



Note

WTO Committee on Trade and Development: Taking forward the Issues of Interest to Developing and LDCs

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Summary

The regular work of the WTO is an important aspect of the multilateral trading system (MTS). Smaller developing and least-developed countries can derive benefits from the MTS by improving their participation in the regular work of the WTO. This Note focuses on the mandate and work of the WTO Committee on Trade and Development (CTD) with a view to providing summarised information and analysis that can help smaller developing and least-developed countries better understand the functioning of this key Committee and take part in its deliberations to promote their interests.

Mandate of the WTO Committee on Trade and Development

The Committee on Trade and Development (CTD) serves as a focal point for the consideration and coordination of work on development in the WTO and considers a broad range of issues relating to the trade of developing countries.¹ Among the broad areas of topics it's priorities are: how provisions favouring developing countries are being implemented, guidelines for technical cooperation, increased participation of developing countries in the trading system, and the position of least-developed countries.²

Member-countries also have to inform the WTO about special programmes involving trade concessions for products from developing countries, and about regional arrangements among developing countries.³ The Trade and Development Committee handles notifications of:⁴ (i) Generalized System of Preferences programmes (in which developed countries lower their trade barriers preferentially for products from developing countries); and (ii) Preferential arrangements among developing countries such the Common Market for Eastern and Southern Africa (COMESA), and the ASEAN Free Trade Area (AFTA).

Main Work Areas under the Mandate:⁵

► *Technical assistance programmes*

The CTD is mandated to provide guidelines for the technical assistance activities of the WTO and to review periodically these activities. The WTO's biennial technical assistance and training plan is approved by the Committee before it is implemented.

► *Special and differential treatment provisions*

The Doha Ministerial Declaration of November 2001 states that all special and differential treatment (S&D) provisions for developing countries will be reviewed, with a view to strengthening them and making them more precise, effective and operational. A work programme on S&D has been initiated, with negotiations taking place in the Committee meeting in special session.

At the Bali Ministerial Conference in December 2013, a Monitoring Mechanism on S&D was established (WT/L/920) to analyse and review the implementation of S&D provisions and to make recommendations to the relevant WTO bodies. The Mechanism operates in a dedicated session of the Committee.

► *Small economies*

Small economies face specific challenges in participating in world trade, due to lack of

¹ WTO. Committee on Trade and Development. Retrieved from.

https://www.wto.org/english/tratop_e/devel_e/d3ctte_e.htm

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ WTO. Committee on Trade and Development. Retrieved from.

https://www.wto.org/english/tratop_e/devel_e/d3ctte_e.htm

economy of scale or limited natural resources, for example. The Doha Declaration mandates the General Council to examine these problems and to make recommendations as to what trade-related measures could improve the integration of small economies into the multilateral trading system. On 1 March 2002, the General Council agreed that small economies would be a standing item on its agenda and that the CTD would hold dedicated sessions on this matter and report regularly.

► *Aid for Trade*

The Aid for Trade initiative is regularly discussed in the Committee. A biennial work programme guides the work of the Committee, with workshops held regularly on topics of interest to WTO members. On 15 December 2006, the General Council, upon the recommendation of the Director-General, instructed the CTD to conduct periodic global reviews to evaluate and monitor progress on the Aid for Trade initiative.

Other Areas of Work⁶

► *Eighth Ministerial Conference*

At the Eighth Ministerial Conference in December 2011, ministers reaffirmed the positive link between trade and development and called for focused work in the Committee. They also called on members to fully operationalize the mandate of the Committee as a focal point for development work.

► *Regional trade agreements and preferential schemes*

The Committee serves as the forum for the notification and review of regional trade agreements (RTAs) between developing countries. It also reviews non-reciprocal preferential schemes favouring developing countries authorized under the Enabling Clause, in particular the Generalized System of Preferences (GSP) – programmes by developed countries granting preferential tariffs to imports from developing countries.

► *Electronic commerce*

On 25 September 1998, the General Council adopted a work programme on electronic commerce (WT/L/274). The Committee is one of four subsidiary bodies of the General Council that has been instructed to implement the programme. The Committee's focus has been on the development implications of electronic commerce.

► *Duty-free quota-free implementation review*

At the Hong Kong Ministerial Conference in December 2005, a decision was taken on the provision of duty-free and quota-free (DFQF) market access to products originating in LDCs. As stipulated in the decision, the Committee annually reviews the steps taken by members to provide DFQF market access to LDCs.

⁶ Ibid.

► *Developing countries and the multilateral trading system*

The Committee has a mandate to keep under continuous review the participation of developing country members in the multilateral trading system. To assist the Committee in its review, the WTO Secretariat periodically prepares an update to its statistical paper on the participation of developing economies in global trade.

Other Bodies Associated with the Trade and Development Committee⁷

► *Subcommittee on Least-Developed Countries*

The Subcommittee on Least-Developed Countries reports to the Trade and Development Committee, but it is an important body in its own right. Its work focuses on two related issues: (i) ways of integrating least-developed countries into the multilateral trading system; and (ii) technical cooperation. The subcommittee also examines periodically how special provisions favouring least-developed countries in the WTO agreements are being implemented.

► *The Doha agenda committees*

The Doha Ministerial Conference in November 2001, added new tasks and some new working groups. The Trade and Development

Committee meets in “special sessions” to handle work under the Doha Development Agenda.

Conducting the Mandate

At the first Session of the Committee on Trade and Development on 5 April 1995, the Chairman had said that discussion on the rules of procedure would take place under item B and the programme of work and institutional arrangements under item C.⁸ He proposed that, in response to requests from delegates, the Committee discuss future technical cooperation activities of the World Trade Organization (WTO), under agenda item D, Other business.⁹

► *Item B : Rules of Procedure of the Committee on Trade and Development*

Following the precedent that had been established by other WTO bodies, the rules of procedure of the Committee on Trade and Development follows closely those of the General Council.¹⁰

The formal meetings of the CTD are open to representatives of all WTO Members and a number of observers who are generally countries in the process of accession to the WTO and international intergovernmental organizations.¹¹ The CTD follows the normal WTO rules concerning decision making - i.e. decisions are taken by consensus and, in the absence of consensus, the matter is referred to

⁷ WTO. Committees. Retrieved from. https://www.wto.org/english/thewto_e/whatis_e/tif_e/dev2_e.htm

⁸ WTO Committee on Trade and Development. NOTE ON THE MEETING OF 5 APRIL 1995. P 1. Retrieved from. [https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S006.aspx?Query=\(+%40Symbol%3d+wt%2fcomtd%2fm%2f*+\)&Language=ENGLISH&Context=FomerScriptedSearch&languageUIChanged=true](https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S006.aspx?Query=(+%40Symbol%3d+wt%2fcomtd%2fm%2f*+)&Language=ENGLISH&Context=FomerScriptedSearch&languageUIChanged=true)

⁹ Ibid.

¹⁰ Ibid.

¹¹ H.E. Nacer Bejelloun-Touimi. The Committee on Trade and Development of the WTO. Bridges Vol 1, No. 1, ICTSD. May 1997. Retrieved from. <https://www.ictsd.org/bridges-news/bridges/news/the-committee-on-trade-and-development-of-the-wto>

the General Council.¹²

The Chair is traditionally held by a permanent representative of a developing country in Geneva, rotating among three three groups of developing countries (Africa, Asia and Latin America).¹³ The Chairman of the CTD is appointed at the end of the year at the same time as the Chairmen of the other WTO bodies and the new Chairman conducts the work of the Committee for one year.¹⁴ While the Rules of Procedure of the CTD provide for three formal meeting per year, other formal/plurilateral and or multilateral meetings can also be held.¹⁵ In the first session of 1995, the Chairman had declared that normal meetings would be convened with a notice of four weeks (Rule 2).¹⁶

The Chairman declared that as per the proposed amendments to Rules 36 and 36bis; that the Committee on Trade and Development would present a yearly report to the General Council, which would be prepared by the Chairman with the assistance of the Secretariat.¹⁷ This report would be distributed as a "Spec" document, and comments would be invited from Members.¹⁸ If no comments were forthcoming, the Report would be deemed to have been adopted.¹⁹

The Terms of Reference of the Committee guide its work and helps in:²⁰ (i) keeping under review the participation of developing country Members in the multilateral trading system; (ii) considering measures and initiatives to assist the

developing country Members in the expansion of their trade and investment opportunities; (iii) reviewing the application and consider any questions which may arise with regard to either the application or the use of WTO's special provisions in favour of developing country Members; (iv) serving as a focal point for consideration and coordination of work on development in the WTO and its relationship to development-related activities in other multilateral agencies; (v) providing guidelines for, and review periodically, the technical cooperation activities of the WTO; and (vi) providing special attention to the LLDCs.

Members of the Committee have identified four priority issues:²¹ (i) The implementation of WTO provisions in favour of developing country Members; (ii) Guidelines for the technical cooperation activities of the WTO; (iii) Increasing participation of developing countries in the multi-lateral trading system; and (iv) Least developed countries.

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ WTO Committee on Trade and Development. NOTE ON THE MEETING OF 5 APRIL 1995. P 1. Retrieved from. [https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S006.aspx?Query=\(+%40Symbol%3d+wt%2fcomtd%2fm%2f*+\)&Language=ENGLISH&Context=FomerScriptedSearch&languageUIChanged=true](https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S006.aspx?Query=(+%40Symbol%3d+wt%2fcomtd%2fm%2f*+)&Language=ENGLISH&Context=FomerScriptedSearch&languageUIChanged=true)

¹⁷ Ibid. P 2.

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ H.E. Nacer Bejelloun-Touimi. The Committee on Trade and Development of the WTO. Bridges Vol 1, No. 1, ICTSD. May 1997. Retrieved from. <https://www.ictsd.org/bridges-news/bridges/news/the-committee-on-trade-and-development-of-the-wto>

²¹ Ibid.

Main Issues under CTD Deliberations in the Recent Past (2017-18)

Work on The Basis of the Chairman's Concluding Statement from the Eighth Ministerial Conference

At the Eighth Ministerial Conference in December 2011, ministers reaffirmed the positive link between trade and development and called for focused work in the Committee.²² They also called on members to fully operationalize the mandate of the Committee as a focal point for development work.²³

Starting in early 2012, members held several rounds of discussions on what the Committee could do to fulfil these instructions from ministers.²⁴ A number of proposals from members were considered.²⁵ These discussions resulted in the preparation by the WTO Secretariat of an updated document on the implementation of S&D provisions in the WTO agreements and decisions (WT/COMTD/W/219).²⁶

● Meeting on 9th March 2017²⁷

The Chairman recalled that, at the 97th Session, the Committee had agreed to the proposal from Ecuador contained in document WT/COMTD/W/204/Rev.1, which had been submitted in the context of the CTD's mandate from MC8. The proposal was for the Secretariat

to periodically update its paper on the implementation of special and differential treatment (S&D) provisions in the WTO Agreements and Decisions. He informed the Committee that the updated Secretariat document had been circulated in September 2016 in document WT/COMTD/W/219.

Turning to the two proposals for work under the MC8 mandate that were to be considered at the present meeting, he observed that the submissions containing these proposals had been appearing on the CTD's agenda for quite some time. Previous CTD Chairpersons had held informal consultations to try to make progress on the proposals. He noted in this regard that he had also met informally with the proponents of the two proposals on 1 November 2016, and had convened an informal, open-ended CTD meeting on 15 November.

The Chairman said that the proposal contained in document WT/COMTD/W/208 had the aim for the CTD to report on development-related work taking place in the WTO. He recalled that there were originally two proposals which broadly had this aim, and that the proponents of the two proposals had decided to work together. Document WT/COMTD/W/208 was the outcome of this collaboration.

The Chairman said that, while there were three proposals in document WT/COMTD/W/192, the first two proposals had already been addressed by the Committee. The discussions of this meeting continued in the meetings of 15th June and 10th November 2017.

²² Committee on Trade and Development. WTO. Retrieved from.

https://www.wto.org/english/tratop_e/devel_e/d3ctte_e.htm

²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Ibid.

²⁷ WT/COMTD/M/100- (17-1385)

● *Meeting on 19th March 2018*²⁸

The representative of India recalled the CTD's mandate from MC8, as well as elements of the terms of reference (TORs) of the CTD, as contained in document WT/L/46. He explained that the proposal contained in document WT/COMTD/W/208 was a simple paraphrasing of the CTD's TORs, which specified that the CTD served as a focal point for consideration and coordination of development work in the WTO. In addition, paragraphs 3 and 4 of the TORs indicated that the CTD was to report to the General Council for appropriate action on matters relating to the review of the application of special provisions in favour of developing Members and LDCs, as well as in the context of any questions regarding their use or application.

He believed that it was appropriate for the CTD to report regularly on the development-related work taking place in other WTO bodies, while providing the necessary recommendations to the General Council on achieving better coordination within the WTO on development issues. He also indicated that, while he did not understand the concerns expressed by some Members on the overarching mandate given to the CTD in the proposal, his delegation was willing to discuss the matter with these Members in a small-group setting. In concluding his intervention on this proposal, he requested that the sub-item concerning document WT/COMTD/W/208 be maintained on the CTD's agenda.

He went on to say that he also wished to provide an update on the remaining proposal contained

in document WT/COMTD/W/192. With regard to this proposal, he said that the Transparency Mechanism for RTAs (RTA TM) provided for several notifications to be carried out by Members parties to RTAs. In order to avoid misunderstandings and to help ensure a timely consideration of RTAs, and hence the smooth operation of the TM, it was important for the parties to submit their notification and information requirements jointly. He recalled that, at the last CTD meeting, the Committee was informed that the proponents were holding consultations in order to submit a revised document containing only the remaining proposal. Progress was being made in this regard. He also clarified that there would not be any changes to the remaining proposal itself.

Finally, he reiterated the openness of the proponents to engage in informal consultations with interested Members in order to reach consensus on this issue. He requested that the sub-item relating to document WT/COMTD/W/192 remain on the CTD's agenda. Discussions on the two proposals contained in documents WT/COMTD/W/208 and WT/COMTD/W/192 continued to take place in the meeting of 29th June 2018.

● *Meeting on 2nd November 2018*²⁹

The Chairman indicated that he wished to draw Members' attention to the proposal by Ecuador, circulated in document WT/COMTD/W/204/Rev.1, which the Committee had agreed to at its 97th Session in November 2015. The proposal was for the Secretariat to update, at least once every two years, its document on the implementation of

²⁸ WT/COMTD/M/104- (18-1644)

²⁹ WT/COMTD/M/106- (18-6919)

special and differential treatment (S&D) provisions in the WTO Agreements and Decisions. Accordingly, an update had been circulated in document WT/COMTD/W/219 in September 2016. Discussions continued regarding proposals contained in documents WT/COMTD/W/208 and WT/COMTD/W/192.

Regional Trade Agreements under Enabling Clause Notifications

When a WTO member enters into a regional integration arrangement through which it grants more favourable conditions to its trade with other parties to that arrangement than to other WTO members' trade, it departs from the guiding principle of non-discrimination defined in Article I of GATT, Article II of GATS, and elsewhere.³⁰ WTO Members are however permitted to enter into such arrangements under specific conditions which are spelled out in three sets of rules, one of which is the Enabling Clause.³¹

The Enabling Clause officially called the "Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries", was adopted under GATT in 1979 and enables developed members to give differential and more favourable treatment to developing countries.³² The Enabling Clause is the WTO legal basis for the Generalized System of Preferences (GSP).³³

Under the GSP, developed countries offer non-reciprocal preferential treatment (such as zero or low duties on imports) to products originating in developing countries.³⁴ Preference-giving countries unilaterally determine which countries and which products are included in their schemes.³⁵

The Enabling Clause is also the legal basis for regional arrangements among developing countries and for the Global System of Trade Preferences (GSTP), under which a number of developing countries exchange trade concessions among themselves.³⁶

Meeting on 9th March 2017³⁷

The Chairman said that he wished to provide Members with a brief update on the regional trade agreements (RTAs) notified under the Enabling Clause that were to be considered in the CTD's Dedicated Sessions on RTAs. He firstly informed the Committee that the factual presentation on the agreement between the Association of Southeast Asian Nations (ASEAN) and India would be circulated shortly. With regard to the South Asian Free Trade Agreement (SAFTA), he said that Afghanistan's accession to SAFTA was notified on 29 July 2016 in document WT/COMTD/N/50. The parties had been requested to provide the data for the preparation of the factual presentation by 22 December 2016.

Turning to the Agreement between the Dominican Republic and Panama, he said that

³⁰ The WTO's Rules. WTO. Retrieved from. https://www.wto.org/english/tratop_e/region_e/regrul_e.htm

³¹ Ibid.

³² Special and differential treatment provisions. WTO. Retrieved from.

https://www.wto.org/english/tratop_e/devel_e/dev_special_differential_provisions_e.htm

³³ Ibid.

³⁴ Ibid.

³⁵ Ibid.

³⁶ Ibid.

³⁷ WT/COMTD/M/100- (17-1385)

the Secretariat would be in contact with the parties concerning some clarifications on the data provided. As for the Arab Mediterranean Free Trade Agreement – or Agadir Agreement – between Egypt, Jordan, Morocco and Tunisia, data had been received from Egypt, Jordan and Morocco. The Secretariat was still waiting to receive data from Tunisia, which was requested by 15 July 2016. With regard to the Agreement between the Gulf Cooperation Council (GCC) and Singapore, data had been received from Singapore. The Secretariat was still waiting to receive data from the GCC parties, which was requested by 23 November 2015. In the case of the accession of Rwanda and Burundi to the East African Community, the Secretariat was waiting to receive comments on the draft factual presentation, which was sent to the parties in 2014.

● *Meeting on 15th June 2017*³⁸

The Chairman indicated firstly that there had been one new notification under the Enabling Clause since his last report to the Committee in November 2016. This concerned Egypt's accession to the Common Market for Eastern and Southern Africa, which was notified on 3 January 2017 in document WT/COMTD/N/51. The parties had been requested to provide the data for the preparation of the factual presentation by 6 June 2017.

Discussions also took place about the agreement between the Dominican Republic and Panama, as well as on the Agadir Agreement.

The Secretariat was still waiting to receive data from Tunisia, which was requested by 15 July

2016. In the case of the agreement between the Gulf Cooperation Council (GCC) and Singapore, the Secretariat was still waiting to receive data from the GCC parties, which had been requested by 23 November 2015. The Secretariat was also still waiting to receive comments on the draft factual presentation relating to the accession of Rwanda and Burundi to the East African Community (EAC), which was sent to the parties in 2014.

● *Meeting on 10th November 2017*³⁹

The Chairman indicated that for Egypt's accession to the Common Market for Eastern and Southern Africa (COMESA), the parties had been requested to provide the data for the preparation of the factual presentation by 6 June 2017. Data was only received from Seychelles. Discussions continued about the Agadir Agreement, GCC and EAC agreements.

The Chairman declared that there remained one RTA notified under the Enabling Clause that had not been ratified by all the parties. This was the Pacific Island Countries Trade Agreement (PICTA). Discussions continued about the COMESA, SAFTA, Agadir Agreement, GCC, EAC and LAIA agreements during the meeting of 19th March 2018.

● *Meeting on 29th June 2018*⁴⁰

The Chairman believed that it was in Members' interest for the CTD and CRTA to maintain similar practices, to the extent possible, in the implementation of the Mechanism for Regional Trade Agreements.

There is need for more regular consultations

³⁸ WT/COMTD/M/101- (17-3193)

³⁹ WT/COMTD/M/103- (17-6111)

⁴⁰ WT/COMTD/M/105- (18-4112)

with the parties to RTAs notified under the Enabling Clause. He believed that it might be worth following up on issues relating to the implementation reports due under paragraph 15 of the RTA TM, since the CTD had not received any as yet.

● *Meeting on 2nd November 2018*⁴¹

Discussions continued regarding: (i) Notifications received pursuant to Enabling Clause (Paragraph 4(a)) - Notification of Regional Trade Agreement – Submitted by Argentina, Brazil, Chile, Mexico, Paraguay and Uruguay (WT/COMTD/N/53); (ii) Questions from the United States to the delegations of Argentina, Brazil, Chile, Mexico, Paraguay and Uruguay regarding document WT/COMTD/N/53 (WT/REG/W/126 – WT/COMTD/W/232); and (iii) Status of the preparation of factual presentations – Report by the Chairman (WT/COMTD/W/236).

Electronic Commerce

At the Second Ministerial Conference in May 1998, ministers, recognizing that global electronic commerce was growing and creating new opportunities for trade, adopted the Declaration on Global Electronic Commerce.⁴² This called for the establishment of a work programme on e-commerce, which was adopted in September 1998.⁴³ Periodic reviews of the programme are conducted by the General Council based on reports from the WTO bodies

responsible for implementing the programme.⁴⁴ Ministers also regularly consider the programme at the WTO's ministerial conferences.⁴⁵

● *Meeting on 9th March 2017*⁴⁶

Discussions occurred regarding Work Programme on Electronic Commerce: Aiming at the 11th Ministerial Conference – Communication from the People's Republic of China and Pakistan.⁴⁷

● *Meeting on 15th June 2017*⁴⁸

Discussions took place regarding: (i) Aiming at the 11th Ministerial Conference – Communication from the People's Republic of China and Pakistan.⁴⁹; (ii) Electronic signatures – Communication from Argentina, Brazil and Paraguay⁵⁰; (iii) Trade policy, the WTO and the digital economy – Communication from Canada, Chile, Colombia, Cote d'Ivoire, the European Union, the Republic of Korea, Mexico, Montenegro, Paraguay, Singapore and Turkey⁵¹; and (iv) Electronic commerce and development – non-paper from Brunei Darussalam; Colombia; Costa Rica; Hong Kong, China; Israel; Malaysia; Mexico; Nigeria; Pakistan; Panama; Qatar; Seychelles; Singapore and Turkey.⁵²

⁴¹ WT/COMTD/M/106- (18-6919)

⁴² Electronic Commerce. WTO. Retrieved from. https://www.wto.org/english/tratop_e/ecom_e/ecom_e.htm

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ WT/COMTD/M/100- (17-1385)

⁴⁷ JOB/GC/110/Rev.1 – JOB/CTG/2/REV.1 – JOB/SERV/243/Rev.1 – JOB/DEV/39/Rev.1

⁴⁸ WT/COMTD/M/101- (17-3193)

⁴⁹ JOB/GC/110/Rev.1 – JOB/CTG/2/REV.1 – JOB/SERV/243/Rev.1 – JOB/DEV/39/Rev.1

⁵⁰ JOB/GC/115 – JOB/CTG/3 – JOB/SERV/247 – JOB/IP/20 – JOB/DEV/41

⁵¹ JOB/GC/116 – JOB/CTG/4 – JOB/SERV/248 – JOB/IP/21 – JOB/DEV/42

⁵² JOB/GC/117 – JOB/CTG/5 – JOB/SERV/249 – JOB/IP/22 – JOB/DEV/43

► *Meeting on 10th November 2017*⁵³

The Chairman recalled that, at the March 2017 meeting of the CTD, the Committee had considered four communications on e-commerce. He asked if Members had any comments or views to share under this agenda item at the present meeting.

The representatives of China, Chinese Taipei, Nigeria, European Union, South Africa, Uganda, Zimbabwe, Swailand, Japan, Bolivarian Republic of Venezuela, India, Ecuador, Singapore, Cuba and Cameroon responded.

► *Meeting on 19th March 2018*⁵⁴

Discussions took place among the representatives regarding the E-commerce Elements for MC11 – Communication from China.⁵⁵

► *Meeting on 29th June 2018*⁵⁶

Discussions took place regarding the Ministerial Decision of 13 December 2017 (WT/MIN(17)65 – WT/L/1032) – Statement by the Chairman.

The Chairman drew Members' attention to the Ministerial Decision concerning the WTO's Work Programme on E-Commerce adopted at the Eleventh Ministerial Conference (MC11). This Decision, of 13 December 2017, was contained in documents WT/MIN(17)/65 and WT/L/1032. He highlighted that the Decision called, inter alia, for a continuation of the work under the Work Programme on E-Commerce, based on the existing mandate, with an endeavour to reinvigorate the work. In this

context, he recalled that the CTD was one of the four subsidiary bodies of the General Council that was mandated to implement the Work Programme on E-Commerce.

On the basis of the MC11 Decision, he invited Members to consider possible ways forward for the CTD in the e-commerce area, and to share any ideas with the Committee. He also indicated that, as per the MC11 Decision, the General Council would hold periodic reviews on the Work Programme on E-Commerce, based on reports submitted by the relevant WTO bodies.

► *Meeting on 2nd November 2018*⁵⁷

The Chairman said that, at the previous CTD meeting, Members' attention had been drawn to the Decision taken at the Eleventh WTO Ministerial Conference (MC11) concerning the WTO's Work Programme on E-Commerce which, inter alia, called for a continuation of the work under the Work Programme. He recalled that some interventions had been made, and some ideas had been shared on possible work for the CTD in the e-commerce area going forward. He inquired whether any Member wished to take the floor under this agenda item at the present meeting.

No Member took the floor. It was agreed that the agenda item concerning the Work Programme on E-Commerce be maintained on the agenda for the next meeting.

⁵³ WT/COMTD/M/103- (17-6111)

⁵⁴ WT/COMTD/M/104- (18-1644)

⁵⁵ JOB/GC/142, JOB/CTG/9, JOB/SERV/271, JOB/DEV/49)

⁵⁶ WT/COMTD/M/105- (18-4112)

⁵⁷ WT/COMTD/M/106- (18-6919)

Notifications Under The Transparency Mechanism For Preferential Trade Arrangements

The Committee on Trade and Development, on 4 October 2010, approved a proposal by Brazil, China, India and the United States to establish a transparency mechanism for preferential trade arrangements.⁵⁸ The transparency mechanism lays out a procedure for the consideration of PTAs in the CTD. To assist the Committee in its consideration of each PTA, the notifying member is to submit detailed information, and the WTO Secretariat is to prepare a factual presentation of the PTA.⁵⁹ Work in the Committee on this mechanism stemmed from a General Council decision in December 2006, which invited the CTD to consider transparency for PTAs.⁶⁰

● Meeting on 9th March 2017⁶¹

The Chairman recalled that, at the last meeting, the Committee had taken note of a notification under the Enabling Clause by Norway, which contained updated information on Norway's Generalized System of Preferences (GSP) scheme. He indicated that the notification by Norway – contained in document WT/COMTD/N/6/Add.6 – additionally made reference to the communication in the context of a notification under the Transparency Mechanism for PTAs. Turning to the PTAs to be considered in Dedicated Sessions of the CTD, he said that there were five PTAs notified since the establishment of the Transparency Mechanism for PTAs that had yet to be considered in

Dedicated Sessions.

● Meeting on 15th June 2017⁶²

The Chairman said that he wished to provide Members with a brief update on the preferential trade arrangements (PTAs) that were to be considered in Dedicated Sessions of the CTD. He firstly informed the Committee that a new notification had been made under the Transparency Mechanism for PTAs since the last CTD meeting. This concerned the US' trade preferences for Nepal. The notification, of 20 January 2017, was circulated in document WT/COMTD/N/52.

The representative of China said that his delegation attached great importance to the implementation of DFQF market access for LDCs.

● Meeting on 10th November 2017⁶³

The Chairman noted that at a previous meeting of the CTD Regular session, Members had been informed that the US's trade preferences for Nepal were notified under the Transparency Mechanism for PTAs. The Secretariat had now received the US tariff schedule relating to these preferences and was in the process of drafting the factual presentation. Turning to the other PTAs to be considered in Dedicated Sessions, he said that the situation remained the same as was reported to Members at the March 2017 CTD meeting.

⁵⁸ Transparency mechanism for preferential trade arrangements set for approval. WTO. Retrieved from. https://www.wto.org/english/news_e/news10_e/devel_04oct10_e.htm

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ WT/COMTD/M/100- (17-1385)

⁶² WT/COMTD/M/101- (17-3193)

⁶³ WT/COMTD/M/103- (17-6111)

► *Meeting on 19th March 2018*⁶⁴

The Chairman said there were five PTAs for which the Secretariat had still not received the full set of data or information required for the preparation of factual presentations. These were the PTAs being implemented by China, India, the Russian Federation, Thailand and Chinese Taipei. He urged the notifying Members to provide the required data and information as soon as possible.

► *Meeting on 29th June 2018*⁶⁵

Discussions took place regarding: (i) Implementation of the Transparency Mechanism for Preferential Trade Arrangements – Status on the Committee's Work; (ii) Status of the preparation of factual presentations – Report by the Chairman.⁶⁶

► *Meeting on 2nd November 2018*⁶⁷

Discussions took place regarding: (i) Implementation of the Transparency Mechanism for Preferential Trade Arrangements – Status Report on the Committee's Work; and (ii) Status of the preparation of factual presentations – Report by the Chairman.⁶⁸

Review Of Steps Taken to Provide Duty-Free and Quota-Free Market Access to Least Developed Countries

The Sixth WTO Ministerial Conference December 2005 in Hong Kong agreed that developed countries, and developing-country Members declaring themselves in a position to do so should provide duty-free and quota-free (DFQF) market access for all products originating from all LDCs by 2008.⁶⁹ The subsequent WTO Ministerial Conferences reaffirmed the commitments to fully implement the DFQF market access and urged members that did not implement the commitments to do so.⁷⁰

Developed countries provide DFQF market access to LDC products under their GSP schemes.⁷¹ The coverage of products for DFQF treatment reaches 90 to 100 per cent for most of developed countries.⁷² Some developing countries also provide DFQF market access to LDC products.⁷³

► *Meeting on 9th March 2017*⁷⁴

The Chairman noted that there were two listed sub-items under the present agenda item. The first sub-item concerned the annual report by the Secretariat on Members' DFQF market access for LDCs. The Committee would then turn to a revised submission by Benin, on behalf

⁶⁴ WT/COMTD/M/104- (18-1644)

⁶⁵ WT/COMTD/M/105- (18-4112)

⁶⁶ WT/COMTD/W/234

⁶⁷ WT/COMTD/M/106- (18-6919)

⁶⁸ WT/COMTD/W/237

⁶⁹ Duty-Free and Quota-Free Market Access for LDCs. UNCTAD. Retrieved from.

<https://unctad.org/en/Pages/DITC/GSP/GSP-Preferential-Market-Access.aspx>

⁷⁰ Ibid.

⁷¹ Ibid.

⁷² Ibid.

⁷³ Ibid.

⁷⁴ WT/COMTD/M/100- (17-1385)

of the LDC Group, on the draft terms of reference for a clinical examination of DFQF implementation.

The Chairman said that the Bali Ministerial Decision, contained in document WT/MIN(13)/44 - WT/L/919, instructed the CTD to continue to annually review the steps taken to provide DFQF market access to the LDCs, and report to the General Council for appropriate action. To aid in its review, the Secretariat was to prepare a report, in close coordination with Members, on their DFQF market access for LDCs at the tariff line level, based on their notifications. He said that the Secretariat report, which had been circulated in document WT/COMTD/W/222 was an update of the previous year's report, and followed the same structure. A draft of the document had been considered at the informal, open-ended CTD meeting held on 15 November 2016.

● *Meeting on 15th June 2017*⁷⁵

The Chairman said that an item concerning DFQF market access for LDCs had been on the CTD's agenda since early 2006. Under this item, delegations had provided information on the steps they were taking, or had already taken, to provide DFQF market access to LDCs. Written communications by some Members had also been considered. Discussions continued during the meeting of 10th November 2017.

● *Meeting on 19th March 2018*⁷⁶

The Chairman said that the Bali Decision on DFQF market access for LDCs, contained in documents WT/MIN(13)/44 and WT/L/919,

instructed the CTD to continue to annually review the steps taken to provide Duty-free and Quota-free (DFQF) market access to the LDCs, and report to the General Council for appropriate action. To aid in the review, the Secretariat was instructed to prepare, in close coordination with Members, a report on Members' DFQF market access for LDCs, at the tariff line level based on their notifications. Accordingly, a Secretariat report on DFQF had been prepared annually since the Bali Ministerial Conference.

However, because of a divergence of views between some Members on the scope and coverage of the report, the Secretariat was not able to circulate its report for consideration at the present session. In particular, Bangladesh's position on what should be the scope and coverage of the report remained unchanged from what had been outlined at the 100th Session. Discussions continued during the meeting of 29th June 2018.

● *Meeting on 2nd November 2018*⁷⁷

The Chairman said that, at the last CTD meeting, Members' attention had been drawn to the Decision taken at the Eleventh WTO Ministerial Conference (MC11) concerning the WTO's Work Programme on E-Commerce which, inter alia, called for a continuation of the work under the Work Programme. He recalled that some interventions had been made, and some ideas had been shared on possible work for the CTD in the e-commerce area going forward. He inquired whether any Member wished to take the floor under this agenda item at the

⁷⁵ WT/COMTD/M/101- (17-3193)

⁷⁶ WT/COMTD/M/104- (18-1644)

⁷⁷ WT/COMTD/M/106- (18-6919)

present meeting.

Participation Of Developing Countries In The Multilateral Trading System

Meeting on 19th March 2018⁷⁸

The Chairman said that the CTD had a mandate to keep under continuous review the participation of developing country Members in the MTS. He recalled that it had been agreed at the 101st Session that the CTD's discussion under this agenda item would take place after the Secretariat update on the participation of developing economies in the global trading system was completed. He informed the Committee that the update had been circulated in document WT/COMTD/W/230.

The Economic Research and Statistics Division (ERSD) provided a broad overview of the information contained in the Secretariat paper. With respect to trade developments over the 2014-2016 period, it was noted, inter alia, that developing economies' share of merchandise export and imports had declined by 1 percentage point, and stood respectively at 42.5% and 39.7% in 2016. Weak economic activity in both developed and developing regions – coupled with the fall in energy and commodity prices – explained a decline in export earnings, which had also reduced the capacity of some developing economies to import. African and Middle Eastern economies had been particularly affected by the fall in merchandise exports, while the export contraction in developing economies in Asia and Europe was less pronounced.

A representative of the ERSD said that the Secretariat was working on the development of quality statistics, with a view to improving the coverage of the TiVA database. It was hoped that the updated database would help generate additional information concerning the participation of developing economies in GVCs.

Way Forward in 2019 for Smaller Developing Countries

Work In The Committee On The Basis Of The Chairman's Concluding Statement From The Eighth Ministerial Conference

Members will need to work towards fully operationalizing the mandate of the Committee as a focal point for development work. Discussions can take place regarding the two proposals under the MC8 mandate and the Chairman can be expected to work towards resolving these proposals including: (i) proposal from Barbados, Belize, China, Cuba, Ecuador, India, and the African Group⁷⁹; and (ii) proposal from China, Cuba, Ecuador, India and the African Group.⁸⁰ Informal consultations with the proponents of the proposals will continue.

Regarding progress of the overarching mandate of the CTD, it is important for the Members to present notifications about changes and implementations in a timely manner. As per India's requests, CTD can work towards providing information on its past activities. Also as per India's request based on the

⁷⁸ WT/COMTD/M/104- (18-1644)

⁷⁹ WT/COMTD/W/208

⁸⁰ WT/COMTD/W/192

remaining proposal in document WT/COMTD/W/192, CTD can work towards making a recommendation for the parties to RTAs to submit their notification and information requirements jointly.

Regional Trade Agreements under Enabling Clause Notifications

For the progression of talks on the Agadir Agreement, it is essential for Tunisia to present its data.

CTD can look forward to having progression in the ASEAN-Korea Agreement. Members like India, China and Egypt may continue to raise questions regarding the legal and procedural implications of the dual notification of the GCC Customs Union under both the Enabling Clause and GATT Article XXIV since according to them some vital questions remain unaddressed. However, United States which says that the GCC Customs Union was not a dual notification. It remains to be seen how this issue becomes resolved.

Non-notification of data and comments by different RTA parties remains a problem within the CTD and the Committee Members need to work towards producing notifications in a timely manner.

Electronic Commerce

Members may request the CTD to hold dedicated sessions on e-commerce so as to take into account the specific needs of developing Members and LDCs, and enhance their ability to benefit from e-commerce. South Africa in particular has asked CTD to give immediate priority to topics like the fourth industrial

revolution, the growth of digital trade and e-commerce, growing digital inequality and digital rights. These discussions can be expected to take place in future in CTD. This discussion can be extended into the area of MSMEs.

Notifications Under The Transparency Mechanism For Preferential Trade Arrangements

CTD may request Members to provide updates on the steps taken to implement the Nairobi Decision on preferential rules of origin for LDCs.

As per the requirement of the PTA TM, China, India, the Russian Federation, Chinese Taipei and Thailand need to provide all the required data and information as soon as possible regarding the PTA implemented by them. The representative of the United States in the 105th and 106th sessions had pointed out with concern that, for some PTAs, the Secretariat had been waiting for more than six years for the information and data, which reduced transparency for all Members.

Review Of Steps Taken to Provide Duty-Free and Quota-Free Market Access to Least Developed Countries

The representative of Chad in the 106th session had emphasized the importance of DFQF market access for the integration of LDCs into global trade. He indicated that DFQF market access was a key S&D provision in the MTS in favour of LDCs. In this respect, as per his suggestion, CTD needs to prepare a Secretariat study which can help in addressing relevant issues relating to DFQF market access for LDCs.

Members especially those who are LDCs will continue to express concerns regarding full market-access opportunities and ask the CTD to examine the utilization of preferences in order to better identify these difficulties and find solutions. Bangladesh in particular has shown concern regarding the decreased share of LDCs in the global exports despite the objective laid out in the 2030 Agenda for Sustainable Development to double the LDCs' share of global exports by 2020.

The language in the Bali DFQF can become a matter of contestation between Bangladesh and USA due to language used like "for LDCs", and not "the LDCs" or "all LDCs". DFQF needs to

become a priority of the developed countries and they also need to address the challenges faced by the developing countries regarding market-access. These issues stand to become a key priority in the upcoming CTD discussions.

Participation Of Developing Countries In The Multilateral Trading System

Members can look forward to the the development of quality statistics by the Secretariat to improve the coverage of the TiVA database, which would help generate additional information concerning the participation of developing economies in GVCs.



CUTS International, Geneva

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