



The Year in Review at the WTO and WCO

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2009 International Trade Update

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Brief Overview of WTO/WCO Activities During 2008

OUTLINE

I. World Trade Organization (WTO)

A. International Trade Statistics

- The WTO's *International Trade Statistics 2008* shows that, by the end of 2007, total world imports of merchandise and services reached 17.2 trillion dollars and total world exports of merchandise and services reached 17.3 trillion dollars.
- The growth rate of world trade declined in 2007 to 6% growth, down from 8.5% in 2006. The WTO attributed the decline to weakening demand in developed countries, exchange rate realignments, and fluctuations in the commodity prices (e.g., oil and gas).

B. Accessions – 2 New Members in 2008; 29 Countries in Accession Process

- Currently, 153 WTO Members
- Ukraine and Cape Verde became Members in 2008

C. Doha Round Negotiations

- Launched in December 2001.
- In 2008, efforts at the July mini-ministerial to achieve modalities in Agriculture and NAMA did not succeed.
- In December 2008, D-G Lamy did not recommend that Ministers reconvene to continue negotiations on Ag and NAMA modalities.

1. Agriculture

- In February and May 2008, the Chair issued revised draft modalities texts.
- On July 10, 2008, the Chair issued a newly revised draft modalities text, which was the basis for negotiations at the July mini-ministerial.
- On December 6, 2008, the Chair issued a new revised draft modalities text.

2. Non-Agricultural Market Access

- In February and May 2008, the Chair issued revised draft modalities texts.
- On July 10, 2008, the Chair issued a newly revised draft modalities text, which was the basis for negotiations at the July mini-ministerial.
- On December 6, 2008, the Chair issued a new revised draft modalities text.

3. Services

- Negotiations proceed on 2 tracks:
 - Bilateral and plurilateral (sectoral) request-offer negotiations; 71 initial offers and 31 revised offers submitted by end of June 2008).
 - Multilateral negotiations to establish rules and disciplines on services trade (i.e., domestic regulation, emergency safeguard measures, government procurement and subsidies). In April 2007, a draft text on domestic regulation was tabled but negotiations on the other three issues are not advanced.
- In May 2008, Chair issued a draft services negotiating text.
- On July 26, 2008, D-G Lamy convened a “signalling conference” for interested ministers. The conference covered virtually all major sectors and all four modes of services.

4. Rules

- Rules negotiations cover the AD and SCM Agreements, fisheries subsidies; and regional trade agreements.
- In November 2007, the Chair issued draft consolidated texts on anti-dumping and subsidies and countervailing measures, including fisheries subsidies.
- In May 2008, the Chair issued a working document (cover note and three annexes relating to anti-dumping, horizontal subsidies and fisheries subsidies).
- In December 2008, the Chair circulated new draft negotiating texts on anti-dumping and horizontal subsidies disciplines, and a conceptual “roadmap” on fisheries subsidies.

5. Trade facilitation

- Negotiations have proceeded on a bottom-up process based on Members' proposals.
- In July 2008, the Chair indicated that further negotiations to establish a text would continue on the basis of the compilation of proposals.

D. Aid for Trade

- Aid for Trade initiative was launched at the Hong Kong Ministerial Conference in December 2005.
- Aid-for-Trade aims to help developing countries, particularly LDCs, build the supply-side capacity and trade-related infrastructure needed to implement and benefit from WTO Agreements.
- The WTO Aid-for-Trade roadmap for 2008 featured national and sub-regional Aid-for-Trade reviews in Africa, Latin America and the Caribbean, and Asia and the Pacific.

E. Dispute Settlement

- 19 dispute settlement cases were initiated in 2008 by request for consultations.
- 4 of the 19 dispute settlement cases initiated in 2008 were resolved in 2008 by mutual agreement or withdrawal of the request for consultations.
- 7 dispute panels were established in 2008 (5 original; 2 Article 21.5).
- 13 panel reports were circulated in 2008 (10 original; 3 Article 21.5).
- 11 panel reports were adopted in 2008 (8 original; 3 Article 21.5).
- 13 panel reports were appealed to the Appellate Body in 2008 (10 original; 3 Article 21.5).
- 12 Appellate Body reports were circulated in 2008 (9 original; 3 Article 21.5).
- The 12 Appellate Body reports circulated in 2008 addressed 7 WTO Agreements.
- As of the end of 2008, the Appellate Body had circulated a total of 96 reports since 1996.
- The 96 Appellate Body reports have addressed 13 WTO agreements.

F. WTO Committee and Council Work

- The regular work of WTO Committees and Councils continued in 2008, although in some cases their workload may have been less robust due to the added workload of the ongoing Doha negotiations.
- Regular committee work included oversight of implementation issues, review of required notifications, and, where appropriate, the annual transitional review of China's implementation of its WTO commitments in accordance with Article 18 of China's Protocol of Accession.

G. Trade Policy Reviews – 17 Completed in 2008

H. Trade-Related Technical Assistance and Training

- Trade-related technical assistance (TRTA) and training is a core element of the development dimension of the WTO.
- In November 2007, the Committee on Trade and Development issued a *Biennial Technical Assistance And Training Plan - 2008–2009* (WT/COMTD/W/160, 2 November 2007), which sets out a schedule of technical assistance and training activities for 2008 and 2009.
- In 2008, the Biennial Plan scheduled hundreds of technical assistance and training activities in five categories: (1) General WTO-Related Technical Assistance and Training; (2) Specialized and Advanced Technical Assistance and Training; (3) Academic Support for Training and Capacity-Building; (4) Trainee Programmes and Internships; and (5) E-Learning Programmes.

II. World Customs Organization (WCO)

- Established in 1952 as the Customs Co-operation Council (CCC).
- Adopted current name in 1994.
- Headquartered in Brussels, Belgium.
- WCO is the only intergovernmental organisation exclusively focused on Customs matters.
- Membership: currently 174 members that collectively process approximately 98% of world trade.
- Governed by the WCO Council, and assisted by the WCO Secretariat and a range of technical and advisory committees.
- Current Secretary General: Kunio Mikuriya of Japan (2009-present).
- Current Council Chairperson: Martyn Dunne of New Zealand (2008-present).
- WCO has responsibilities in the following areas:

- Nomenclature (maintains Harmonized System; settles classification disputes; amends the HS every 4-6 years).
- Valuation (administers technical aspects of WTO Customs Valuation Agreement).
- Origin (WCO Technical Committee works with WTO ROO Committee on non-preferential rules of origin harmonization program).
- Enforcement and Compliance (assists customs enforcement through comprehensive technical assistance and training programs).
- Procedures and Facilitation (develops international standards covering all aspects of trade).
- The WCO Policy Commission acts as a dynamic steering group to the Council. The Policy Commission holds semi-annual meetings. Issues reviewed in the 2008 meetings of the Policy Commission included:
 - Security and Facilitation of Trade
 - WCO IPR Activities and Combating of Counterfeit and Pirated Goods
 - Customs in the 21st Century
 - Customs Capacity Building
 - Strategic Plan for 2008/2009 to 2010/2011
 - Trade Facilitation Negotiations at the WTO
 - Regional Trade Agreements and the Rules of Origin
 - Palestine's Involvement in the WCO
 - Global Financial Crisis

Brief Overview of WTO/WCO Activities During 2008

I. World Trade Organization (WTO)

A. International Trade Statistics

- Each year in November, the WTO publishes its International Trade Statistics report.
- The most recent report, *International Trade Statistics 2008*, provides a comprehensive overview of developments in world trade through 2007, including information on merchandise trade by product and trade in commercial services by category.
- By the end of 2007, total world imports of merchandise and services reached 17.2 trillion dollars and total world exports of merchandise and services reached 17.3 trillion dollars.

Merchandise Trade, 1997-2007 (Billion dollars)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Imports	5591.0	5501.0	5712.0	6456.0	6191.0	6492.0	7585.0	9220.0	10485.0	12113.0	13950.0
Exports	5739.0	5683.0	5921.0	6727.0	6485.0	6744.0	7863.0	9569.0	10857.0	12428.0	14244.0

Source: WTO, International Trade Statistic 2008 (at 179, Table A4).

Commercial Services Trade, 1997-2007 (Billion dollars)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Imports	1307.1	1340.4	1392.3	1478.4	1481.8	1593.8	1829.3	2209.9	2473.4	2777.9	3291.5
Exports	1282.9	1314.6	1362.1	1451.1	1470.0	1556.7	1777.1	2117.1	2350.8	2620.1	3085.9

Source: WTO, International Trade Statistic 2008 (at 180, Table A5).

Aggregate Merchandise and Services Trade, 1997-2007 (Billion dollars)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Imports	6898.1	6841.4	7104.3	7934.4	7672.8	8085.8	9414.3	11429.9	12958.4	14890.9	17241.5
Exports	7021.9	6997.6	7283.1	8178.1	7955	8300.7	9640.1	11686.1	13207.8	15048.1	17329.9

Source: WTO, International Trade Statistic 2008 (at 180, Tables A4 & A5).

- In terms of growth, world trade declined in 2007 to 6% growth, down from 8.5% in 2006. The WTO attributed this decline to “weakening demand in developed countries, realignments in exchange rates and fluctuations in the prices for commodities, such as oil and gas.”

Growth in the volume of world merchandise exports and production, 2000-2007 (Annual percentage change)

	2000-07	2005	2006	2007
World merchandise exports	5.5	6.5	8.5	6.0
Agricultural products	4.0	6.0	6.0	4.5
Fuels and mining products	3.5	3.5	3.5	3.0
Manufactures	6.5	7.5	10.0	7.5
World merchandise production	3.0	3.0	3.0	4.0
Agriculture	2.5	2.0	1.5	2.5
Mining	1.5	1.5	1.0	0.0
Manufacturing	3.0	4.0	4.0	5.0
World GDP	3.0	3.0	3.5	3.5

Source: WTO, International Trade Statistic 2008 (at 7, Table I-1).

B. Accessions – 2 New Members in 2008; 29 Countries in Accession Process

- In 2008, two countries acceded and became new WTO Members:
 - Ukraine became the 152nd Member on May 16, 2008.
 - Cape Verde became the 153rd Member on July 23, 2008.
- In 2008, a working party was established for Equatorial Guinea, and working party meetings were conducted concerning 9 countries seeking to become WTO members: Algeria; Azerbaijan; Bhutan; Ethiopia; Iraq; Laos; Montenegro; Serbia; and Yemen.

Summary Table of Ongoing Accessions

Country	Application	Working Party Established	Memorandum	First/Latest Working Party Meeting
Afghanistan	Nov 2004	Dec 2004		
Algeria	Jun 1987	Jun 1987	Jul 1996	Apr 1998/ Jan 2008
Andorra	Jul 1997	Oct 1997	Mar 1999	Oct 1999
Azerbaijan	Jun 1997	Jul 1997	Apr 1999	Jun 2002/ May 2008
Bahamas	May 2001	Jul 2001		
Belarus	Sep 1993	Oct 1993	Jan 1996	Jun 1997/May 2005
Bhutan	Sep 1999	Oct 1999	Feb 2003	Nov 2004/ Jan 2008
Bosnia and Herzegovina	May 1999	Jul 1999	Oct 2002	Nov 2003/Nov 2007
Comoros	Feb 2007	Oct 2007		
Equatorial Guinea	Feb 2007	Feb 2008		
Ethiopia	Jan 2003	Feb 2003	Jan 2007	May 2008
Iran	Jul 1996	May 2005		
Iraq	Sep 2004	Dec 2004	Sep 2005	May 2007/ April 2008
Kazakhstan	Jan 1996	Feb 1996	Sep 1996	Mar 1997/Nov 2006
Laos	Jul 1997	Feb 1998	Mar 2001	Oct 2004/ July 2008
Lebanon	Jan 1999	Apr 1999	Jun 2001	Oct 2002/May 2007
Liberia	Jun 2007	Dec 2007		
Libya	Jun 2004	Jul 2004		
Montenegro	Dec 2004	Feb 2005	Mar 2005	Oct 2005/ Feb 2008
Russian Federation	Jun 1993	Jun 1993	Mar 1994	Jul 1995/Mar 2006
Samoa	Apr 1998	Jul 1998	Feb 2000	Mar 2002
Sao Tome/Principe	Jan 2005	May 2005		
Serbia	Dec 2004	Feb 2005	Mar 2005	Oct 2005/ May 2008
Seychelles	May 1995	Jul 1995	Aug 1996	Feb 1997
Sudan	Oct 1994	Oct 1994	Jan 1999	Jul 2003/Mar 2004
Tajikistan	May 2001	Jul 2001	Feb 2003	Mar 2004/Oct 2006
Uzbekistan	Dec 1994	Dec 1994	Oct 1998	Jul 2002/Oct 2005
Vanuatu	Jul 1995	Jul 1995	Nov 1995	Jul 1996/Oct 1999
Yemen	Apr 2000	Jul 2000	Nov 2002	Nov 2004/ Oct 2008

Source: WTO; <http://www.wto.org>.

C. Doha Round Negotiations

- The Doha Round negotiations were launched in December 2001. In 2008, efforts to achieve agreement on modalities in the Agriculture and NAMA negotiations focused on the mini-ministerial meeting held in July 2008. The efforts in July, however, failed and convergence on Ag and NAMA modalities has not yet occurred.
- While meetings continue in all Doha negotiating areas, the following short overview is limited to five areas: agriculture; non-agricultural market access; services; rules; and trade facilitation. A Doha 2008 chronology is also presented below.

1. Agriculture

- In February and May 2008, the Chair issued revised draft modalities texts.
- On July 10, 2008, the Chair issued a newly revised draft modalities text, which was the basis for negotiations at the mini-ministerial that took place from July 21-30, 2008.
- The mini-ministerial attempted to reach an agreement on draft modalities, but negotiations broke down on the issue of the special safeguard mechanism.
- On December 6, 2008, the Chair issued a new revised draft modalities text.

Topic	Highlights of December 2008 Draft Ag Modalities Text
Domestic support	<ul style="list-style-type: none"> ● Overall trade distorting domestic support (Amber + de minimis + Blue). <ul style="list-style-type: none"> ○ EC (80% cut); US/Japan (70% cut); others (55% cut). ○ Downpayment -- immediate cut by US/EC/Japan (33%), other developed (25%). ○ Bigger cuts from some other developed countries (e.g., Japan) whose overall support is a larger % of production value. ○ Cuts made over 5 years (developed countries) or 8 years (developing). ● Amber Box (AMS). <ul style="list-style-type: none"> ○ EC (70% cut); US/Japan (60% cut); others (45% cut). ○ Bigger cuts from some other developed countries, such as Japan, Norway and Switzerland, whose AMS is larger % of production value. ○ Downpayment – immediate cut by EC/US/Japan (25%). ● Per product Amber Box support. <ul style="list-style-type: none"> ○ Cap is the average for notified support in 1995-2000; some variation for US/others. ● De minimis. <ul style="list-style-type: none"> ○ Developed countries – 50% cut (from 5% to 2.5% of production). ○ Developing countries -- two-thirds cut over 3 years (from 10% to 6.7% of production) (no cuts if mainly for subsistence/resource-poor farmers, etc.). ○ Applies to product-specific and non-product specific de minimis support. ● Blue Box (including “new” type). <ul style="list-style-type: none"> ○ Limited to 2.5% of production (developed), 5% (developing), with caps per product. ○ Modified flexibilities for more vulnerable countries. ● Green Box.

Topic	Highlights of December 2008 Draft Ag Modalities Text
	<ul style="list-style-type: none"> ○ Tighter criteria for developed countries (e.g., on decoupled income support). ○ Refines conditions for developing countries to intervene (e.g., food stockpiling or to fight hunger and rural poverty). ○ Tighter monitoring and surveillance.
Market access	<ul style="list-style-type: none"> ● Formula – tariff cuts according to formula; steeper cuts on higher tariffs. <ul style="list-style-type: none"> ○ Developed countries: tariffs below 20% (50% cut); tariffs above 75% (70% cut) (minimum average cut of 54%). ○ Developing countries: cuts in each tier would be two thirds of that for developed countries (maximum average cut of 36%). ● Flexibilities -- some products have smaller cuts: sensitive products (all countries), smaller tariff cuts may be offset by expanded tariff quotas; special products (for developing countries, for specific vulnerabilities) ● Contingencies -- developed countries will eliminate old “special safeguard” (for “tariffed” products); new “special safeguard mechanism” for developing countries.
Export competition	<ul style="list-style-type: none"> ● Export subsidies -- eliminated by end of 2013; half eliminated by end of 2010. ● Revised provisions on export credit, guarantees and insurance, international food aid, and exporting state trading enterprises.
<p>Source: WTO; http://www.wto.org/english/tratop_e/agric_e/ag_modals_dec08_e.htm.</p>	

2. Non-Agricultural Market Access

- In February and May 2008, the Chair issued revised draft NAMA modalities texts.
- On July 10, 2008, the Chair issued a newly revised draft NAMA modalities text, which was the basis for negotiations at the mini-ministerial that took place from July 21-30, 2008.
- The mini-ministerial attempted to reach an agreement on draft NAMA modalities, but the negotiations as a whole broke down on the issue of the special safeguard mechanism in the agriculture negotiations. The Chair noted that, while the July 2008 draft text was not a consensus text, convergence was achieved on a number of elements of the NAMA modalities. However, this convergence was conditional on agreement on a number of elements in the agriculture negotiations and the outcome of negotiations on other issues.
- On December 6, 2008, the Chair issued a new revised draft NAMA modalities text.

Topic	Highlights of December 2008 Draft NAMA Modalities Text
Formula	<ul style="list-style-type: none"> ● Swiss formula for tariff cuts on industrial products. ● Separate coefficients for developed and developing country Members. <ul style="list-style-type: none"> ○ Developed countries coefficient: 8. ○ Developing countries coefficients: 20, 22 and 25.

Topic	Highlights of December 2008 Draft NAMA Modalities Text
Flexibilities	<ul style="list-style-type: none"> • Developing country Members would have a choice of coefficients (20, 22 and 25) with varying flexibilities. • A lower coefficient means higher flexibilities; a higher coefficient means lower reductions in tariffs. • Coefficient of 20: <ul style="list-style-type: none"> ○ May make smaller or no cuts in 14% of most sensitive industrial tariff lines (but may not exceed 16% total value of NAMA imports) ○ These tariffs would be subject to cuts equal to half the agreed formula reduction. ○ Alternatively, may keep 6.5% of tariff lines unbound or excluded from tariff cuts (but may not exceed 7.5% of total value of NAMA imports). • Coefficient of 22: <ul style="list-style-type: none"> ○ May make smaller or no cuts in a smaller number of products: up to 10% of most sensitive industrial tariff lines (but may not exceed 10% of total value its NAMA imports). ○ These tariffs would be subject to cuts equal to half the agreed formula reduction. ○ Alternatively, may keep 5% of tariff lines unbound or excluded from tariff cuts (but may not exceed 5% of total value of NAMA imports). • Coefficient of 25: <ul style="list-style-type: none"> ○ Will apply to all products without exceptions. • Anti-concentration clause -- to avoid excluding entire sectors from tariff cuts, a minimum of 20% tariff lines or 9% of the value of imports in each tariff chapter would be subject to full formula tariff reduction.
Implementation Period	<ul style="list-style-type: none"> • Developed countries: 5 years • Developing countries: 10 years
Sectoral Initiative	<ul style="list-style-type: none"> • Sectoral negotiations would result in deeper tariff reductions (possibly to zero) in some non-agricultural sectors. • 14 sectors are currently under consideration: Automotive and related parts; Bicycles and related parts; Chemicals; Electronics/Electrical products; Fish and Fish products; Forestry products; Gems and Jewellery products; Raw materials; Sports equipment; Healthcare, pharmaceutical and medical devices; Hand tools; Toys; Textiles, clothing and footwear; and Industrial machinery. • Participation in the sectoral initiative is voluntary, but some Members want a commitment by others to participate as a way to balance the overall ambition. There is still no consensus on this issue. • In order for a sectoral initiative to progress, negotiations need to reach a "critical mass" of countries joining the initiative. • After the adoption of the modalities, Members would have 45 days to indicate whether they want to participate in the sectoral negotiations.
Recently-acceded Members (RAMs)	<ul style="list-style-type: none"> • RAMs not required to make tariff reductions beyond their accession commitments: Albania, Armenia, Cape Verde, Macedonia, Kyrgyz Republic Moldova, Mongolia, Saudi Arabia, Tonga, Viet Nam, and Ukraine. • RAMs that would be subject to the formula but would have an extended implementation period of 3 years to phase in Doha commitments: China, Taiwan, and Croatia.
Modalities for	<ul style="list-style-type: none"> • Least-developed countries (LDCs) are exempt from tariff reductions.

Topic	Highlights of December 2008 Draft NAMA Modalities Text
Other Developing Members	<ul style="list-style-type: none"> • Special provisions for approximately 31 small and vulnerable economies (SVEs) and for 12 developing countries with low levels of binding. • Preference erosion: <ul style="list-style-type: none"> ○ Provisions for Members with preferential access to developed country markets who would see preferences erode due to overall tariff reductions. ○ Provisions for other developing Members without preferential access who would be disproportionately affected preference erosion provisions.
Non-Tariff Barriers (NTBs)	<ul style="list-style-type: none"> • NTBs are import-restrictive measures unrelated to tariffs. • The Chair’s text compiles proposed legal texts submitted by Members, but whether to move forward to a text-based negotiation on NTBs must await final modalities.
<p>Source: WTO; http://www.wto.org/english/tratop_e/markacc_e/guide_dec08_e.htm.</p>	

3. Services

- Negotiations have proceeded on two tracks:
 - Bilateral and plurilateral (sectoral) request-offer negotiations; as the end of June 2008, 71 initial offers and 31 revised offers had been submitted.
 - Multilateral negotiations to establish any necessary rules and disciplines on services trade (i.e., domestic regulation, emergency safeguard measures, government procurement and subsidies). In April 2007, the Chair of the Working Party on Domestic Regulation tabled a draft text but the negotiations on the three other issues (emergency safeguards, government procurement and subsidies) are not far advanced.

- In May 2008, Chair issued a draft services negotiating text. Based on consultations conducted by the Chair, the draft addressed issues such as participants' level of ambition, the willingness to bind existing and improved levels of market access and national treatment, and made specific reference to Modes 1 (cross-border supply) and 4 (temporary presence of natural persons) regarding the treatment of sectors and modes of supply of export interest to developing countries.

- On July 26, 2008, D-G Lamy, as Chair of the Trade Negotiations Committee (TNC), convened a “signalling conference” for interested ministers. Participants from 32 WTO Members were given the opportunity to exchange indications on how their current services offers might be improved in response to requests received. D-G Lamy reported to the TNC on the outcome of the signalling conference (JOB(08)/93, 30 July 2008):
 - The conference covered “virtually all major sectors,” including business services, postal and courier services, telecommunication services, audiovisual services, construction and related engineering services, distribution services, private education services, environmental services, financial services, health services, tourism and travel-related services, transport services, and energy services.

- All four modes of services “were regularly referred to, often in different sectoral contexts, but also in their own right.”
- A number of participants “acknowledged the need to clarify, reduce or remove economic needs tests, and to act accordingly.”
- There were “expressions of willingness to close the gap between applied regimes and existing commitments in a number of sectors,” as well as “several signals that involved new market opening beyond status quo conditions.”
- “In the aspirations expressed by participants, the creation of effective disciplines on domestic regulation played an important role.”
- “It was understood that, while the signals exchanged were important in measuring progress, they would not represent the final outcome of the negotiations. They would instead provide comfort to Members by reflecting real progress in the services negotiations.”

4. Rules

- Rules negotiations concern the Anti-dumping Agreement and the Agreement on Subsidies and Countervailing Measures (clarifying and improving their disciplines while preserving their basic, concepts, and principles); WTO disciplines on fisheries subsidies; and WTO provisions applying to regional trade agreements.
- In November 2007, the Chair issued draft consolidated texts on anti-dumping and subsidies and countervailing measures, including fisheries subsidies.
- In May 2008, the Chair issued a working document in the form of a cover note and three annexes relating to anti-dumping, horizontal subsidies and fisheries subsidies. It sought to reflect Members’ reactions to the Chair’s first draft texts and to identify changes suggested by Members.
- In December 2008, indicating that negotiations needed to move from the Chair's texts to draft texts based on a gradually emerging consensus reflecting a new, bottom-up approach, the Chair circulated new draft negotiating texts on anti-dumping and horizontal subsidies disciplines, and a conceptual “roadmap” on fisheries subsidies. The Chair stated that the texts provide draft legal language only where some degree of convergence appears to exist. In other areas, the Chair has bracketed issues and provided a brief summary of the range of Members’ views.
- The Chair stated that the new draft negotiating texts are intended to provide a platform for further discussions in a series of meetings scheduled for 2009.

5. Trade facilitation

- Negotiations on trade facilitation aim at clarifying and improving Articles V, VIII and X of the GATT 1994 with a view to further expediting the movement, release and clearance of goods, including goods in transit. In addition, negotiations are intend to enhance technical assistance and support for capacity building in trade facilitation and customs compliance.
- Negotiations have proceeded on a bottom-up process based on Members’ proposals.
- In July 2008, the Chair indicated that further negotiations to establish a text would continue on the basis of the compilation of proposals.

Date	Doha Round Chronology - 2008
January 4	Agriculture Chair Falconer issued 8 new working documents on market access: Market access - recently acceded members (RAMs); Special Products; Special agricultural safeguard (SSG); Tariff quotas; Tariff simplification; Tariff escalation; Sensitive products; Tiered formula for tariff reductions.
February 5	Director-General Lamy reported to the General Council: “We are on the last lap and we have now started the final sprint towards establishing modalities.” “I think we have a broad agreement on the urgency of what we are doing, and on the basic steps we need to take to reach a deal.”
February 8	Agriculture Chair Falconer and non-agricultural market access (NAMA) Chair Stephenson circulated their latest draft “modalities.” The two documents are revisions of drafts previously circulated in July 2007 and are based on WTO Members’ latest positions since September 2007. The two documents reflect the chairs’ assessment of what might be agreed to as formulas for cutting tariffs and trade-distorting agricultural subsidies, and related provisions.
March 10/14	<p>Informal agriculture negotiations meetings of the full membership were held on March 10 and 14. The March 10 meeting was held to assess progress in consultations in the previous week and to decide what to do next. Members asked for more time to see what develops, and the chairperson reconvened the meeting on March 14 to hear their comments.</p> <p>Chair Falconer indicated that Intensive consultations among a group of importing and exporting countries would be allowed to continue for a few more days in an effort to achieve a breakthrough that would also allow progress in the agriculture talks as a whole.</p> <p>By March 31 or earlier Chair Falconer will reconvene multilateral talks so that representatives of the full membership can negotiate the outcome and continue with other major issues, leading to a revised draft blueprint of the final deal.</p>
April 12-13	<p>Speaking before the International Monetary and Financial Committee, D-G Lamy urged financial leaders to push “now” for the conclusion of the Doha Round. He said: “I am completely convinced that we have it within our means, politically and technically, to finish the Doha Round this year. To do so, the first step we need is for WTO Member governments to agree at Ministerial level by the end of May on the framework for cutting agricultural tariffs, agricultural subsidies and industrial tariffs.”</p> <p>Speaking to the World Bank-IMF Development Committee, D-G Lamy focused on the “importance of the Doha Round to rebalance the world trading system in favour of developing countries.”</p>

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Date	Doha Round Chronology - 2008
April 14	NAMA Chair Stephenson said at a meeting of WTO members on 14 April that “people are getting ready for a real negotiation” after months of “positioning.” Noting concerns about lack of progress in the structure of his modalities text, he said that NAMA “desperately needs a Senior Official level discussion before there is one with Ministers.” He also said that an outcome is within reach.
April 15/18	An informal agriculture negotiations meeting of the full membership was held on April 15 and resumed on April. 18. WTO agriculture negotiators asked Chair Falconer for at least a week more to build upon the progress made in their recent consultations on sensitive products, tropical products and long-standing preferences. Chair Falconer tentatively proposed April 30 as the date for hearing the results of their consultations.
April 17	D-G Lamy signals start of “horizontal process” in negotiations. D-G Lamy said at an informal meeting of the Trade Negotiations Committee that “time is coming soon to take our work to a higher level and to begin drawing together the threads both within and across the two modalities issues (agriculture and industrial tariffs) as mandated in Hong Kong.” He said the “horizontal process will start at Senior Official level, in order to prepare properly for the Ministerial involvement which is likely to be needed at a later stage.”
April 30	At an informal agriculture negotiations meeting of the full membership, Chair Falconer accepted some members’ renewed request for more time before he produces another revision of the draft “modalities,” the blueprint for the final deal. He scheduled more meetings on May 8-9 to discuss the latest proposal on “sensitive products,” assess progress in tropical and preference products, and decide what to do next. As a result, the next revision would not be circulated before the week of May 12. The tight schedule represents a compromise between members wanting longer and those who do not want to wait any more, and reflects the time pressure all are under.
May 7	D-G Lamy reported to the General Council that “the reasons why we must conclude the Round this year are visible to all of us and they are becoming more critical by the day.” He said “the WTO can provide part of the solution” to the current food crisis, “which is why it can, and must, play its full part in this vital effort.”
May 9	At an informal agriculture negotiations meeting of the full membership, Chair Falconer announced his intention to produce the next revised draft “modalities” text at the end of the week of May 12 or the beginning of the week after. He said this text’s status will be no different from previous versions — it will represent the latest situation, reflecting progress since the February 8 draft. He said that after the text is circulated, members will have about a week to digest it and then they will discuss it within the agriculture negotiations.
May 19	The chairs of the Ag and NAMA negotiations issued revised draft “modalities.” The two documents are revisions of drafts previously circulated in July 2007 and February 2008.
May 20	D-G Lamy said that the revised Ag and NAMA negotiating documents provide a platform for intensified work in the coming weeks.
May 26	The chair of the services negotiations issued his report on the elements required for the completion of the services negotiations. The report is based on consultations with, and written comments by, delegations. An annex to the report contains a draft services text that WTO members, after further discussion, could adopt.
May 26	At an informal agriculture negotiations meeting of the full membership, negotiations focused on the latest revised draft “modalities.” Chair Falconer said a smaller group of 37 delegations representing all coalitions and major players would continue to negotiate during the week as members try to narrow their differences further.

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May 27	NAMA Chair Stephenson said that members should try to reach preliminary agreement on some parts of his revised modalities text to get it ready for ministers to negotiate. He also said it was time to remove brackets (sections on which there is no agreement yet) and to add or take things out of the text for members to make progress.
May 28	Rules Chair issued a working document regarding the rules negotiations. The document was in the form of a cover note and three annexes relating to anti-dumping, horizontal subsidies and fisheries subsidies. The document sought to convey in detail the full spectrum and intensity of the reactions to the Chair's first draft texts and, to the extent possible, to identify the many suggested changes put forward by delegations. The Chair acknowledged sharply conflicting views on most of the issues reflected in the texts.
May 29	D-G Lamy expressed the hope that a ministerial gathering could be held at the end of June to finalize modalities in agriculture and industrial goods.
June 2	After a week of consultations with no progress, NAMA Chair suspended meetings of the Group until members achieve some convergence.
June 3	At an informal agriculture negotiations meeting of the full membership, Chair Falconer indicated that negotiators had clarified some points and shown willingness to sort out differences. He said that progress had been "incremental" and that another meeting would be held the week of June 9. He said the objective was to sort out technical differences and simplify political options as members prepare for upcoming negotiations combining agriculture with non-agricultural market access and other subjects.
June 3	D-G Lamy, speaking to the High-Level Conference on World Food Security, said that Doha Round could ease the world food crisis.
June 5	D-G Lamy, speaking at the OECD Ministerial Council Meeting, announced the start of "intensive engagement by senior officials" in Geneva. He said the severe worsening of the economic climate, high commodity prices, and the "technical maturity" of the Doha negotiations seem to be moving WTO members to the "moment of truth."
June 9	Ambassador Manzoor Ahmad, chair of the negotiations on creating a system for registering geographical indications for wines and spirits, issued his report on the latest state of play in the talks. At the same time, D-G Lamy issued a report on his consultations on whether to extend enhanced protection for geographical indications beyond wines and spirits, and on patents and biodiversity.
June 27	At an informal meeting of the Trade Negotiations Committee, D-G Lamy urged "maximum effort from everyone over the next weeks" to ensure a productive meeting of a number of ministers scheduled for the week of July 21. D-G Lamy stated that in order to conclude the Round by the end of 2008, modalities in Agriculture and NAMA needed to in place by the end of July. The immediate focus would be to create convergence on Agriculture and NAMA so that the Chairs can prepare texts for ministerial consideration, either with areas where full convergence has been achieved, or with straight choices for Ministers.
July 7	At an informal agriculture negotiations meeting of the full membership, Chair Falconer said consultations had been constructive and that he would circulate a streamlined revised text about July 9-10. He said that, on a number of issues, the text would present simpler choices for political decisions when a group of ministers meet on July 21.
July 8	NAMA Chair Stephenson said he had achieved "some success" in recent consultations but regretted there were still too many issues unresolved.
July 10	The latest revisions (third draft) of the Ag and NAMA modalities texts are issued. They are

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	the result of the latest discussions and will be the focus of talks when a representative group of ministers meet in Geneva from July 21.
July 10	D-G Lamy said the revised Ag and NAMA negotiating texts prepared the ground for future negotiations and illustrated clearly where progress among WTO Members has been made and where differences need to be bridged.
July 14	Rules Chair sent a fax to all participants outlining his views as to how the Rules negotiations could proceed in the period after the establishment of modalities in agriculture and NAMA.
July 16	At a meeting with members, NAMA Chair heard reactions to his third revision of the NAMA modalities text. He said his document is still ready for changes if members reach convergence in the forthcoming days before final submission to ministers.
July 17	At a meeting of the full membership, Ag Chair Falconer indicated that further modifications to the latest agriculture draft text, in the form of corrections, were possible before the mini-ministerial on July 21, but only if members made more progress in small-group consultations.
July 21	<p>Mini-ministerial at Geneva – Day 1.</p> <p>D-G Lamy said that this was the “start of an intensive process of meetings” whose objective was “to prepare the formal establishment of modalities in Agriculture and NAMA while providing assurance that other issues are also advancing within the Single Undertaking, including through holding a Signalling Conference on services.”</p> <p>Ministers said a deal was badly needed because of economic uncertainties and they promised to work to settle differences on blueprint agreements — “modalities” — in agriculture and industrial products, provided the outcome is balanced.</p>
July 22	<p>Mini-ministerial at Geneva – Day 2.</p> <p>D-G Lamy said that “Green Room” talks among a representative group of ministers produced no new ideas, but provided a clearer understanding of key issues and constraints. He said that consultations would move into detailed work on both agriculture and non-agricultural market access and begin discussing possible solutions to the outstanding issues.</p> <p>In Agriculture, discussions addressed the following six key elements:</p> <p>(1) Overall Trade-distorting Domestic Support (OTDS) for developed countries, including AMS and Blue Box; (2) Cotton; (3) Market access formula for developed countries; (4) Sensitive products (number and quota expansion); (5) Special products; and (6) Special Safeguard Mechanism.</p> <p>In NAMA, three issues were addressed:</p> <p>(1) Formula and Flexibilities; (2) Anti-concentration; and (3) Sectorals.</p>
July 23	<p>Mini-ministerial at Geneva – Day 3.</p> <p>D-G Lamy said that two days of “Green Room” talks had been constructive but discussions in smaller groups were needed to intensify the negotiations. He said the smaller groups would discuss a series of agriculture and industrial products topics and involving three key ambassadors: Ag Chair Falconer, NAMA Chair Stephenson and General Council Chair Bruce Gosper. He described these arrangements as “variable geometry.”</p> <p>Also, Norwegian Foreign Minister Støre would coordinate discussion on three intellectual property issues: the multilateral register for wines’ and spirits’ geographical indications, extending higher level geographical indications protection beyond wines and spirits, and proposals to require patent applicants to disclose the origin of genetic material and</p>

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	traditional knowledge — formally the relationship between the WTO Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement and the UN Convention on Biological Diversity (CBD).
July 24	<p>Mini-ministerial at Geneva – Day 4.</p> <p>D-G Lamy said that a group of seven ministers from Australia, Brazil, China, the EU, India, Japan, and the US engaged in lengthy negotiations but remained far apart on some key issues.</p>
July 25	<p>Mini-ministerial at Geneva – Day 5.</p> <p>Meetings of the seven ministers and of the larger representative group (Green Room meetings of about 30 ministers) continued. D-G Lamy said that some convergences had been recorded but progress remained painfully slow after four days of Ministerial-level negotiation.</p> <p>Status of negotiations:</p> <p><u>Agriculture:</u></p> <ul style="list-style-type: none"> ■ Members agreed to work within the ranges of numbers in the draft modalities text but with serious differences between the low and high ends of many of these ranges. ■ No convergence on limits on overall trade distorting domestic support for EU & US. ■ Convergence on a 70% cut in the highest (“top tier”) agricultural tariffs for developed countries, but not on tariffs ending up higher than 100% (the present drafts envisages some kind of cap on tariffs at 100%, with some exceptions). ■ Some convergence on the number of products that could be designated as sensitive (and shielded from the full cut of the tariff formula provided some access at a lower tariff is allowed within a tariff quota), but division remained on the size of the tariff quota, which will be a percentage of domestic consumption. ■ No convergence on the number of special products developing countries can identify and shield from the tariff cutting formula and on the question of whether any of these could totally escape cuts. ■ Re new “special safeguard mechanism,” some ideas were floated and were being discussed in consultations with Ag Chair Falconer. ■ There were signs of flexibility on the present “special safeguard” (which all members can use and some want to be scrapped). <p><u>NAMA:</u></p> <ul style="list-style-type: none"> ■ Limited progress in narrowing the ranges of numbers in the formula and related flexibilities. ■ Re anti-concentration clause (proposal to prevent entire sector from being shielded from cuts), there was discussion about possible references to the numbers of products countries have defined for customs purposes (“national tariff lines”) and the value of trade, and the possibility of excluding sectors with only a small number of products. ■ Re “sectorals” (free or freer trade in a sector), there was discussion of wording designed to ensure this is voluntary and at the same time workable. ■ Other issues discussed: provisions for preferences for small and vulnerable economies and for Venezuela. <p><u>Intellectual property:</u></p> <ul style="list-style-type: none"> ■ On the multilateral register, the main difference is in the technical question of the register’s legal effect. ■ On the extension of higher-level geographical indications protection, the difference is over the main substance of the issue. ■ On the “disclosure” question members recognize the underlying concerns.

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July 26	<p>Mini-ministerial at Geneva – Day 6.</p> <p>A “a package of elements” on agriculture and NAMA, containing a new set of proposed compromise numbers on key issues was circulated to WTO members. The package of issues consisted of the following:</p> <p><u>Agriculture issues:</u></p> <ul style="list-style-type: none"> ■ US and EU cuts in overall trade-distorting domestic support, cuts in developed countries’ highest tariffs; ■ maximum tariffs for developed countries’ non-sensitive products, ■ how many sensitive products and the size of quotas with lower tariffs for these products; ■ developing countries’ special products, including how many, the size of the cuts and whether some would escape cuts completely; ■ the new special safeguard mechanism for developing countries, including whether in some cases the raised tariff could go above present legally bound maximums; ■ whether the present special safeguard should be phased out. <p><u>NAMA issues:</u></p> <ul style="list-style-type: none"> ■ the tariff-cutting formula and variations (or “flexibilities”) for developing countries; ■ provisions that would prevent entire sectors from being shielded from tariff cuts; ■ wording on provisions for free or freer trade in entire sectors. <p>Reaction to the new package was mixed. Some members urged acceptance and others said it was an acceptable starting point for further negotiation. One of the issues most noted was the new special safeguard mechanism for developing countries, particularly in that it would raise tariffs above Uruguay Round legally-bound maximums.</p> <p>In addition, participants from 32 WTO members participated in services signalling conference on market access issues. This was an opportunity to exchange indications on their own new and improved services commitments as well as the contributions expected from others. Many major sectors were covered, including financial services, telecommunications, transport, a range of professional services, and environmental services.</p>
July 27-28	<p>Mini-ministerial at Geneva – Days 7-8.</p> <p>D-G Lamy said that talks over the past few days had produced “a very high level of convergence on many issues” and these would be included in revised agriculture and NAMA texts to be circulated later. The discussion of the previous two days had focused on issues other than those in the package of issues, including:</p> <p><u>Agriculture issues on which there was progress:</u></p> <ul style="list-style-type: none"> ■ Tropical products ■ Preference erosion ■ Least-developed countries ■ Sensitive products for developing countries ■ Present special safeguard (SSG) ■ In-quota tariffs ■ Overall trade-distorting domestic support for developing countries ■ Blue Box support per product ■ Export prohibitions and restrictions ■ Tariff-quota “underfill mechanism” ■ Export subsidies and other export competition issues <p><u>Agriculture issues that still need political solution:</u></p> <ul style="list-style-type: none"> ■ Cotton ■ Creation of new tariff-rate quotas (which would determine which products can be

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	<p>called “sensitive” since these products have to have tariff quotas)</p> <ul style="list-style-type: none"> ■ Tariff simplification <p><u>NAMA issues on which there was progress:</u></p> <ul style="list-style-type: none"> ■ Duty-free quota-free market access for least-developed countries ■ Non-reciprocal preferences ■ Various countries’ specific concerns (Bolivia; Mongolia; South Africa; Venezuela; Oman and the Gulf Cooperation Council) ■ Sectoral liberalization ■ Small and vulnerable economies ■ Product coverage ■ Recent new members
July 29	<p>Mini-ministerial at Geneva – Day 9.</p> <p>D-G Lamy said that ministers had failed to agree on blueprint agreements in agriculture and NAMA. Out of a “to-do list” of 20 topics, 18 had seen convergence but that members could not narrow the gaps on the 19th — the special safeguard mechanism in farm products for developing countries, which would allow developing countries to raise tariffs temporarily in order to deal with import surges and price falls.</p> <p>The roadblock on the SSM was that some members wanted a high “trigger” (a large import surge needed to trigger the tariff increase) in order to avoid the safeguard being triggered by normal trade growth, while other members wanted a lower trigger so that the safeguard could be easier to use and more useful. D-G Lamy said the differences were irreconcilable.</p>
July 30	<p>Mini-ministerial at Geneva – Day 10.</p> <p>Members urged that, despite the collapse of the talks, settled issues should be preserved and work should continue.</p> <p>D-G Lamy, speaking to a formal meeting of the Trade Negotiations Committee, summarized the mini-ministerial meeting:</p> <p>“Much has been achieved this week. We were very close to finalizing modalities in Agriculture and NAMA. A very few issues, which had not been there, led us not to establish modalities, but a huge amount of problems which had remained intractable for years have found solutions. Negotiators have been prepared to reach out beyond their entrenched positions and seek compromise, which they did. However, . . . we were not able to find convergence in the area of the Special Safeguard Mechanism. And we did not even get around to discussing Cotton. As a result we have not been able to establish the Agriculture and NAMA modalities this week.”</p>
August 11	<p>Ag Chair Falconer submitted his report on the July 2008 “package” talks to the Trade Negotiations Committee.</p>
August 12	<p>NAMA Chair Stephenson submitted his report on the July 2008 “package” talks to the Trade Negotiations Committee.</p>
September 16	<p>D-G Lamy said that “depending on progress made by the negotiators,” he was “ready to call Ministers to Geneva to try and close the issues which remain open.”</p>
October 1	<p>Ag Chair said he would hold consultations with various groups over the next two weeks. The meetings would include private consultations, meetings of about 36 representative delegations, and full membership meetings.</p>
October 2	<p>Switzerland Ambassador Wasescha became chair of the NAMA Negotiating Group.</p>

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October 15	Although positions had not changed, Ag Chair Falconer said that consultations nicknamed “walks in the woods” had allowed negotiators to explore ideas and understand each others’ concerns on six deadlocked issues: tariff quota creation; tariff simplification; Green Box provisions regarding food stockpiling and domestic food aid; sensitive products; special safeguard mechanism; and cotton.
October 22	NAMA Chair Wasescha said that he had been engaging in consultations with 47 members and that he planned intensive negotiations starting next week.
November 17	Ag Chair Falconer said that negotiators need to show changed positions in order to fulfil the recent Washington summit’s pledge on the Doha Round.
November 21	Ag Chair Falconer said that a week of consultations had confirmed some unwritten understandings but that no new meaningful flexibilities had emerged.
November 28	Ag Chair Falconer said that consultations on a range of issues had shown some progress but had not reached “closure.”
December 2	NAMA Chair Wasescha said he would prepare a new modalities text, and asked for further flexibility from Members.
December 6	The latest revisions (4 th) of the draft Ag and NAMA modalities texts were issued.
December 12	D-G Lamy said that he would not recommended that ministers reconvene “to finalize modalities by the end of the year.” He said that after a week of intensive consultations, he had not “detected the political drive” for a final push towards agreement. He noted in particular that substantive gaps remained in three key areas — sectorals, SSM and cotton.
Source: WTO; http://www.wto.org.	

D. Aid for Trade

- Aid for Trade initiative was launched at the Hong Kong Ministerial Conference in December 2005. The Hong Kong Declaration created a new WTO work programme on Aid-for-Trade with the aim to help developing countries, particularly least-developed countries, to build the supply-side capacity and trade-related infrastructure that they need to assist them to implement and benefit from WTO Agreements and more broadly to expand their trade. It is intended to complement, not be a substitute for, the development benefits that will result from a successful conclusion to the Doha Round.
- The Director-General has consulted with partner institutions, including UN agencies, the World Bank, the IMF, and the regional development banks, on securing additional financial resources
- A Task Force recommended that Aid for Trade should focus on identifying the needs within recipient countries, responding to donors and acting as a bridge between donors and developing countries.

- The WTO established a monitoring body to undertake a periodic global review based on reports from a variety of stakeholders.
- Monitoring and evaluation of Aid-for-Trade takes place on three levels:
 - (1) global monitoring, carried out by the OECD;
 - (2) donor monitoring, in the form of self-evaluations;
 - (3) country- and region-based monitoring, also in the form of self-assessments.
- The WTO Aid-for-Trade roadmap for 2008 featured national and sub-regional Aid-for-Trade reviews in Africa, Latin America and the Caribbean, and Asia and the Pacific.

E. Dispute Settlement

- 19 dispute settlement cases were initiated in 2008 by request for consultations.

WTO Dispute Settlement Cases Initiated in 2008

No.	Country & Subject	Complainant	Request Consultations
DS388	<i>China — Grants, Loans and Other Incentives</i>	Mexico	19 Dec 2008
DS387	<i>China — Grants, Loans and Other Incentives</i>	US	19 Dec 2008
DS386	<i>US — Certain Country of Origin Labelling Requirements</i>	Mexico	17 Dec 2008
DS385	<i>EC — Expiry Reviews of AD and CV Duties Imposed on Imports of PET from India</i>	India	4 Dec 2008
DS384	<i>US — Certain Country of Origin Labelling (Cool) Requirements</i>	Canada	1 Dec 2008
DS383	<i>US — AD Measures on Polyethylene Retail Carrier Bags from Thailand</i>	Thailand	26 Nov 2008
DS382	<i>US — AD Administrative Reviews and Other Measures Related to Imports of Certain Orange Juice from Brazil</i>	Brazil	27 Nov 2008
DS381	<i>US — Measures Concerning the Importation, Marketing and Sale of Tuna and Tuna Products</i>	Mexico	24 Oct 2008
DS380	<i>India — Certain Taxes and Other Measures on Imported Wines and Spirits</i>	EC	22 Sep 2008
DS379	<i>US — Definitive AD/CV Duties on Certain Products from China</i>	China	19 Sep 2008
DS378	<i>China — Measures Affecting Financial Information Services and Foreign Financial Information Suppliers</i>	Canada	20 Jun 2008
DS377	<i>EC— Tariff Treatment of Certain IT Products</i>	Taiwan	12 Jun 2008
DS376	<i>EC— Tariff Treatment of Certain IT Products</i>	Japan	28 May 2008
DS375	<i>EC— Tariff Treatment of Certain IT Products</i>	US	28 May 2008
DS374	<i>South Africa — AD Measures on Uncoated Woodfree Paper</i>	Indonesia	9 May 2008
DS373	<i>China — Measures Affecting Financial Information Services and Foreign Financial Information Suppliers</i>	US	3 Mar 2008
DS372	<i>China — Measures Affecting Financial Information Services and Foreign Financial Information Suppliers</i>	EC	3 Mar 2008
DS371	<i>Thailand — Customs and Fiscal Measures on Cigarettes from the Philippines</i>	Philippines	7 Feb 2008
DS370	<i>Thailand — Customs Valuation of Certain Products from the European Communities</i>	EC	25 Jan 2008
Source: WTO; http://www.wto.org.			

- 4 of the 19 dispute settlement cases initiated in 2008 were resolved in 2008 by mutual agreement or withdrawal of the request for consultations.

Disputes Initiated and Resolved in 2008

No.	Country & Subject	Form of Resolution	Resolution Date
DS378	<i>China — Measures Affecting Financial Information Services and Foreign Financial Information Suppliers</i>	Canada & China Memorandum of Understanding	4 Dec 2008
DS374	<i>South Africa — AD Measures on Uncoated Woodfree Paper</i>	AD measures terminated; Indonesia withdrew request for consultations	20 Nov 2008
DS373	<i>China — Measures Affecting Financial Information Services and Foreign Financial Information Suppliers</i>	US & China Memorandum of Understanding	4 Dec 2008
DS372	<i>China — Measures Affecting Financial Information Services and Foreign Financial Information Suppliers</i>	EC & China Memorandum of Understanding	4 Dec 2008
Source: WTO; http://www.wto.org.			

- 7 dispute panels were established in 2008.
 - 5 original proceedings.
 - 2 Article 21.5 proceedings.

WTO Dispute Panels Established in 2008

No.	Country & Subject	Complainant	Panel Established
DS367	<i>Australia — Measures Affecting the Importation of Apples from New Zealand</i>	New Zealand	21 Jan 2008
DS377	<i>EC— Tariff Treatment of Certain IT Products</i>	Taiwan	23 Sep 2008
DS376	<i>EC— Tariff Treatment of Certain IT Products</i>	Japan	23 Sep 2008
DS375	<i>EC— Tariff Treatment of Certain IT Products</i>	US	23 Sep 2008
DS371	<i>Thailand — Customs and Fiscal Measures on Cigarettes from the Philippines</i>	Philippines	17 Nov 2008
Source: WTO; http://www.wto.org.			

Article 21.5 Panels Established in 2008

No.	Country & Subject	Complainant	Referred to Original Panel
DS322	<i>United States – Measures Relating to Zeroing And Sunset Reviews - Recourse to Article 21.5 of the DSU by Japan</i>	Japan	18 Apr 2008
DS336	<i>Japan – Countervailing Duties on Dynamic Random Access Memories from Korea – Recourse by Korea to Article 21.5 of the DSU</i>	Korea	23 Sep 2008
Source: WTO; http://www.wto.org.			

- 13 panel reports were circulated in 2008.
 - 10 original panel reports.
 - 3 Article 21.5 panel reports.
- 11 panel reports were adopted in 2008.
 - 8 original panel reports.
 - 3 Article 21.5 panel reports.

Panel Reports Circulated and/or Adopted in 2008

Dispute	Panel Established	Panel Report Circulated	Panel Report Adopted
<i>EC – AD Measure on Farmed Salmon from Norway</i>	22 Jun 2006 Norway WT/DS337	16 Nov 2007 WT/DS337/R	15 Jan 2008 WT/DS337/6
<i>US – Final AD Measures on Stainless Steel from Mexico</i>	21 Oct 2006 Mexico WT/DS344	20 Dec 2007 WT/DS344/R	20 May 2008 WT/DS344/10
<i>US – Measures Relating to Shrimp from Thailand</i>	26 Oct 2006 Thailand WT/DS343	29 Feb 2008 WT/DS343/R	1 Aug 2008 WT/DS343/14
<i>US – Customs Bond Directive for Merchandise Subject to AD/CV Duties</i>	21 Nov 2006 India WT/DS345	29 Feb 2008 WT/DS345/R	1 Aug 2008 WT/DS345/13
<i>US – Continued Suspension of Obligations in the EC – Hormones Dispute</i>	17 Feb 2005 EC WT/DS320	31 Mar 2008 WT/DS320/R	14 Nov 2008 WT/DS320/18
<i>Canada – Continued Suspension of Obligations in the EC – Hormones Dispute</i>	17 Feb 2005 EC WT/DS321	31 Mar 2008 WT/DS321/R	14 Nov 2008 WT/DS320/18
<i>India – Additional and Extra-Additional Duties on Imports from the US</i>	20 Jun 2007 US WT/DS360	9 Jun 2008 WT/DS360/R	17 Nov 2008 WT/DS360/12
<i>China – Measures Affecting Imports of Automobile Parts</i>	26 Oct 2006 EC WT/DS339	18 July 2008 WT/DS339/R and Add.1 & 2	12 Jan 2009 WT/DS339/14
<i>China – Measures Affecting Imports of Automobile Parts</i>	26 Oct 2006 US WT/DS340	18 July 2008 WT/DS340/R and Add.1 & 2	12 Jan 2009 WT/DS340/14
<i>China – Measures Affecting Imports of Automobile Parts</i>	26 Oct 2006 Canada WT/DS342	18 July 2008 WT/DS342/R and Add.1 & 2	12 Jan 2009 WT/DS342/14
<i>Mexico – Definitive CV Measures on Olive Oil from the EC</i>	23 Jan 2007 EC WT/DS341	4 Sep 2008 WT/DS341/R	21 Oct 2008 WT/DS341/5
<i>US – Continued Existence and Application of Zeroing Methodology</i>	4 Jun 2007 EC WT/DS350	1 Oct 2008 WT/DS350/R	19 Feb 2009 WT/DS350/15

Source: WTO; <http://www.wto.org>.

Article 21.5 Panel Reports Circulated and/or Adopted in 2008

Dispute	Referred to Original Panel	Article 21.5 Panel Report Circulated	Article 21.5 Panel Report Adopted
<i>United States – Subsidies on Upland Cotton - Recourse to Article 21.5 of the DSU by Brazil</i>	28 Sep 2006 WT/DS267	18 Dec 2007 WT/DS267/RW and Corr.1	20 Jun 2008 WT/DSB/M/252
<i>European Communities – Regime for the Importation, Sale and Distribution of Bananas - Second Recourse to Article 21.5 of the DSU by Ecuador</i>	20 Mar 2007 WT/DS27/RW2/ECU	7 Apr 2008 WT/DS27/RW2/ECU	11 Dec.2008 WT/DS27/94
<i>European Communities - Regime for the Importation, Sale and Distribution of Bananas - Recourse to Article 21.5 of the DSU by the United States</i>	12 Jul 2007 WT/DS27/RW/USA	19 May 2008 WT/DS27/RW/USA and Corr.1	22 Dec.2008 WT/DS27/95
<i>United States – Laws, Regulations and Methodology for Calculating Dumping Margins ("Zeroing") - Recourse to Article 21.5 of the DSU by the European Communities</i>	25 Sep 2007 WT/DS294/25 WT/DSB/M/249	17 Dec 2008 WT/DS294/RW	
Source: WTO; http://www.wto.org.			

- 13 panel reports were appealed to the Appellate Body in 2008:
 - 10 original appeals.
 - 3 Article 21.5 appeals.

Appeals to the Appellate Body in 2008

Panel reports appealed	Date of appeal	Appellant	Document number	Other appellant	Document number
<i>US – Stainless Steel (Mexico)</i>	31 Jan 2008	Mexico	WT/DS344/7	---	---
<i>US – Upland Cotton (Article 21.5 – Brazil)</i>	12 Feb 2008	US	WT/DS267/33	Brazil	WT/DS267/34
<i>US – Shrimp (Thailand)</i>	17 Apr 2008	Thailand	WT/DS343/10	US	WT/DS343/11
<i>US – Customs Bond Directive</i>	17 Apr 2008	India	WT/DS345/9	US	WT/DS345/10
<i>US – Continued Suspension</i>	29 May 2008	EC	WT/DS320/12	US	WT/DS320/13
<i>Canada – Continued Suspension</i>	29 May 2008	EC	WT/DS321/12	Canada	WT/DS321/13
<i>India – Additional Import Duties</i>	1 Aug 2008	US	WT/DS360/8	India	WT/DS360/9
<i>EC – Bananas III (Article 21.5 – Ecuador II)</i>	28 Aug 2008	EC	WT/DS27/89	Ecuador	WT/DS27/91

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Panel reports appealed	Date of appeal	Appellant	Document number	Other appellant	Document number
<i>EC – Bananas III (Article 21.5 – US)</i>	28 Aug 2008	EC	WT/DS27/90	---	---
<i>China – Auto Parts (EC)</i>	15 Sep 2008	China	WT/DS339/12	---	---
<i>China – Auto Parts (US)</i>	15 Sep 2008	China	WT/DS340/12	---	---
<i>China – Auto Parts (Canada)</i>	15 Sep 2008	China	WT/DS342/12	---	---
<i>US – Continued Zeroing</i>	6 Nov 2008	EC	WT/DS350/11	US	WT/DS350/12
Source: WTO; Appellate Body Annual Report 2008, WT/AB/11 (9 February 2009).					

- 12 Appellate Body reports were circulated in 2008.
 - 9 original AB reports.
 - 3 Article 21.5 AB reports.

Appellate Body Reports Circulated in 2008

Case Title	Document number	Date circulated	Date adopted by the DSB
<i>US – Stainless Steel (Mexico)</i>	WT/DS344/AB/R	30 Apr 2008	20 May 2008
<i>US – Upland Cotton (Article 21.5 – Brazil)</i>	WT/DS267/AB/RW	2 Jun 2008	20 Jun 2008
<i>US – Shrimp (Thailand)</i>	WT/DS343/AB/R	16 Jul 2008	1 Aug 2008
<i>US – Customs Bond Directive</i>	WT/DS345/AB/R	16 Jul 2008	1 Aug 2008
<i>US – Continued Suspension</i>	WT/DS320/AB/R	16 Oct 2008	14 Nov 2008
<i>Canada – Continued Suspension</i>	WT/DS321/AB/R	16 Oct 2008	14 Nov 2008
<i>India – Additional Import Duties</i>	WT/DS360/AB/R	30 Oct 2008	17 Nov 2008
<i>EC – Bananas III (Article 21.5 – Ecuador II)</i>	WT/DS27/AB/RW2/ECU and Corr.1	26 Nov 2008	11 Dec 2008
<i>EC – Bananas III (Article 21.5 – US)</i>	WT/DS27/AB/RW/USA and Corr.1	26 Nov 2008	22 Dec 2008
<i>China – Auto Parts (EC)</i>	WT/DS339/AB/R	15 Dec 2008	12 Jan 2009
<i>China – Auto Parts (US)</i>	WT/DS340/AB/R	15 Dec 2008	12 Jan 2009
<i>China – Auto Parts (Canada)</i>	WT/DS342/AB/R	15 Dec 2008	12 Jan 2009
Source: WTO; Appellate Body Annual Report 2008, WT/AB/11 (9 February 2009).			

- The 12 Appellate Body reports circulated in 2008 addressed 7 WTO Agreements.

WTO Agreements Addressed by Appellate Body Reports Circulated in 2008

Case Title	Document number	WTO Agreements Addressed
<i>US – Stainless Steel (Mexico)</i>	WT/DS344/AB/R	<i>Anti-Dumping Agreement</i> GATT 1994 DSU
<i>US – Upland Cotton (Article 21.5 – Brazil)</i>	WT/DS267/AB/RW	<i>SCM Agreement</i> <i>Agreement on Agriculture</i> DSU
<i>US – Shrimp (Thailand)</i>	WT/DS343/AB/R	<i>Anti-Dumping Agreement</i> <i>SCM Agreement</i> GATT 1994 DSU
<i>US – Customs Bond Directive</i>	WT/DS345/AB/R	<i>Anti-Dumping Agreement</i> <i>SCM Agreement</i> GATT 1994 DSU
<i>US – Continued Suspension</i>	WT/DS320/AB/R	DSU <i>SPS Agreement</i>
<i>Canada – Continued Suspension</i>	WT/DS321/AB/R	DSU <i>SPS Agreement</i>
<i>India – Additional Import Duties</i>	WT/DS360/AB/R	GATT 1994
<i>EC – Bananas III (Article 21.5 – Ecuador II)</i>	WT/DS27/AB/RW2/ECU and Corr.1	GATT 1994 DSU <i>WTO Agreement</i>
<i>EC – Bananas III (Article 21.5 – US)</i>	WT/DS27/AB/RW/USA and Corr.1	GATT 1994 DSU
<i>China – Auto Parts (EC)</i>	WT/DS339/AB/R	GATT 1994
<i>China – Auto Parts (US)</i>	WT/DS340/AB/R	GATT 1994
<i>China – Auto Parts (Canada)</i>	WT/DS342/AB/R	GATT 1994
Source: WTO; Appellate Body Annual Report 2008, WT/AB/11 (9 February 2009).		

- As of the end of 2008, the Appellate Body had circulated a total of 96 reports since 1996.
- The 96 Appellate Body reports have addressed 13 WTO agreements.

Agreement	Times addressed	Agreement	Times addressed
<i>DSU</i>	74	<i>SPS</i>	6
<i>GATT 1994</i>	58	<i>GATS</i>	4
<i>AD Agreement</i>	24	<i>TRIPS</i>	3
<i>SCM Agreement</i>	24	<i>Textiles Agreement</i>	3
<i>Agriculture</i>	13	<i>Import Licensing</i>	2
<i>WTO Agreement</i>	10	<i>TBT</i>	2
<i>Safeguards</i>	7		
Source: WTO; Appellate Body Annual Report 2008, WT/AB/11 (9 February 2009).			

F. WTO Committee and Council Work

- The regular work of WTO Committees and Councils continued in 2008, although in some cases their workload may been less robust due to the added workload of the ongoing Doha negotiations.
- Regular committee work included such activities as oversight of implementation issues, review of required notifications, and, where appropriate, the annual transitional review of China’s implementation of its WTO commitments in accordance with Article 18 of China’s Protocol of Accession.

Committee	Brief Overview of Committee Activities - 2008
Anti-Dumping Practices	<ul style="list-style-type: none"> • Two regular meetings. • As of October 2008, 98 Members had notified their domestic anti-dumping legislation, of which 28 notified that they had no antidumping legislation. Twenty-eight Members had not yet made any notification of anti-dumping legislation and/or regulations. • Reviewed new notifications regarding anti-dumping laws and/or regulations submitted by: Albania, China, Costa Rica, Egypt, El Salvador, Guatemala, Nicaragua and Ukraine. • Continued review of previously-reviewed legislative notifications submitted by: Albania, Canada, China, Costa Rica, European Communities, Guatemala, and the United States. • Reported concerning the Members’ semi-annual reports of anti-dumping actions taken during the July 1-December 30, 2007 period (23 reported action; 30 reported no action; 71 made no report), and the January 1-June 30, 2008 period (21 reported action; 30 reported no action; 74 made no report). • Adopted a revised format for semiannual reports. • Pursuant to Article 16.4 of the Agreement, the following Members reported preliminary and final anti-dumping actions: Argentina, Australia, Brazil, Canada, Chile, China, Egypt, EC, India, Japan, Korea, Mexico, New Zealand, Pakistan, Paraguay, South Africa, Thailand, Turkey, Ukraine, and United States. • Undertook the transitional review of China’s implementation of its WTO commitments. • Working Group on Implementation held two regular meetings. <ul style="list-style-type: none"> ○ Decided not to continue discussion of the conduct of verifications (in light of Doha Rules proposal); ○ Four topics have been actively under discussion in Group: (1) "Foreign exchange fluctuations – Article 2.4.1"; (2) "Export prices to third countries or constructed normal value - Article 2.2"; (3) "Judicial, arbitral or administrative review – Article 13"; and (4) "How do Members determine whether there has been a significant price undercutting by the dumped imports?". • Informal Group on Anti-Circumvention held two meetings at which it continued to discuss the issue of the bundling of invoices.

Committee	Brief Overview of Committee Activities - 2008
Agriculture	<ul style="list-style-type: none"> • Three regular meetings. • Reviewed progress in the implementation of commitments negotiated under the Uruguay Round on the basis of notifications submitted by Members in the areas of market access, domestic support, export subsidies and under the provisions of the Agreement relating to export prohibitions and restrictions. • In total, 104 notifications in these areas were subject to review. • Reviewed the overall position with respect to compliance with the notification obligations under Article 18.2 and other relevant provisions of the Agreement. The current situation regarding the significant number of overdue notifications was underlined. • Addressed a wide range of general and specific matters relevant to the implementation of commitments that were raised independently of notifications, pursuant to Article 18.6 of the Agreement. • Monitored notifications by donor Members under the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries. • Held seventh transitional review of China's implementation of its WTO commitments.
Balance of Payments	<ul style="list-style-type: none"> • Held the seventh annual transitional review of China's implementation of its WTO commitments.
Customs Valuation	<ul style="list-style-type: none"> • Two formal meetings. • Noted that during 2008 no developing country Members maintained delayed application of the Agreement in accordance with Article 20.1 or Annex III (1). • To date, 80 Members had notified their national legislation on customs valuation; 48 Members had not yet made any notification. • Examined the legislations of Kuwait, Saudi Arabia, and Oman. • Took note of technical assistance activities on customs valuation held in 2008; • Exchanged views on an Indian proposal under paragraph 8.3 of the Doha Ministerial Decision on Implementation-Related Issues; • Heard views on Thailand's customs valuation practices on alcoholic beverage and cigarette imports; • Reviewed questions from the United States to India and Indonesia on their customs valuation practices; • Conducted seventh transitional review of China's implementation of the Agreement on Customs Valuation.
Import Licensing	<ul style="list-style-type: none"> • Two meetings. • Received nine notifications from eight Members pursuant to Articles 1.4(a) and/or 8.2(b) of the Agreement (laws, regulations and administrative procedures relevant to import licensing and copies of any relevant publications): Albania; India; Macao; Saint Lucia; Singapore; Turkey; United States; and Ukraine. • Since 1995, 96 Members had notified their legislation and/or publications under Articles 1.4(a) and/or 8.2(b). • Received from eight Members ten notifications pursuant to Article 5 relating to the institution of new import licensing procedures or changes in these

Committee	Brief Overview of Committee Activities - 2008
	<p>procedures: Argentina; Honduras; India; Malaysia; Mauritius; Moldova; Singapore; United States.</p> <ul style="list-style-type: none"> • Since 1995, 29 Members had submitted notifications under Article 5. • Received 30 notifications from 28 Members under Article 7.3 (questionnaire response on import licensing procedures): Albania; Argentina; Armenia; Canada; Costa Rica; Macao; EC; Guatemala; Honduras; Hong Kong; India; Jamaica; Japan; Lesotho; Madagascar; Malaysia; Mauritius; Morocco; Norway; Oman; Qatar; Saint Lucia; Singapore; Trinidad and Tobago; Turkey; Ukraine; United States; Zimbabwe. • Since 1995, 92 Members had submitted notifications under Article 7.3. • The Chair expressed continuing concern over the failure of many Members to submit required notifications. It was noted that, despite improvement, Members' compliance with the transparency obligations of the Agreement had been the main preoccupation of the Committee for some time. • Conducted the seventh transitional review of China's implementation of its WTO commitments. • Conducted the Seventh Biennial Review of the implementation and operation of the Agreement under Article 7.1.
Information Technology Products	<ul style="list-style-type: none"> • One formal meeting. • Reported that the total number of participants to the Ministerial Declaration on Trade in Information Technology Products was 71, with Peru expected to become the 72nd participant. • Continued deliberations on the Non-Tariff Measures (NTMs) Work Programme. • Continued work on classification divergences and requested the Chair to work with the Secretariat to prepare an informal paper listing various ideas and options suggested by the participants on the way forward. • Discussed the EC proposal concerning the Review of the Information Technology Agreement. • Reviewed the status of implementation. Most participants had submitted the formal documentation for rectification and modification of their WTO schedules in order to incorporate the commitments arising from the Ministerial Declaration and most had been certified by the Director-General. Three participants were still awaiting the completion of domestic procedural requirements or had not yet submitted the necessary documentation. • The Chair encouraged delegations to continue to consult among themselves on review of product coverage.
Market Access	<ul style="list-style-type: none"> • Two formal meetings. • Approved individual requests for waiver extensions from Argentina and Panama regarding introduction of HS96 changes to their schedules. • Approved extension of HS2002 and HS2007 "collective" waiver decisions. • Examined the state of Members' submission of HS96 documentation. • Secretariat reported on the status of work concerning introduction of HS02 changes to schedules of concessions using the CTS database. • Took note of the Secretariat's reports on the status of work concerning the incorporation of HS07 changes to schedules. • Examined the status of Integrated Data Base (IDB) submissions.

Committee	Brief Overview of Committee Activities - 2008
	<ul style="list-style-type: none"> • The Secretariat reported on the status of IDB dissemination, use of IDB information, IDB technical assistance, status of submissions, and the status of software development (IDB reporting tools and internet analysis facility). • The Secretariat reported on the regular work undertaken on the Consolidated Tariff Schedules Database. The Secretariat informed Members that the IDB and CTS data had been used for calculation of AVEs, preparation of the Electronic Negotiating Files (ENFs), and World Tariff Profiles 2008. • Conducted the annual transitional review of China's implementation of its WTO commitments.
Rules of Origin	<ul style="list-style-type: none"> • Two meetings. • Discussed implementation by Argentina of its commitment to the Agreement. • Took note of member notifications under Article 5 and paragraph 4 of Annex II of the Agreement. • To date, 79 Members had notified non-preferential rules of origin and 86 Members had notified preferential rules of origin. • The Chairman expressed concern that a number of Members had not yet complied with the notification requirements. • With regard to the Harmonization Work Programme: <ul style="list-style-type: none"> ◦ In July 2007, the General Council recognized that, although important progress had been made, CRO delegations sought guidance from the General Council on how to proceed because of difficulties they had encountered on the "implications" issue and in the sector of machinery. ◦ The CRO had recommended that work on these issues be suspended until the General Council could provide guidance. ◦ The General Council then agreed that "in the meantime the CRO continue its work with a view to resolving all technical issues including the technical aspects of the overall architecture, as soon as possible." ◦ The General Council also noted that "in terms of next steps, delegations had requested the CRO Chair to continue the technical and architecture discussions in the regular business of the CRO." ◦ The CRO, at its meetings on April 24 and October 9, 2008, continued its discussions on the technical issues.
Subsidies and Countervailing Measures	<ul style="list-style-type: none"> • Two regular meetings and two special meetings. • Elected four new members of the permanent Group of Experts: Dr. Chang-fa Lo (Chinese Taipei); Dr. Manzoor Ahmad (Pakistan); Mr. Zhang Yuqing (China); and Mr. Jeffrey A. May (United States). • Received Article 25.1 notifications of new and full notifications of subsidies from 30 members; 6 Members indicated they did not maintain notifiable subsidies. • Reviewed new and full subsidy notifications of: Albania; Argentina; Australia; Brazil; Canada; Cuba; EC; Hong Kong; Japan; New Zealand; Norway; Paraguay; Qatar; Taiwan; Switzerland; Thailand; Turkey; and Ukraine. • As of October 2008, 88 Members had submitted Article 32.6 notifications of domestic countervailing duty legislation or made communications in this respect; 38 Members had not yet made such notifications • Reviewed notifications regarding countervailing duty legislation of: Albania; Canada; China; Costa Rica; Egypt; El Salvador; EC; Guatemala; Nicaragua; United States; and Ukraine.

Committee	Brief Overview of Committee Activities - 2008
	<ul style="list-style-type: none"> • Reported concerning the Members' semi-annual reports of countervailing actions taken during the July 1-December 30, 2007 period (4 reported action; 44 reported no action; 75 made no report), and the January 1-June 30, 2008 period (9 reported action; 37 reported no action; 81 made no report). • Pursuant to Article 25.11 of the Agreement, the following Members reported preliminary and final anti-dumping actions: Canada, Chile, EC, Japan, South Africa; and United States. • Conducted the transitional review of China's implementation of its WTO commitments. • Pursuant to a General Council Decision of July 2007, agreed to continue for 2009 the extensions of the transition period for the elimination of export subsidies that had previously been granted for calendar years 2003-2008.
Safeguards	<ul style="list-style-type: none"> • Two meetings. • Continued its review of notifications under Article 12.6 of the Agreement concerning national legislation and/or regulations in the area of safeguards. • As of October 2008, 92 Members had notified their domestic safeguards legislation and/or regulations or made communications in this regard; 34 Members had not yet made such a notification. The Chairman noted the extent and implications of the non-compliance with the notification obligation. • Reviewed notifications of new or amended legislation by Albania, Costa Rica, Egypt, El Salvador, Guatemala, Malaysia, Nicaragua, Turkey, and Ukraine. • Received and reviewed a variety of notifications of actions related to safeguard measures, including the following: <ul style="list-style-type: none"> ○ Reviewed 8 notifications under Article 12.1(a) regarding the initiation of new investigations: (1) Australia on swine meat; (2) Brazil on CD-Rs and DVD-Rs; (3) Egypt on blankets; (4) Indonesia on dextrose monohydrate; (5) Philippines on steel angle bars; (6) Turkey on certain electrical appliances; (7) Turkey on cotton yarn; and (8) Ukraine on steel pipes. ○ Reviewed 2 notifications concerning the application of new provisional measures under Article 12.4: (1) Egypt on blankets; (2) Turkey on cotton yarn. ○ Reviewed 2 notifications of termination of safeguard investigations without measures: (1) Australia on swine meat; (2) Ukraine on PVC sections for windows and doors. ○ Reviewed 6 notifications concerning decisions to apply new safeguard measures: (1) Egypt on blankets; (2) Turkey on spectacle frames; (3) Turkey on travel goods; (4) Turkey on certain electrical appliances; (5) Turkey on cotton yarns; and (6) Ukraine on PVC sections for windows and doors. ○ Received 5 notifications concerning new decisions not to apply a safeguard measure to developing country Members: (1) Egypt on blankets; (2) Turkey on spectacle frames; (3) Turkey on travel goods; (4) Turkey on certain electrical appliances; and (5) Turkey on cotton yarns. • Conducted the annual transitional review of China's implementation of the Safeguards Agreement. • Decided that the Chairperson should hold informal consultations to discuss enhancement in transparency through possible improvements to safeguards notifications.

Committee	Brief Overview of Committee Activities - 2008
Sanitary and Phytosanitary Measures	<ul style="list-style-type: none"> • Three regular meetings. • Adopted revised recommended procedures for transparency. The new procedures, inter alia, clarify the definition of the comment period, encourage the notification of measures conforming to international standards, request inclusion of HS codes in notifications, and provide links for access to full texts of regulations and their translations. • New notification formats were adopted, which will be used as of 1 December 2008. The Secretariat also developed a mechanism for "mentoring" to assist officials responsible for transparency in developing countries, and a number of Members have already been "matched" to provide guidance when requested. • Adopted guidelines on the implementation of Article 6 of the SPS Agreement, to facilitate the recognition of pest- and disease-free areas or areas of low pest or disease prevalence. The guidelines identify the type of information normally needed for the recognition of "regionalization," as well as typical administrative steps in the recognition process. • Agreed to monitor the implementation of Article 6, on the basis of information provided by Members. • Considered proposals to facilitate the use of ad hoc consultations and negotiations to resolve trade problems, and agreed to address the issue of the relationship between the SPS Committee and the Codex, OIE and IPPC at a workshop in October 2009. • Adopted procedures for undertaking the Third Review of the SPS Agreement during 2009. • Members submitted 956 notifications (including addenda, corrigenda, revisions, supplements and agreements on equivalence) in the period January 1 - September 30, 2008. In total, from 1995 to October 2008, Members had submitted 9,522 SPS notifications. • Held a special workshop on best practices in SPS-related technical cooperation, and participated in a workshop on SPS-related capacity evaluation tools. • Considered the issue of special and differential treatment, including proposals to revise procedures to enhance transparency of special and differential treatment. • Considered a wide range of specific trade concerns, including many related to individual notifications. The issues discussed included, inter alia, concerns with maximum levels of pesticide residues in various products, including pineapple and cacao and control procedures for residue levels; measures taken in response to avian influenza and bovine spongiform encephalopathy (BSE) that exceed the OIE standards; restrictions relating to foot-and-mouth disease (FMD); costs of inspections; and requirements for assessing the safety of traditional foods. • Continued to discuss the effects of commercial and private SPS standards on trade, and the appropriate role of the SPS Committee. • Held an informal information session with representatives of entities involved in the development and certification of private standards, as well with organizations who have undertaken related studies. • Adopted the Tenth Annual Report on the Procedure to Monitor the Process of International Harmonization.

Committee	Brief Overview of Committee Activities - 2008
	<ul style="list-style-type: none"> • Conducted the transitional review of China's implementation of its WTO commitments.
Technical Barriers to Trade	<ul style="list-style-type: none"> • Three regular meetings. • Reviewed Members' statements pursuant to Article 15.2 regarding measures taken to ensure the implementation and administration of the Agreement. Since 1995, 117 Members had submitted at least one Statement on implementation. • Members raised new specific trade concerns regarding adverse trade effects or inconsistency with the Agreement, and discussed trade concerns previously raised. • Continued exchange of experiences on issues from Fourth Triennial Review of the Operation and Implementation of the Agreement under Article 15.4 (i.e., good regulatory practice, conformity assessment procedures, transparency, technical assistance and special and differential treatment). • Held a workshop on good regulatory practice covering the following topics: general approaches of Members to good regulatory practice; internal transparency and consultative mechanisms; regulatory impact assessment and regulatory cooperation initiatives between Members. • Adopted report of the Thirteenth Annual Review of the Implementation and Operation of the TBT Agreement under Article 15.3. • Carried out the Thirteenth Annual Review of the Code of Good Practice for the Preparation, Adoption and Application of Standards. • Conducted the seventh annual transitional review of China's implementation of its WTO commitments.
Trade-Related Investment Measures (TRIMS)	<ul style="list-style-type: none"> • One formal meeting. • Since 1995, 26 Members had submitted notifications under Article 5.1 of the Agreement (i.e., TRIMs inconsistent with the Agreement); 86 Members had submitted notifications under Article 6.2 (notification of publications regarding TRIMs). • Considered proposals regarding TRIMS-related special and differential treatment. • Discussed outstanding implementation issues relating to the TRIMs Agreement. Significant differences of view remained both on the substance of these issues and on the way to address them. • Carried out the seventh annual review of China's implementation of its commitments under the TRIMs Agreement.
Source: WTO; http://www.wto.org.	

Council	Brief Overview of Council Activities - 2008
Services	<ul style="list-style-type: none"> • Three formal meetings. • Conducted sixth transitional review of China's implementation of its WTO commitments. • Adopted a new format for the notification of regional trade agreements (RTAs), including those under Article V of the GATS. • Considered a notification from the EC made pursuant to GATS Article XXI (modification of schedules). • Took note of notifications, including the following: <ul style="list-style-type: none"> ◦ Article III:3 (national laws and regulations): Albania; Armenia; Switzerland; Taiwan; Senegal; Central African Republic. ◦ Article V:7 (trade agreements between Members): EC and Member States; Chile and Japan; Japan and Singapore; Japan and Thailand; Pakistan and Malaysia; Panama and Chile. • The Committee on Trade in Financial Services held two formal meetings, and addressed the following matters: the acceptance of the Fifth Protocol to the GATS; technical issues; recent developments in financial services trade; and the annual transitional review of China's implementation of its WTO commitments. • The Committee on Specific Commitments held one formal meeting and addressed three items: classification issues; scheduling issues; and relationship between new and old commitments. • The Working Party on Domestic Regulation held one formal meeting. It advanced its work on the development of a draft text of regulatory disciplines pursuant to GATS Article VI:4. The Chairman of the Working Party prepared a revised draft text of possible regulatory disciplines. • The Working Party on GATS Rules held two formal meetings. The Working party addressed its three negotiating mandates: emergency safeguard measures (Article X), government procurement (Article XIII), and subsidies (Article XV). <ul style="list-style-type: none"> ◦ The WP exchanged views on a communication from Brunei Darussalam, Cambodia, Indonesia, Malaysia, Myanmar, Philippines, Thailand and Viet Nam proposing a draft Annex on Article X Emergency Safeguard Measures. ◦ The WP exchanged views on the EC proposal concerning a legal text for an Annex to the GATS on government procurement. ◦ UNCTAD informed the Working Party of research undertaken on subsidies in services. ◦ Discussions continued on the communication from Hong Kong and Mexico on non-actionable subsidies.
Trade-Related Aspects of Intellectual Property (TRIPS)	<ul style="list-style-type: none"> • Three formal meetings. • To date, 124 Members had notified implementing legislation; 99 Members had provided responses to the Checklist of Issues on Enforcement; 122 Members had notified contact points. • Reviewed legislation of Viet Nam; reviews of six other Members are pending. • Conducted seventh annual transitional review of China's implementation of its WTO commitments. • Council agreed that the Chair hold further consultations on how to organize its

Council	Brief Overview of Council Activities - 2008
	<p>future work on the review of the application of the provisions of the Section on geographical indications under Article 24.2.</p> <ul style="list-style-type: none"> • Council took up annual review of the functioning of the system set out in the "Decision on the Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health." • Council conducted annual review of developed country Members' reports on their implementation of Article 66.2 of the TRIPS Agreement (regarding providing incentives for the purpose of promoting technology transfer to least-developed members). Reports were submitted by Japan, New Zealand, Norway, United States, Switzerland, Canada, EC (and 10 individual member states), and Australia. • Council reviewed, under Article 67, technical cooperation and capacity-building activities of developed country Members in favor of developing and least-developed Members.
<p>Source: WTO; http://www.wto.org.</p>	

G. Trade Policy Reviews – 17 Completed in 2008

DATE	MEMBER
January 16	Pakistan
January 28	Ghana
February 11	Mexico
February 25	Brunei Darussalam
April 2	Madagascar
April 23	Mauritius
May 21	China
June 9	United States
June 25	Oman
July 14	Singapore
September 17	Barbados
October 8	Korea
October 22	Norway
November 10	Jordan
November 24	Dominican Republic
December 15	Switzerland
December 15	Liechtenstein
<p>Source: WTO; http://www.wto.org.</p>	

H. Trade-Related Technical Assistance and Training

- The provision of trade-related technical assistance (TRTA) and training to Members is a core element of the development dimension of the WTO.
- TRTA activities are coordinated by the Institute for Training and Technical Cooperation (ITTC), and overseen by the Committee on Trade and Development.
- In November 2007, the Committee on Trade and Development issued a *Biennial Technical Assistance And Training Plan - 2008–2009* (WT/COMTD/W/160, 2 November 2007), which sets out a schedule of technical assistance and training activities for 2008 and 2009.
- In 2008, the Biennial Plan scheduled hundreds of technical assistance and training activities in five categories:
 - General WTO-Related Technical Assistance and Training: includes Geneva-based Trade Policy Courses (TPCs), and field-based Regional Trade Policy Courses (RTPCs); these courses are geared towards government officials with a broad overall WTO responsibility.
 - Specialized and Advanced Technical Assistance and Training: aimed at specialists and addresses issues that cannot be covered in general courses and workshops.
 - Academic Support for Training and Capacity-Building: develops partnerships with the trade policy-related academic community in Member countries.
 - Trainee Programmes and Internships: purpose is to build capacities in a systemic and cumulative manner; includes the Netherlands Trainee Programme (NTP), the WTO Regional Coordinator Internship, and the Mission Internship Programme.
 - The E-Learning Programme: uses information technology and the Internet to provide training programmes, enhance outreach to academic institutions, and develop WTO-related training material.

II. World Customs Organization (WCO)

- The World Customs Organization (WCO) was established in 1952 as the Customs Co-operation Council (CCC), and adopted its current name in 1994. It is headquartered in Brussels, Belgium.
- The WCO is an independent intergovernmental body whose mission is to enhance the effectiveness and efficiency of Customs administrations, and is the only intergovernmental organisation exclusively focused on Customs matters.
- Membership: currently comprised of 174 Customs administrations that collectively process approximately 98% of world trade.
- The WCO is governed by the WCO Council, and is assisted by the WCO Secretariat and a range of technical and advisory committees.
- Current Secretary General: Kunio Mikuriya of Japan (2009-present).
- Current Council Chairperson: Martyn Dunne of New Zealand (2008-present).
- WCO has responsibilities in the following areas:

Nomenclature

- The WCO developed and maintains the Harmonized Commodity Description and Coding Systems ("Harmonized System" or "HS"). The HS is a multipurpose international product nomenclature and is the legal instrument that is the universal basis for Customs tariffs and the international trade statistical system. The HS is used by more than 200 countries and economies as a basis for their Customs tariffs and for the collection of international trade statistics.
- The WCO Harmonized System Committee maintains oversight on the HS by examining policy matters, making decisions on classification questions, settling classification disputes and preparing amendments to the Explanatory Notes. The HS Committee also amends the HS every 4 – 6 years.

Valuation

- Through its Technical Committee on Customs Valuation, the WCO administers the technical aspects of the implementation of the WTO Valuation Agreement.
- The WCO also ensures uniformity in the interpretation and application of the WTO Valuation Agreement at the technical level.

Origin

- The WCO Technical Committee on Rules of Origin (TCRO) works with the WTO Committee on Rules of Origin (CRO) on the program to harmonize non-preferential rules of origin. Under the WTO Agreement on Rules of Origin, the TCRO has permanent responsibilities on technical aspects relating to non-preferential rules of origin.

Enforcement and Compliance

- Customs enforcement covers a range of activities relating to information and intelligence exchange, combating commercial fraud, counterfeiting, smuggling of highly taxed goods

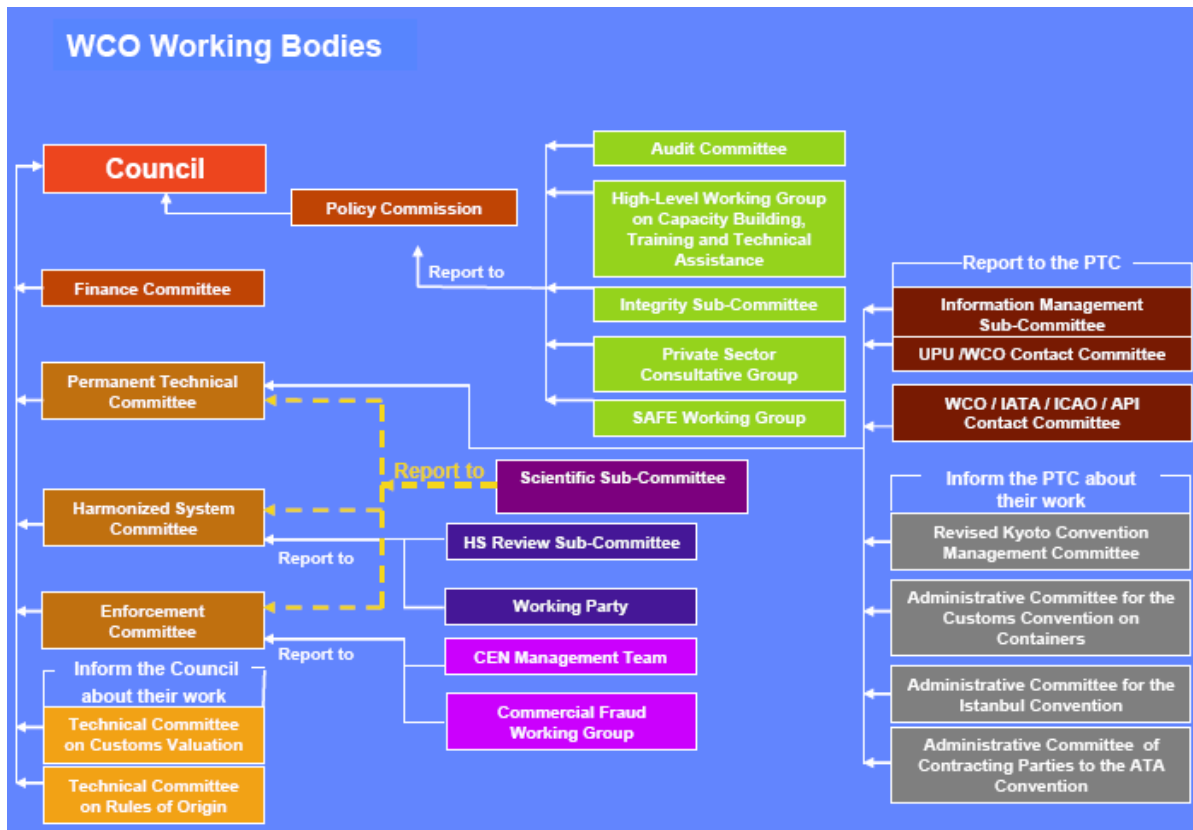
(especially cigarettes and alcohol), drug trafficking, stolen motor vehicles, money laundering, electronic crime, smuggling of arms, nuclear materials, toxic waste and weapons of mass destruction.

- The WCO assists Members improve customs enforcement services through comprehensive technical assistance and training programs, as well as by the Regional Intelligence Liaison Offices (RILOs) and the Customs Enforcement Network (CEN) to facilitate the exchange and use of information.

Procedures and Facilitation

- The WCO works to simplify and harmonize Customs procedures by developing international standards covering all aspects of trade. The main instrument in this area is the Revised Kyoto Convention – the International Convention on Simplification and Harmonization of Customs Procedures.

- The WCO Secretariat carries out the day-to-day functions of the WCO through the assistance of Committees and working groups. The WCO structure is shown below.



Source: WCO; http://www.wcoomd.org/home_about_us_committee_structure.htm.

- In 2008, in addition to the various WCO committees and working groups that conducted regular meetings on their areas of mandate and expertise, the following table identifies a sampling of notable events and activities of the WCO in 2008.

Date	Brief Overview of Selected WCO Activities - 2008
December 9-11	60 th Session of the WCO Policy Commission (see below).
December 4-5	The WCO hosted a 2-day forum – “Managing secure trade lanes & the future of facilitation: Navigating the seas of change.” The forum brought together representatives of Customs administrations and the trade for a critical dialogue on the global implementation of national and multilateral initiatives under the auspices of the WCO SAFE Framework of Standards to secure and facilitate global trade.
October 22	Ecuador becomes the 135th Contracting Party to the Harmonized System Convention.
October 2	WCO held a Global Dialogue on Customs Capacity Building. The goal was to generate closer donor liaison and collaboration in sustainable Customs reform.
September 24	Mauritius acceded to the International Convention on the Simplification and Harmonization of Customs Procedures (Revised Kyoto Convention).
July 4	Bosnia and Herzegovina acceded to the Convention establishing the Customs Cooperation Council and becomes the 174 th Member of the WCO.
June 28	Kunio Mikuriya is elected the new Secretary General of the WCO by Customs Directors General representing 173 WCO Members.
June 26-28	Council Sessions (11 th /112 th Sessions) – primary focus was on the topics discussed at the 59 th Session of the WCO Policy Commission.
June 26	WCO initiated a Global “Drug Stop” Operation. The WCO chose International Day against Drug Abuse and Illicit Trafficking to organize a heightened control operation aimed at combating illicit trafficking in narcotics and chemical precursors within all its Member countries. Sixty countries took part in this Secretariat initiative, together with eight Regional Intelligence and Liaison Offices (RILOs).
June 23-25	59 th Session of the WCO Policy Commission (see below).
June 17-18	The WCO hosted a 2-day conference focusing on the application of rules of origin around the world.
June 10-11	The WCO hosted a conference on the US legislation requiring the 100% scanning of maritime cargo containers prior to loading.
June 10	WCO released a University of Le Havre study on the global impact of the US 100% maritime container scanning legislation. The study found that global trade, shipping, port and Customs administrations, would have to undergo pivotal and costly changes to accommodate the US legislation which mandates all containers destined for the US to be scanned prior to loading at the port of origin by 1 July 2012.
June 2	WCO launched Operation “Vice Grips” against counterfeiting and piracy. Six Customs administrations in North and West Africa (Egypt, Ghana, Morocco, Nigeria, Tunisia, and Senegal) conducted simultaneous inspections of imported consignments that might potentially contain counterfeit and pirated goods.

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Date	Brief Overview of Selected WCO Activities - 2008
June	The WCO issued a publication titled “Customs in the 21 st Century: Enhancing Growth and Development through Trade facilitation and Border Security.” It was intended as a blueprint for the management of trade and borders and the role of Customs.
May 21-23	In partnership with the EU Customs 2013 Programme, the WCO held an International Conference on Combating Counterfeiting and Piracy.
May 19	Cape Verde ratified the International Convention on the Harmonized Commodity Description and Coding System (Harmonized System) and became the 134th Contracting Party to the Harmonized System Convention.
May 14-16	The WCO held a conference on the Partnership In Customs Academic Research and Development (PICARD), which provides a framework for the cooperation between Customs and the academic world.
May 13-14	The WCO and Interpol co-hosted an international Conference on Illicit Cash Couriers.
April 23-25	The WCO held an Information Technology (IT) Conference and Exhibition in Seoul, Korea concerning ways that IT can assist Customs globally to better manage international trade facilitation and security. The Conferences was attended by 450 experts from Customs and business representing 84 countries.
April 22	Belize acceded to the Convention establishing the Customs Cooperation Council, and became the 173 rd Member of the WCO.
March 27-28	WCO held a forum on “The WCO in the 21st Century”, as part of a series of global fora taking place under the banner “Inventing Our Future”. The forum critically assessed the organization and functioning of the WCO and of its missions, and mapped out the future role and operations of the WCO.
March 19	Djibouti acceded to the Convention establishing the Customs Cooperation Council, and became the 172 nd Member of the WCO.
February 3-5	The Fourth Global Congress on Combating Counterfeiting and Piracy, hosted by Dubai Customs, was convened by the WCO, the International Criminal Police Organization (INTERPOL), and the World Intellectual Property Organization (WIPO) in partnership with the International Chamber of Commerce (ICC) through its Business Action to Stop Counterfeiting and Piracy (BASCAP) initiative, the International Trademark Association (INTA), and the International Security Management Association (ISMA).
January 22	Tanzania ratified the International Convention on the Harmonized Commodity Description and Coding System (Harmonized System), and became 133rd Contracting Party to the Harmonized System Convention.
January 8	Egypt and Vietnam acceded to the International Convention on the Simplification and Harmonization of Customs Procedures (Revised Kyoto Convention).
Source: WCO; http://www.wcoomd.org	

- The WCO Policy Commission acts as a dynamic steering group to the Council. The Policy Commission holds semi-annual meetings. The following is a brief review of issues discussed at the two Policy Commission meetings in 2008.

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- **Report by the Secretary General**
 - The Secretary General reported on the arrangements for the election of the next Secretary General.
 - The Secretary General reported on a range of issues relating to the WCO, including accessions, staffing, financial matters, the WCO's participation in international events, the SAFE Framework, capacity building and SECURE.
- **Security and Facilitation of Trade**
 - In June 2005, the WCO adopted the Framework of Standards to Secure and Facilitate Global Trade ("SAFE"), an international instrument containing 17 standards that promotes supply chain security and facilitate the passage of legitimate goods through Customs control.
 - The Director, Compliance and Facilitation, the Chair of the SAFE Working Group, and the Chair of the Private Sector Consultative Group (PSCG) presented the recent work on the SAFE Framework.
 - The Commission discussed, inter alia, the consequences of the US law requiring 100% container scanning at export and the US' 10 + 2 regulations.
- **Combating of Counterfeit and Pirated Goods**
 - "SECURE" refers to the WCO's provisional Standards to be Employed by Customs for Uniform Rights Enforcement which was published by the WCO in June 2007. This document, which includes provisional standards, procedures and best practices, is intended to co-ordinate Customs' worldwide efforts to interdict and disrupt the illicit trade in IPR-infringing goods.
 - The Chair of the SECURE Working Group reported regarding the current version of the Provisional SECURE Standards document as amended at the Group's Third Meeting in April 2008.
- **Customs in the 21st Century**
 - The paper Customs in the 21st Century – Enhancing Growth and Development through Trade Facilitation and Border Security identifies ten strategic building blocks: (1) global Customs networking; (2) better coordinated border management; (3) intelligence-driven risk management; (4) Customs-Trade partnership; (5) implementation of modern working methods, procedures and techniques; (6) enabling technology and tools; (7) enabling Customs officers' powers; (8) professional knowledge-based service culture; (9) capacity building; and (10) integrity.
 - The Commission discussed the paper on Customs in the 21st Century – Enhancing Growth and Development through Trade Facilitation and Border Security, and sent it forward to the Council for approval with a proposal that it be linked to the WCO Strategic Plan.
- **Audits and Governance**
 - The Financial Auditors presented a report for the financial year 2006/2007.
- **Customs Capacity Building**
 - The Chair of the High Level Working Group on Capacity Building, Training and Technical Assistance (HLWG) summarized the outcome of the Sixth Meeting of the HLWG.
 - The Capacity Building Operational Strategy would be submitted to the Council for adoption.
- **Strategic Plan for 2008/2009 to 2010/2011**

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- The Policy Commission discussed the structure and content of the proposed Strategic Plan for the years 2008/2009 to 2010/2011 and decided to submit the Strategic Plan to the Council for approval.
- **Request for Accession of Palestine**
 - The Director General of Palestinian Customs was invited to describe his Administration and its needs. The Director General of Israel Customs was also invited to be present for this item.
 - Following discussions, the Secretary-General suggested developing a programme of training and technical assistance for Palestinian Customs, and further suggested that a document could subsequently be presented to the Policy Commission and Council concerning the conditions for granting Observer status to Palestine. The Policy Commission approved these suggestions.
- **Trade Facilitation Negotiations at the WTO**
 - An update on the current situation of the WTO trade facilitation negotiations was presented.
 - The Chair noted that the WCO's role was complementary to the WTO in the field of trade facilitation and asked Members to participate, to the extent possible, in the WTO trade facilitation negotiations process and in preparing their national positions.
- **Regional Trade Agreements**
 - An update on the current situation of the WTO trade facilitation negotiations was presented.
 - The Director, Tariff and Trade Affairs, presented a progress report on the implementation of the WCO Action Plan concerning preferential rules of origin which had been adopted by the Council in June 2007.
 - After discussion, the Chair urged Members to support the establishment of the database on preferential rules of origin. The Chair also concluded that the comparative study of rules of origin under existing preferential arrangements should continue to be prepared.
 - The Policy Commission agreed that the work should continue as outlined in the Action Plan.
- **Other Business**
 - Discussion regarding the composition of the Policy Commission (Ireland requested an additional seat for the Europe region).
 - Discussion regarding appointment of the next Secretary-General.
 - Discussion of the status of the European Communities vis-à-vis the WCO (Argentina had expressed concerns)
 - Discussion of a draft paper regarding business resumption of the international trading system following a disaster. The Chair said that a paper on this topic should be presented to the Council in June 2009.
 - Discussion of WCO sales and copyright policies and, in particular, the issue of licenses and royalty payments by Members (issue raised by India).
- **Next Session**
 - Policy Commission would hold 60th Session on December 9-11 at Buenos Aires.

Source: <http://wikileaks.de/leak/world-customs-organizations-recommendations-on-ip-enforcement-2008.pdf>.

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- **Global Financial Crisis**
 - The Policy Commission reached agreement on a Communiqué from the international Customs community concerning the global financial crisis to be circulated to the Members and the public.
 - The Commission instructed the Secretariat to coordinate the collection of information on lessons learned and initiatives taken by Customs as the global financial crisis continued to unfold.
 - The Commission proposed that all aspects of the global financial crisis (food crisis, financial crisis, etc.) be included on regional meeting agendas and that the conclusions be presented by the Vice-Chairs at the next Policy Commission and Council sessions in June 2009.

- **Security and Facilitation of Trade**
 - The Policy Commission approved the SAFE Data Element Maintenance Mechanism finalized by the SAFE Working Group, as well as the draft Terms of Reference of the SAFE Working Group.
 - The Commission acknowledged the Secretariat's constructive engagement of the US Congress regarding the new US legislation requiring the 100% scanning at export of all maritime cargo and containers bound for the US, and instructed the Secretariat to continue that engagement with the new Congress and the new US Administration.
 - The Commission recognized the importance of cooperation between Customs and other border agencies in the context of the SAFE Framework, and supported the development of a model Trade Recovery Programme to accompany the SAFE Framework.
 - The Commission urged Members to become Contracting Parties to the Revised Kyoto Convention.

- **WCO IPR Activities**
 - The SECURE Working Group, established by the Council in June 2007 to deal with IPR issues, reported that it had encountered difficulties related to its Terms of Reference due to a perceived fear that the Group's standard-setting work might be used to enlarge the IPR obligations already assumed by countries via the WTO TRIPS Agreement.
 - The Secretary-General-Elect proposed that the SECURE Working Group's standard-setting work be set aside and that a new body be set up under the Permanent Technical Committee or the Enforcement Committee to develop practical means of supporting the IPR-related functions of Customs administrations.
 - The Policy Commission agreed that the SECURE Working Group would not meet again pending a decision by the Council at its June 2009 Sessions, and that the Secretariat would prepare draft Terms of Reference for a new WCO body to deal with Customs IPR issues.

- **Customs in the 21st Century**
 - The Policy Commission discussed the policies and implementation of the paper on Customs in the 21st Century – Enhancing Growth and Development through Trade Facilitation and Border Security.
 - The Commission agreed that the Secretariat should promote the concepts embodied in the Customs in the 21st Century paper and invited continued discussion of the paper at regional meetings.
 - The Secretary-General-Elect would ask each Committee to review the 10 building blocks in the Customs in the 21st paper and, based on the input received, would present a strategy and action plan to the Policy Commission and the Council in June 2009.

- **Customs Capacity Building**
 - The Policy Commission recommended to the Council that a Capacity Building Committee be established to replace the existing High Level Working Group on Capacity Building, Training and Technical

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- Assistance.
- The Commission encouraged close cooperation within regional structures regarding capacity building, particularly in identifying potential donors of human and financial resources.
 - **Programme Budget for 2009/2010**
 - The Policy Commission noted the proposed Programme Budget for 2009/2010, and suggested that the Secretary-General-Elect should review ways to offset additional costs.
 - **Composition of the Policy Commission**
 - The Policy Commission proposed to the Council that, as a short-term, interim arrangement effective from July 1, 2009, each of the six WCO regions be allocated one additional seat on the Policy Commission.
 - The Policy Commission also discussed the issue of the election of a new Deputy Secretary-General.
 - **Trade Facilitation Negotiations at the WTO**
 - The Policy Commission reaffirmed the importance of Customs administrations maintaining contact with their national representatives in the WTO trade facilitation negotiations.
 - The Commission acknowledged that the Doha trade facilitation outcome could have a significant impact on the Customs function and on the WCO.
 - The Commission decided that, if Doha concluded, it was urgent that the research capability currently being established by the Secretary-General-Elect should examine the implications of a new trade facilitation agreement on Customs and the Customs environment, with findings to be reported to the Policy Commission in June 2009.
 - **Regional Trade Agreements**
 - The Policy Commission noted the progress made with the establishment of the database on preferential agreements and their related rules of origin, which was due to be launched in April 2009.
 - The Commission noted that the first findings of the comparative study on preferential rules of origin were expected in Spring 2009, for presentation to the Council in June 2009.
 - The Commission also discussed the WCO's training and capacity building activities concerning rules of origin.
 - **Palestine's Involvement in the WCO**
 - The Policy Commission, while recognizing that Palestine could not, at this time, become a WCO Member because it was not a State, authorized the Secretariat to proceed with a tripartite exchange of letters between the WCO, the Palestinian Authority Customs and Excise (PACE) and the Israel Customs Directorate, in order to formalize the relationship between PACE and the WCO in the area of training and technical assistance.
 - **Review of Code of Conduct for Elections at the WCO**
 - The Policy Commission agreed there should be a Code of Conduct for elections at the WCO, and that the current text should be improved and refined on an ongoing basis.

Source: <http://www.ifcba.org/UserFiles/File/summaryofoutcomesdec2008council.pdf>.