – WT/CTE/W/208 - TN/TE/W/3. The studies and especially with respect to the question of major crops, warranted a closer look. He urged Members to look at that in order to see whether they also considered it an interesting exercise. His delegation was in favour of more work on paragraph 51. He referred to the minutes of the last meeting where Members had set the ideas of a tracking exercise in the CTD. His delegation had listened to the reactions in the informal meeting and still believed that it would be useful to have some kind of comprehensive overview, in one document, which would allow Members to see where they were on the "Development" part of the DDA agenda.

110. The representative of Australia said that her delegation had registered in the Committee on Trade and Environment (CTE), some concerns with the approach and methodology outlined in the submission by the delegation of the European Communities (WT/COMTD/W/99 – WT/CTE/W/208 - TN/TE/W/3). Those were issues on which her delegation had expressed the wish to make additional comments. Her delegation was likely to make those comments in the CTE in the first instance.

111. The representative of Argentina said that his delegation had only been able to look at the document (WT/COMTD/W/99 – WT/CTE/W/208 - TN/TE/W/3) briefly but wished to thank the delegation of the European Communities for the transparency that it had shown in presenting the document in the CTD. He said that his delegation had concerns with respect to some of the aspects of the document. There was no mention of the impact of rural development in developing countries, and the way in which the high level of subsidies in some developed countries could disturb investment flows in rural zones of developing countries and the poorest zones of those countries. His delegation had expressed its non-trade concerns about the lack of trade liberalization in agriculture in CTE document (WT/CTE/W/138). It had also been presented in the first stage of the negotiations in agriculture (under document symbol G/AG/NG/W/88). Another concern was the lack of any mention of the dependence caused by food export subsidies on which the MERCOSUR and other Members had presented a document (G/AG/NG/W/38) under phase 1. His delegation noted that there were some omissions in the document WT/COMTD/W/99 – WT/CTE/W/208 - TN/TE/W/3 and it would continue studying the submission.

112. The representative of Chile said that the submission by the delegation of the European Communities was an interesting exercise in transparency. His delegation would have to look at the document (WT/COMTD/W/99 – WT/CTE/W/208 - TN/TE/W/3) in greater detail. There were some elements that were inherent to constraints of the study, as the paper itself recognised. Some elements, as stated by the representative of Argentina, had not been included in the analysis and there were some indications which pointed to certain concerns as to how the methodology had been developed.

113. The representative of the European Communities clarified that the question of subsidies was part of scenario number three, the liberalization scenario, which was based on the assumption that all forms of export subsidies, domestic support measures, and import duties would be abolished. The effects on rural development were also taken into account. The first paragraph on page 21 of his delegation's submission considered the issue of rural women in the agricultural sector. The third paragraph considered small-scale farmers and the rural poor in general. He said that he would not go into that in more detail, but he wished to ensure that all the elements had been put on the table.

114. The Chairman said that, at the last formal meeting of the CTD, Members had decided to keep item H as a standing item on the agenda. It had been decided that open-ended informal consultations be held on item H, including a proposal that had been made by the delegation of the European Communities for a process of tracking the developmental aspects of the negotiations and other WTO work. Those informal consultations had been held and it was clear that delegations required more time to consider all aspects of the topic, and needed time to react to the proposal made by the delegation of the European Communities. He had enquired at that Meeting if delegates felt that it would be fruitful to continue the informal consultations. Some delegations had expressed support for continuing the informal consultations. A few delegations had said that they wished to examine document WT/COMTD/W/99 – WT/CTE/W/208 - TN/TE/W/3 further. He also understood that the delegations which had not had the chance to consider it wished for an opportunity to do so. He proposed that informal consultations be held on the topic and that item H be kept on the agenda for the next meeting of the CTD.

115. It was so agreed.

J. CONSIDERATION OF ARTICLE XVIII AS MANDATED BY PARAGRAPH 12 OF THE DOHA MINISTERIAL DECLARATION (WT/MIN(01)/DEC/1), THE DECISION ON IMPLEMENTATION-RELATED ISSUES AND CONCERNS (WT/MIN(01)/17), AND IN CONJUNCTION WITH TIRET 3 OF JOB(01)/152/REV.1 OF 27 OCTOBER 2001

116. The Chairman said that Article XVIII had been one of the issues discussed at the informal consultations which he had just referred to. He had concluded from those consultations that there had been no objection to deal with Article XVIII, apart from section B relating to balance-of-payments, as an outstanding implementation issue in the regular sessions of the CTD as long as it was without prejudice to work related to Article XVIII carried out elsewhere. The questions before the CTD were firstly, how it should deal with Article XVIII, excluding Section B, as an outstanding implementation issue; secondly, what delegations wished to get out of the consideration of it; and thirdly, what the goal with the reporting in December should be.

117. The representative of India said that the implementation-related issues and concerns regarding the various WTO agreements had been raised by some developing countries in the run up to the Seattle and Doha Ministerial Conferences. Decisions on certain implementation concerns had been reached at the Doha Ministerial Conference, which were contained in the Doha Decision on Implementation-Related Issues and Concerns (WT/MIN(01)/17). Some implementation-related concerns remained outstanding and needed to be dealt with as per paragraph 12 of the Doha Ministerial Declaration. Paragraph 12(b) of the Doha Ministerial Declaration stated that "the other outstanding implementation issues shall be addressed as a matter of priority by the relevant WTO bodies, which shall report to the Trade Negotiations Committee, established under paragraph 46 below, by the end of 2002 for appropriate action." Ministers had agreed that negotiations on outstanding implementation issues should be an integral part of the work programme. Accordingly, her delegation drew Members attention to its earlier proposal on Article XVIII, sections A and C of GATT 1994 as contained in document WT/GC/W/363 dated 12 October 1999. She recalled that Article XVIII recognised the need for Members to take protective or other measures affecting imports in order to implement programmes and policies of economic development with the objective of raising the general standard of living. In that endeavour, additional facilities would be provided to enable them, inter alia, "to maintain sufficient flexibility in their tariff structure to be able to grant the tariff protection required for the establishment of a particular industry" and to take other specific measures effecting imports envisaged in Section C in the process of economic development. Article XVIII, sections A and C, also specified the procedure to be followed by a Member wishing to promote the establishment of a particular industry with a view to raising the general standard of living of its people. The underlying intention of those provisions was based on the recognition that

Members with limited resources might not, at all times, be able to rely exclusively on WTO consistent measures to deal with issues arising from the implementation of their programmes of economic development. While WTO Members, acting jointly, could under specific circumstances release the concerned Member from its obligations under the WTO Agreement to the extent necessary to apply that measure, the obligation of having to make additional concessions or face temporary suspension by other WTO Members of a substantially equivalent concession on account of an impairment due to the introduction of the measure in question, actually nullified the very intention of allowing developing countries to promote industrial development.

118. She went on to say that her delegation's proposal (in document WT/GC/W/363) sought to ensure that for the purposes of paragraph 7(b) and 18(b) of Article XVIII, as the case might be, it should be sufficient for WTO Members, acting jointly, to concur in the proposed measure if they were satisfied that all reasonable efforts had been made by the concerned Member to reach an agreement with any relevant Member, without having to face the prospect of suspension of equivalent concession and/or retaliation. The mandate before the CTD was to conduct a complete review of Article XVIII, with the view to ensure that it served the original objective of facilitating the progressive development of economies in developing countries, and to allow them to implement the programmes and policies of economic development designed to raise the general living standards of their people. The proposal that she had outlined drew upon one set of issues in that context. Her delegation had also noted the proposals by the delegation of Saint Lucia (TN/CTD/W/8). Her delegation had in particular noted the need to clarify certain procedural ambiguities in Article XVIII:C, the need to interpret broadly the circumstances involving "infant industries" read along with the Addendum note to paragraphs 2, 3, 7, 13 and 22 of Article XVIII and the need to reconsider the concept of compensation and/or retaliation in order to make the provisions of Article XVIII effective, as well as to facilitate the implementation of sustainable economic development programmes in developing member countries. While the delegation of Saint Lucia had made those proposals in the Special Session of the CTD, her delegation had been working on similar issues. She hoped to concretize similar aspects related to the development of industries in developing members in the context of the current work in the regular sessions of the CTD and under implementation-related issues in the near future.

119. The representative of the United States reiterated that her delegation did not oppose dealing with Article XVIII in the CTD as long as it was clear that the CTD was handling over-arching aspects of the proposals and that its work was without prejudice to any view on which the WTO body would handle Article XVIII invocations. Her delegation believed that there was precedence in the BOP's Committee concerning Article XVIII:B and in the Council for Trade in Goods concerning Article XVIII:C. She asked if the delegation of India could make its statement available so that delegations could examine its details more carefully.³ It was faxed to all delegations on 10 July 2002. Her delegation was not persuaded that, at that time, a review of Article XVIII:A and C was warranted. However, her delegation was still prepared to listen and reflect on any views expressed, in light of what the representative of India had said. Members had spent a considerable amount of time on some of the issues before they had reached that stage and were now fulfilling the mandate of the Doha Implementation-Related Issues and Concerns. Her delegation's reflection would also be related to its concern with the implications of the proposal. The phrase "with a view to ensure" in Job 152 was particularly problematic to her delegation. Initiating a review based on past discussions would be of concern, especially when that would weaken existing obligations or predetermine the outcome.

120. The representative of Sri Lanka said that her delegation supported the statement made by the representative of India regarding Article XVIII and that a review needed to be undertaken. Her delegation believed it was the right time to undertake that review since Members were going to engage in negotiations both for the liberalization in the agricultural and non-agricultural sectors. Developing countries would be able to understand how they could exercise the flexibilities provided

³ It was faxed to all delegations on 10 July 2002.

in the agreement, particularly the GATT Articles once the ambiguities had been clarified. They would then also be able to formulate their positions in future negotiations. Her delegation had raised concerns with respect to Article XVIII and subsequent agreements which had come into effect with the establishment of the WTO. At the Special Session of the CTD, her delegation had highlighted that there was a lack of coherence in the WTO Agreements and had requested the Special Session to look into the issue of coherence in the architecture of those agreements. She said that was something that would be of relevance to the CTD in regular session. Her delegation believed that the proposal by the delegation of India would guide the CTD to the solutions that Members needed to look for in relation to that implementation issue.

121. The representative of the European Communities said that, at the last meeting of the CTD, there had been a request for the Secretariat to compile some factual information. Views had been expressed of how difficult that would be and he asked the Secretariat to inform Members about its efforts. He said that he raised that issue because he found it difficult to engage in a debate on the virtues of lowering some of the barriers or, as the delegation of India might say, "loosening the strait jacket of Article XVIII", because Members were still not certain how it would work and whether there were cases where it had already been used. He suggested that the minutes of the meeting should contain some answers on the experience which was available. It would be difficult for Members to have a hypothetical discussion without case studies, where for example, there was no possibility for Members to ask for concessions elsewhere or suspend concessions. His delegation's concern was that if Members were not aware of how that would operate, they might be creating a bigger loophole than even the proponents might want. He asked other delegations to reflect on how Members could make progress on that issue, and in particular whether they had experience of cases where the protection of an infant industry was not possible because of the restraints of Article XVIII.

122. The Chairman said that the proposal for the delegation of India to provide a copy of their statement was noted and that statement would be circulated.³ There had also been a request for a summary of the record of the usage of Article XVIII:A, C and D. The Secretariat had prepared an initial draft which he would look at before it was circulated to Members.

123. The Committee took note of the proposal made by the delegation of India and the comments made and agreed that agenda item J would remain on the agenda for the next CTD meeting and that informal consultations would be held.

K. ELECTRONIC COMMERCE

124. The Chairman said that Item K was included in the agenda because the Committee had earlier agreed to have electronic commerce (e-commerce) as a standing item on its agenda. Ambassador Whalen's written report on the seminar on revenue implications of e-commerce had been attached to the minutes of the previous CTD meeting. That report was a useful source of information on the revenue implications of e-commerce. He recalled that the Committee's work programme on electronic commerce was contained in document WT/COMTD/35 and sought Members guidance as to what, if anything, they wished the Committee to do on the topic in the near future.

125. The representative of Pakistan said that his delegation attached great importance to the aspect of e-commerce in the work programme of the CTD. Most developing countries had little or no national experience, expertise or technical capacity in the field of e-commerce and thus had not fully analysed the possible and often unpredictable implications of its development in their economies and their societies. His delegation understood that in the present day world, e-commerce presented opportunities. However, it posed many threats to the economies of the developing countries and the LDCs along with those opportunities. In a world of a digital divide between the North and the South, there were many aspects of that particular mode of commerce which needed to be examined. In one

of the publications appearing in the International Herald Tribune, the Director General of the WTO had said that "there are more internet connections in Singapore alone than that in all of Africa". If the scenario was that two-thirds of humanity did not even have access to e-commerce, it seemed unjust and unfair to be talking about globalisation with respect to e-commerce. In that regard, his delegation was pleased with the work done by the CTD and hoped that the CTD would be able to examine issues in more depth and come up with concrete suggestions to the General Council which would lead to meaningful results. Though there was little doubt that e-commerce was an important issue for world trade, there were several aspects of it that needed to be further studied, especially from the point of view of its implications for the developing world. There were several impediments to the availability of and access to that medium in developing countries and unless those were addressed, the gap between the North and South and that between the poor and the rich would only widen. His delegation therefore suggested that the Committee deal with the issues of infrastructure, investment, availability of hardware and software, awareness, education and training when considering e-commerce. Developing countries needed to be given adequate time to thoroughly study the implications and the optimal ways of placing the internet and e-commerce in the service of development. The granting of S&D for developing countries with reference to the infrastructure development had to be duly considered by the CTD.

126. He continued by saying that as regards the issue of transfer of technology, one of the major barriers to the interests of developing countries was the non-availability of encryption technology. Developing countries faced special challenges and responsibilities to create a conducive policy environment that, on the one hand allowed for the development of e-commerce, and on the other ensured the social objective of providing access and benefits for those that could not afford it. If developing countries were to benefit from the new technological and economic boom which the growth of e-commerce represented, they would need to get access to technology and develop their infrastructure. His delegation reminded the CTD about the concerns raised by the developing countries regarding the non-operationlization of Article IV of the GATS. Article IV provided for the participation of developing countries, through enhanced market access in areas of export interest to them, and through better access to technology, including encryption technology and security of transactions and efficient telecommunication services. The existing restrictions on the export of state-of-the-art encryption technology by some Members was of particular concern to his delegation. The striking disparity between the developed and developing countries' capacity to engage in e-commerce, especially in terms of the infrastructure that was required, had to be central to Members' discussions. To address that disadvantage and to ensure a level playing field, a package of measures would have to be considered. That package could include access to, and transfer of, related technology such as the sharing of encryption and security technology to allow secure transactions. In addition mechanisms that facilitated the ability of developing country firms to engage in e-commerce were necessary. In that regard, there was a need for subsidized access to e-markets and assistance in the establishment of banking systems for all types of e-commerce transactions. He concluded by saying that standards related to various aspects of e-commerce should be formulated with the effective participation of developing countries. Such standards should not be complex and onerous to observe as that would act as a barrier to entry of developing country firms into e-commerce.

127. The Chairman said that delegations had a great deal of interest in the issue of e-commerce and had not had the opportunity to examine it in detail and consider the report. He therefore suggested that the Committee revert to the topic at the next CTD meeting.

128. It was so agreed.

L. OTHER BUSINESS

129. The representative of Canada said that on 27 June 2002, the Canadian Prime Minister, Jean Chrétien had announced initiatives that her Government would take to support Africa's development, including enhanced market access, trade and investment, resources for good government, conflict prevention, education, health, agricultural research and water management. The announcements represented a commitment of Canadian \$6 billion in new and existing resources over five years to Africa's development, including a Canadian \$5 million Canada Fund for Africa that had been previously announced. The new initiatives would bring together governments, the private sector and civil society to promote African initiative, human development and critical infrastructure services. They would include public participation and capacity-building to develop African solutions to its challenges and were in complete alignment with the NEPAD and the G8 Africa Action Plan. There would be a Canadian \$100 million programme to encourage private sector investment by creating an African investment fund which would support and leverage private sector resources for investment in infrastructure such as roads, water supply and pipeline construction. Canadian \$20 million would be set aside for three new initiatives to increase Africa's trade capacity by working to promote exports within and outside Africa and to strengthen the role of African countries and institutions in the multilateral trading system. Those included Canadian \$7 million, over three years to further the JITAP programme, \$8 million over three years, to the ITC and the Trade Facilitation Office of Canada for a creative new programme of export promotion, and \$5 million over three years to develop a trade policy expertise centre for Africa in partnership with the Economic Commission for Africa. There would also be Canadian \$35 million for three initiatives to help bridge the digital divide by supporting African initiatives that expanded the use and benefits of new information and communications technologies.

130. Another representative of Canada said that on 27 June 2002, Canadian Prime Minister Jean Chrétien announced that, effective from 1 January 2003, Canada would provide duty free and quota free access to imports from 48 of the world's LDCs for all products except dairy products, poultry and eggs. That action was being taken to help LDCs develop by increasing their opportunities to trade and by encouraging investment in those countries. His Government had received direct representations from LDCs to provide improved market access. A number of international organizations, including the WTO, IMF, the World Bank and the UN, had noted the benefits of granting greater market access to LDCs. Canada's LDC market-access initiative covered the major products of interest which those LDCs exported to Canada, including apparel which accounted for more than half of Canada's imports from LDCs. His Government was also developing new rules of origin and rules of origin procedures for textiles and apparel for those preferences. Those rules of origin were designed:

- (i) to provide real opportunities and benefits that LDCs could realize by directly taking into account the production capacity of LDCs;
- (ii) by allowing for accumulation, they extend benefits to developing countries, as well as LDCs, who produced inputs, such as yarn and fabric, that was used by LDCs to produce apparel and other finished textile products; and
- (iii) to ensure that the benefits went to where they were intended while protecting against illegal transshipment and without imposing undue administrative burdens.

131. He gave the example of apparel imported from an LDC, which would qualify for duty free and quota free access if first, the apparel was assembled in that LDC; second, it was made from fabric cut or knit to shape in that same LDC; and third, if the fabric or yarn originated in that same LDC. Apparel cut and sewn in an LDC could also qualify if it used imported fabrics or yarns so long as first,

there was 25 per cent value added in the LDC in producing (cutting and sewing) the apparel; and second, the imported fabric or yarn originated in another LDC or a developing country. For fabric to be considered originating, it needed to be made from yarn produced in an LDC or developing country, and the yarn needed to be spun or extruded in the LDC or developing country. In short, the rules of origin for apparel would allow cumulation not just from other LDCs but also from developing countries, hence encouraging greater trade with developing countries as well as from Canada. To further ensure that the benefits went where they were intended, LDCs would be required to sign an undertaking to cooperate on the exchange of information for verification purposes. His Government would also be putting in place an enhanced and more targeted monitoring, verification and investigation regime on textiles and apparel. The purpose of that action was to deter illegal transshipments that would erode the benefits to LDCs. In addition to apparel, his Government extended the duty free and quota free regime for LDCs to also cover other products of key interest to those countries, including textiles and most agricultural products, as well as other industrial products. He said that more details would be provided in the fall as his Government prepared to implement its new duty free and quota free regime on 1 January 2003. He concluded by saying that his Government's new LDC market access initiative was far-reaching and designed to give LDCs preferential treatment in the products of key interest to them. His delegation would provide a notification on that new regime in due course.

132. The Chairman said that the delegation of Canada's statement referred to 48 LDCs, whereas there were 49 and he hoped that no particular LDC had been excluded.

133. The representative of Canada said that in his Government's initiatives for LDCs, one LDC had been excluded for political reasons.

134. The Chairman said that that was something that could be discussed in the LDC Sub-Committee. He reminded Members that the next formal CTD meeting was tentatively scheduled for 8 October 2002. In the meantime there would informal consultations.

135. The Committee took note of the statements made.
