



**REPORT (2016) OF THE  
COMMITTEE ON REGIONAL TRADE AGREEMENTS  
TO THE GENERAL COUNCIL**

CHAIRMAN: MR DANIEL BLOCKERT (SWEDEN)

**1 INTRODUCTION**

1.1. At its first meeting in April 2016, the Committee on Regional Trade Agreements (CRTA) elected, by acclamation, Ambassador Daniel Blockert (Sweden), as Chairman of the CRTA.

1.2. During 2016, the Committee held four sessions (in April, June, September and November). The minutes of those meetings are listed in the Attachment. Four sessions are foreseen in 2017.

**2 OBSERVER STATUS**

2.1. At its 80<sup>th</sup> Session, the Committee approved a request for observer status received from the Inter-Governmental Body on Shipping (ISCOS). At its 81<sup>st</sup> Session the Committee agreed not to invite the Latin American Integration Association (LAIA) as an observer to CRTA meetings, in the absence of a demonstration from the LAIA of a continuing interest in the Committee. No decision was taken with respect to the requests for observer status listed in document WT/REG/W/11/Add.3.

**3 EARLY ANNOUNCEMENTS**

3.1. Paragraph 1 of the Transparency Mechanism (TM)<sup>1</sup>, provides for Members participating in new negotiations and parties to a newly signed RTA to provide information to the Secretariat, to be posted on the WTO website. In 2016, a total of four early announcements were received from Members, two for RTAs under negotiation and two for newly signed RTAs.<sup>2</sup>

**4 NOTIFICATIONS**

4.1. In the period 1 January to 15 October 2016, the CRTA received 14 notifications of RTAs, 7 in goods, notified under Article XXIV of GATT 1994, and 7 in services, notified under Article V of GATS.<sup>3</sup>

4.2. In an effort to encourage the notification of non-notified RTAs, the Chairman with the help of the Secretariat, continued to draw up and circulate in advance of CRTA meetings a list of non-notified RTAs which have been verified by their parties as being in force and appeared in

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<sup>1</sup> The General Council Decision of 14 December establishing the Transparency Mechanism for Regional Trade Agreements (WT/L/671) is being implemented on a provisional basis. Members will review, and if necessary modify, this decision, in light of the experience gained from its provisional operation, and replace it by a permanent mechanism as part of the overall results of the Doha Round, in accordance with paragraph 47 of the Doha Declaration (paragraph 23 of the General Council's Decision).

<sup>2</sup> Under Negotiation: European Union - Philippines; European Union - Tunisia; Newly signed: EFTA - Central America - Accession of Guatemala; Canada - Ukraine.

<sup>3</sup> Southern African Development Community (SADC) - Accession of Seychelles (G); European Union - Bosnia and Herzegovina (S); Australia - China (G&S); China - Republic of Korea (G&S); Republic of Korea - Viet Nam (G&S); Japan - Mongolia (G&S); Mexico - Panama (G&S); Republic of Korea - Colombia (G&S). During 2016, the Committee was informed by the EU that two RTAs already notified – EU-Ukraine and EU-Côte d'Ivoire – were now in force for all parties.

factual presentations circulated between September 2009 and October 2016.<sup>4</sup> Members continue to discuss ways of facilitating the notification of such RTAs.

4.3. At its 80<sup>th</sup> Session the Committee discussed a submission by the United States containing a list of non-notified RTAs and delayed Factual Presentations of notified RTAs (document WT/REG/W/103). At its 81<sup>st</sup> Session the Committee discussed a communication from Uruguay on behalf of LAIA countries (document WT/REG/W/105) regarding the notification of agreements among LAIA countries. Questions submitted by the European Union on LAIA agreements were circulated in document WT/REG/W/109. At its 83<sup>rd</sup> Session discussions were held, but there was no agreement regarding the status of RTAs under the LAIA.

## 5 CONSIDERATION OF REGIONAL TRADE AGREEMENTS

5.1. During 2016, 16 factual presentations were distributed reflecting 27 notifications, counting goods and services separately, all of which were used as the basis for consideration of RTAs in the CRTA.<sup>5</sup>

5.2. The Chairman held consultations with delegations in an effort to resolve the case of RTAs for which the factual consideration is delayed due to lack of comments from the Parties. The Chairman with the help of the Secretariat drew up and circulated in advance of CRTA meetings a list of such RTAs.<sup>6</sup>

5.3. In an effort to unblock the backlog in the receipt of data necessary for the preparation and drafting of factual presentations for certain RTAs, the Chairman consulted with a number of delegations who expressed a willingness to provide the missing information as soon as possible. Members continue to discuss ways of increasing the transparency of such RTAs.

5.4. Although considerable progress has been made in the preparation of factual presentations, the Committee continues to experience some difficulties in adhering to its work programme. This is due to a number of factors: delays in the receipt of statistical data from parties, data discrepancies in Members' submissions, and delays in the receipt of comments from parties.

## 6 SUBSEQUENT NOTIFICATION AND REPORTING

6.1. Paragraph 14 of the TM provides for changes affecting the implementation of an RTA, or the operation of an already implemented RTA to be notified as soon as possible after such changes occur. Such communications are to be made available on the WTO website. In the period 1 January to 15 October 2016, notifications of changes for two RTAs have been received and posted on the RTA Database.<sup>7</sup>

6.2. Paragraph 15 of the TM provides for parties to an RTA to submit a short written report on the realization of the liberalization commitments in the RTA as originally notified at the end of the RTA's implementation period. The Secretariat circulated a list of RTAs subject to implementation reports as of 11 March 2016 (document WT/REG/W/101 and Corrigendum 1). Implementation reports were due for 129 RTAs, and the end of implementation (EOI) for 11 RTAs was in 2016. The EOI for a total of 106 RTAs is from 2016 onwards, while for one RTA the EOI year is not available. Seven such reports were submitted during 2016.<sup>8</sup>

<sup>4</sup> Documents WT/REG/W/100/Rev.1, WT/REG/W/104, WT/REG/W/107 and WT/REG/W/111.

<sup>5</sup> Canada - Republic of Korea (G&S); Japan - Australia (G&S); EFTA - Colombia (G&S); EFTA - Bosnia and Herzegovina (G); Republic of Korea - Australia (G&S); Canada - Honduras (G&S); Russian Federation - Serbia (G); Dominican Republic and Central America (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua)(G&S); Dominican Republic, Central America (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua) and the United States (G&S); United States - Panama (G&S); Chile - Viet Nam (G); Republic of Korea - New Zealand (G&S); European Union - Bosnia and Herzegovina (S); Iceland - China (G&S); Australia - China (G&S); India - Association of Southeast Asian Nations (ASEAN) (S). EFTA-Central America (Costa Rica and Panama), (G&S) was distributed in December 2015 and considered in 2016.

<sup>6</sup> Documents WT/REG/W/102, WT/REG/W/106, WT/REG/W/108 and WT/REG/W/112.

<sup>7</sup> China - Hong Kong, China; China - Macao, China.

<sup>8</sup> Ukraine - Tajikistan (WT/REG251/R/I); Ukraine - Kazakhstan (WT/REG247/R/I); Armenia - Ukraine (WT/REG171/R/I); Ukraine - Montenegro (WT/REG338/R/I); European Union - Jordan (WT/REG141/R/I); EU-Montenegro (WT/REG236/R/I); and EU-South Africa (WT/REG113/R/I).

## **7 DATABASE ON RTAS**

7.1. Paragraph 21 of the TM provides for the Secretariat to establish and maintain an updated electronic database on individual RTAs. The database was launched in January 2009 and is available on the WTO public website. The database provides information on all notified RTAs, including the status of the consideration process at the Committee's meetings.

## **8 TECHNICAL ASSISTANCE**

8.1. At its 83<sup>rd</sup> Session the Secretariat gave an account of the RTA-related technical assistance activities it had undertaken in 2016 and those planned for 2017.

## **9 PROCEDURES TO IMPROVE AND FACILITATE THE EXAMINATION PROCESS**

9.1. At its 83<sup>rd</sup> Session, the Committee engaged in a preliminary discussion initiated by the United States on the reasons for Members' low participation in the RTA review process.

## **10 SYSTEMIC IMPLICATIONS OF REGIONAL TRADE AGREEMENTS AND INITIATIVES FOR THE MULTILATERAL TRADING SYSTEM AND THE RELATIONSHIP BETWEEN THEM**

10.1. At its 80<sup>th</sup>, 81<sup>st</sup>, 82<sup>nd</sup> and 83<sup>rd</sup> Sessions the Committee discussed paragraph 28 of the Nairobi Ministerial Declaration that directed the future work of Members towards two main areas: the systemic implications of RTAs for the multilateral trading system and its relationship with WTO rules; and the transformation of the RTA Transparency Mechanism from a provisional to a permanent mechanism.<sup>9</sup> Some Members expressed support for engaging in a discussion on the systemic implications. The United States reiterated its longstanding concerns regarding the lack of full transparency available to the Committee on all RTAs currently in force and the significant challenges created by this deficit for any discussion on systemic implications of RTAs. The Chairman is continuing his consultations with Members on both issues. Members expressed different views on whether parameters for such a discussion needed to be defined. Some Members felt that that the CRTA should not venture into recommendations for multilateral rule making. At its 83<sup>rd</sup> Session, Brazil presented a non-paper on ways to improve the RTA Transparency Mechanism.

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<sup>9</sup> An informal session of the CRTA dedicated to this discussion was held on 18 October.

**ATTACHMENT****MINUTES OF THE MEETINGS HELD IN 2016**Eightieth Session – 5-6 April 2016

WT/REG/M/80

WT/REG362/M/1 Canada - Republic of Korea, goods and services

WT/REG361/M/1 Japan - Australia, goods and services

WT/REG357/M/1 EFTA - Central America (Costa Rica and Panama), goods and services<sup>10</sup>

WT/REG299/M/1 EFTA - Colombia, goods and services

WT/REG360/M/1 EFTA - Bosnia and Herzegovina, goods [Non-Member]

Eighty-First Session – 27 June 2016

WT/REG/M/81

WT/REG359/M/1 Republic of Korea - Australia, goods and services

WT/REG364/M/1 Canada - Honduras, goods and services

WT/REG326/M/1 Russian Federation - Serbia, goods [Non-Member]

Eighty-Second Session – 27 September 2016

WT/REG/M/82

WT/REG305/M/1 Dominican Republic and Central America (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua), goods and services

WT/REG211/M/1 Dominican Republic, Central America (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua) and the United States, goods and services

WT/REG324/M/1 United States - Panama, goods and services

WT/REG365/M/1 Chile - Viet Nam, goods

WT/REG367/M/1 Republic of Korea - New Zealand, goods and services

WT/REG242/M/2 European Union - Bosnia and Herzegovina, services [Non-Member]

Eighty-Third Session – 7 November 2016 (to be issued)

WT/REG/M/83

WT/REG/W/110 Draft Report (2016) of the CRTA to the General Council

WT/REG355/M/1 Iceland - China, goods and services

WT/REG369/M/1 Australia - China, goods and services

WT/REG372/M/1 India - ASEAN, services

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<sup>10</sup> The factual presentation was distributed in 2015.