

WORLD TRADE ORGANIZATION

RESTRICTED

G/TRIMS/W/1

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(95-0579)

Committee on Trade-Related Investment Measures

NOTIFICATIONS UNDER ARTICLE 5.1 OF THE AGREEMENT ON TRADE-RELATED INVESTMENT MEASURES BY STATES AND SEPARATE CUSTOMS TERRITORIES ELIGIBLE TO BECOME ORIGINAL WTO MEMBERS THAT ACCEPT THE WTO AGREEMENT AFTER ITS ENTRY INTO FORCE

Note by the Secretariat

Reproduced herewith is the text of a draft recommendation on arrangements for notifications under Article 5.1 of the Agreement on Trade-Related Investment Measures by states and separate customs territories eligible to become original WTO Members that accept the WTO Agreement after its entry into force. This draft has been prepared by the Secretariat on the basis of the discussion of this matter at the Committee's meeting of 3 March 1995. As agreed at that meeting, if no comments are received by 30 March 1995 this draft recommendation will become a recommendation by the Committee through the Council for Trade in Goods to the General Council.¹

¹Delegations are requested to submit any comments to the Secretariat (Mr. M. Koulen, Intellectual Property and Investment Division, tel. 739 5224).

Draft Recommendation

1. As requested by the Council for Trade in Goods at its meeting of 20 February 1995, the Committee on Trade-Related Investment Measures has examined the question of the arrangements for notifications under Article 5.1 of the Agreement on Trade-Related Investment Measures by states and separate customs territories that are eligible to become original WTO Members but that accept the WTO Agreement after its entry into force.

2. In discussing how best to address this matter, the Committee recognized the desirability of ensuring the effective application of Articles 5.1 and 5.2 of the Agreement on Trade-Related Investment Measures with respect to all WTO Members. In this connection, the Committee noted the practical difficulty arising from the fact that the period of 90 days referred to in Article 5.1 may have expired at the time of the entry into force of the WTO Agreement for states and separate customs territories eligible to become original Members that accept the WTO Agreement after 1 January 1995. The Committee urged such states and separate customs territories whenever possible to make the notifications required by Article 5.1 at the time of their acceptance of the WTO Agreement, but the Committee acknowledged that this might not always be practicable. In view of these circumstances, the Committee considered that it was appropriate to recommend that the Council for Trade in Goods submit the following decision to the General Council for adoption:

- "(i) States and separate customs territories eligible to become original Members of the WTO that accept the WTO Agreement after 1 January 1995 shall have a period of 90 days after the date of their acceptance of the WTO Agreement to make notifications under Article 5.1 of the Agreement on Trade-Related Investment Measures.
- (ii) This decision relates only to the period within which notifications are to be made under Article 5.1 of the Agreement on Trade-Related Investment Measures and does not concern the duration of the phase-out periods in Article 5.2 or the requirements of Article 5.4, both of which would continue to be governed by reference to the date of entry into force of the WTO Agreement itself.
- (iii) This decision shall not affect the situation of states and separate customs territories acceding to the WTO Agreement under Article XII of that Agreement, which will be governed by their protocols of accession."