

**REPORT (2005) OF THE COMMITTEE ON
TRADE-RELATED INVESTMENT MEASURES**

I. GENERAL

1. This report is submitted pursuant to Article 7.3 of the Agreement on Trade-Related Investment Measures, which requires the Committee on Trade-Related Investment Measures to report annually to the Council for Trade in Goods. The Report covers the period October 2004 – October 2005.¹

2. The Committee met on 4 March and 12 July 2005 under the Chairmanship of Mr. Sivaramen Palayathan (Mauritius), and on 10 October 2005 under the Chairmanship of Mr. Suren Badral (Mongolia). The minutes of the meetings are contained in documents G/TRIMS/M/20, G/TRIMS/M/21 and G/TRIMS/M/22, respectively. The meetings were open to Members, governments with observer status in the WTO and international intergovernmental organizations to which the Committee has accorded regular observer status (IMF, OECD, UN, UNCTAD and World Bank). Decisions on requests for observer status from several other international organizations are pending.

II. NOTIFICATIONS

3. Article 5.1 of the Agreement on Trade-Related Investment Measures requires Members to notify any trade-related investment measure ("TRIM") inconsistent with the Agreement within 90 days after the entry into force of the WTO Agreement. Article 5.2 of the Agreement allows for transition periods for the elimination of measures notified under Article 5.1 and which were in existence at least 180 days preceding the entry into force of the WTO Agreement. Pursuant to a decision adopted by the General Council in April 1995, governments eligible to become original WTO Members that accepted the WTO Agreement after 1 January 1995 had a period of 90 days after the date of their acceptance of the WTO Agreement to make the notifications foreseen in Article 5.1, with the period for the elimination of TRIMs notified under Article 5.1 being governed by reference to the date of entry into force of the WTO Agreement itself.²

4. Annex 1 contains a list of all notifications of measures under Article 5.1.³ In the case of some Members, notifications have been submitted later than the 90-day period foreseen.

5. Some Members have notified to the Committee that they do not apply any TRIM inconsistent with the Agreement. Annex 2 lists all Members which have made such notifications.

¹ The annual report for 2004 is contained in document G/L/705 of 3 November 2004.

² WT/L/64.

³ Notifications under Article 5.1 circulated in 1995 have been derestricted since 28 May 1996. Pursuant to the General Council's Decision of 14 May 2002 (WT/L/452), documents containing notifications under Articles 5.1, 5.5 and 6.2 are issued unrestricted.

6. A number of Members have submitted notifications as required under Article 6.2, which provides for notification to the Secretariat of publications in which information on TRIMs can be found. A list of these notifications has been circulated in G/TRIMS/N/2/Rev.14. Annex 3 lists the Members which have submitted such notifications.

III. SPECIAL AND DIFFERENTIAL TREATMENT PROPOSALS RELATED TO THE TRIMS AGREEMENT

7. In the context of the Work Programme on Special and Differential (S&D) Treatment under Paragraph 44 of the Doha Ministerial Declaration and Paragraph 12.1 of the Decision on Implementation-Related Issues and Concerns, and further to the Decision adopted by the General Council on 1 August 2004 (WT/L/579), the TRIMs Committee continued its consideration of the Category II S&D proposals which were referred to it by the Chairman of the General Council. The proposals were submitted by the African Group in document TN/CTD/W/3/Rev.2 with respect to Article 4 and Article 5.3 of the TRIMs Agreement.

8. The Committee took up the S&D proposals at its regular meetings of 4 March, 12 July and 10 October 2005 and held several rounds of informal consultations, including open-ended informal meetings to consider these proposals. At an informal meeting on 9 May 2005, the Committee discussed a revised version of the S&D proposals submitted by the delegation of Kenya on behalf of the African Group, which was circulated to Members as a room document.⁴

9. Pursuant to the General Council Decision of 1 August 2004 (WT/L/579, paragraph 1(d)), the Chairman of the TRIMs Committee submitted a report to the General Council on the work undertaken by the Committee with respect to the S&D proposals (G/L/742). In his report, the Chairman recommended to the General Council that the Category II S&D proposals related to the TRIMs Agreement be kept under consideration. No changes in Members' positions with regard to the revised S&D proposals were recorded at the Committee's meeting held on 10 October 2005.

IV. OUTSTANDING IMPLEMENTATION ISSUES RELATED TO THE TRIMS AGREEMENT

10. Pursuant to the General Council's decision of 1 August 2004 (WT/L/579, paragraph 1(d)), all relevant WTO bodies concerned with implementation-related issues were instructed to redouble their efforts to find appropriate solutions to these issues as a priority. In addition, the General Council requested the Director-General to continue with this consultative process on all outstanding implementation issues under Paragraph 12(b) of the Doha Ministerial Declaration and to report to the Trade Negotiations Committee (TNC) and the General Council no later than May 2005. In turn, the Director-General asked the Chairpersons of the relevant WTO bodies to assist him in this process.

11. Accordingly, the Chairman of the TRIMs Committee held a number of informal consultations with interested delegations to discuss the outstanding implementation issues relating to the TRIMs Agreement as contained in Tires 37 through 40 of document JOB(01)/152/Rev.1, and in a related proposal submitted by Brazil and India under Tires 40 (G/TRIMS/W/25). At the Committee's regular meeting of 4 March 2005, the Chairman briefed the Members on the status of his consultations on the outstanding implementation issues, and at its meeting of 12 July 2005 the Committee held an informal session to continue consideration of these issues, based on an informal document submitted by Brazil and India concerning the flexibilities in the TRIMs Agreement for developing countries.⁵

⁴ The revised version of the African Group's proposals is reproduced as an Annex to document G/L/742.

⁵ Document JOB(05)/149.

V. TRANSITIONAL REVIEW MECHANISM PURSUANT TO PARAGRAPH 18 OF THE PROTOCOL OF ACCESSION OF THE PEOPLE'S REPUBLIC OF CHINA.

12. In accordance with paragraph 18 of China's Protocol of Accession, the TRIMs Committee undertook the fourth annual review of China's implementation of its commitments under the TRIMs Agreement and related provisions of the Protocol of Accession. Questions concerning China's Transitional Review Mechanism were received from the European Communities (G/TRIMS/W/41) and from the United States (G/TRIMS/W/42). In a communication dated 6 October 2005, China submitted information concerning Annex 1A of its Protocol of Accession. This was circulated in document G/TRIMS/W/45.

13. The review took place at the meeting of 10 October 2005. The Committee adopted a Report of the Chairman of the Committee which was submitted to the Council for Trade in Goods in document G/L/751. The discussions on this item are reflected in the relevant section of the minutes of the meeting (G/TRIMS/M/22).

VI. ELECTION OF OFFICERS

14. The Committee elected Mr. Suren Badral (Mongolia) as its Chairman for the period 2005-2006.

ANNEX 1

Members which have Submitted Notifications under Article 5.1 of the Agreement on Trade-Related Investment Measures

<u>Member</u>	<u>Document Symbol</u>	<u>Date of Communication</u>
Argentina	G/TRIMS/N/1/ARG/1	30 March 1995
Argentina	G/TRIMS/N/1/ARG/1/Add.1	21 March 1997
Barbados	G/TRIMS/N/1/BRB/1	31 March 1995
Bolivia ⁶	G/TRIMS/N/1/BOL/1	24 June 1998
Chile ⁷	G/TRIMS/N/1/CHL/1	14 December 1995
Colombia	G/TRIMS/N/1/COL/1	31 March 1995
Colombia	G/TRIMS/N/1/COL/1/Add.1	4 June 1995
Colombia ⁸	G/TRIMS/N/1/COL/2	31 July 1995
Colombia	G/TRIMS/N/1/COL/2/Corr.1	30 September 1996
Costa Rica ⁹	G/TRIMS/N/1/CRI/1	30 March 1995
Cuba ¹⁰	G/TRIMS/N/1/CUB/1	18 July 1995
Cyprus ¹¹	G/TRIMS/N/1/CYP/2	30 October 1995
Dominican Republic	G/TRIMS/N/1/DOM/1	26 April 1995
Ecuador	G/TRIMS/N/1/ECU/1	20 March 1996
Egypt	G/TRIMS/N/1/EGY/1	29 September 1995
India	G/TRIMS/N/1/IND/1	31 March 1995
India	G/TRIMS/N/1/IND/1/Add.1	22 December 1995
India	G/TRIMS/N/1/IND/1/Add.1/Corr.1	18 March 1996
India	G/TRIMS/N/1/IND/1/Add.2	11 April 1996
Indonesia	G/TRIMS/N/1/IDN/1	23 May 1995

⁶ Bolivia subsequently submitted a notification indicating that it does not apply any trade-related investment measures that are not in conformity with the Agreement (G/TRIMS/N/1/BOL/1/Add.1).

⁷ Chile subsequently submitted a notification indicating that it has eliminated measures notified under Article 5.1 (G/TRIMS/N/1/CHL/1/Add.1).

⁸ Colombia subsequently submitted a notification indicating that it had issued Decree No. 1473 of 10 May 2004, whereby Decree No. 2439 of 1994 establishing import control mechanisms for certain agricultural products had been repealed (G/TRIMS/N/1/COL/3).

⁹ Costa Rica subsequently submitted a notification indicating that it intended to eliminate measures notified under Article 5.1 in advance of the expiry of the transition period (G/TRIMS/N/1/CRI/1/Add.1).

¹⁰ Cuba subsequently informed the Committee that the measures notified by Cuba under Article 5.1 are no longer in force (G/TRIMS/M/3, paragraph 5).

¹¹ This notification superseded Cyprus' previous one (G/TRIMS/N/1/CYP/1) of 29 June 1995; Cyprus subsequently submitted a notification indicating that it has eliminated measures notified under Article 5.1 (G/TRIMS/N/1/CYP/2/Add.1).

<u>Member</u>	<u>Document Symbol</u>	<u>Date of Communication</u>
Indonesia	G/TRIMS/N/1/IDN/1/Add.1	28 October 1996
Malaysia	G/TRIMS/N/1/MYS/1	31 March 1995
Malaysia	G/TRIMS/N/1/MYS/1/Rev.1	14 March 1996
Mexico	G/TRIMS/N/1/MEX/1	31 March 1995
Mexico ¹²	G/TRIMS/N/1/MEX/1/Rev.1 ¹³	31 March 1995
Nigeria ¹⁴	G/TRIMS/N/1/NGA/1	17 July 1996
Pakistan	G/TRIMS/N/1/PAK/1	30 March 1995
Peru	G/TRIMS/N/1/PER/1	3 March 1995
Philippines	G/TRIMS/N/1/PHL/1	31 March 1995
Poland ¹⁵	G/TRIMS/N/1/POL/1	28 September 1995
Romania	G/TRIMS/N/1/ROM/1	31 March 1995
South Africa	G/TRIMS/N/1/ZAF/1	19 April 1995
Thailand	G/TRIMS/N/1/THA/1	30 March 1995
Uganda	G/TRIMS/N/1/UGA/1	17 June 1997
Uruguay	G/TRIMS/N/1/URY/1	31 March 1995
Uruguay	G/TRIMS/N/1/URY/1/Add.1	30 August 1995
Venezuela	G/TRIMS/N/1/VEN/1	31 March 1995

¹² Mexico subsequently submitted a notification indicating that all provisions under the Automotive Decree had ceased to be operative as of 1 January 2004 (G/C/42).

¹³ English only.

¹⁴ Nigeria subsequently submitted a notification indicating that the Nigerian Enterprises Promotion Act of 1989 has been repealed and replaced with the Nigerian Investment Promotion Commission Decree 1995 (G/TRIMS/N/1/NGA/1/Add.1).

¹⁵ Poland subsequently submitted a notification indicating that it has eliminated measures notified under Article 5.1 (G/TRIMS/N/1/POL/1/Add.1).

ANNEX 2

Notifications Indicating that No TRIMs Inconsistent with the Agreement on Trade-Related Investment Measures are Maintained

<u>Member</u>	<u>Document Symbol</u>	<u>Date of Communication</u>
Bolivia	G/TRIMS/N/1/BOL/1/Add.1	4 March 1999
Costa Rica	G/TRIMS/N/1/CRI/1/Add.1 ¹⁶	16 September 1999
Cyprus	G/TRIMS/N/1/CYP/2/Add.1	26 May 2000
El Salvador	G/TRIMS/N/1/SLV/1	5 November 2003
Haiti	G/TRIMS/N/1/HTI/1	27 February 1998
Honduras	G/TRIMS/N/1/HND/1	7 July 1995
Israel	G/TRIMS/N/1/ISR/1	24 October 1996
Jamaica	G/TRIMS/N/1/JAM/1	9 June 1998
Jordan	G/TRIMS/N/1/JOR/1	22 May 2000
Maldives	G/TRIMS/N/1/MLV/1	30 September 1999
Mali	G/TRIMS/N/1/MLI/1	27 May 1997
Mauritius	G/TRIMS/N/1/MUS/1	27 March 1995
New Zealand	G/TRIMS/N/1/NZL/1	20 May 1999
Nicaragua	G/TRIMS/N/1/NIC/1	18 July 1996
Oman	G/TRIMS/N/1/OMN/1	20 December 2000
Saint Lucia	G/TRIMS/N/1/LCA/1	14 February 1996
Singapore	G/TRIMS/N/1/SGP/1	9 October 1996
Slovenia	G/TRIMS/N/1/SVN/1	27 March 1995
Sri Lanka	G/TRIMS/N/1/LKA/1	14 March 2000
Switzerland	G/TRIMS/N/1/CHE/1	8 August 1995
Chinese Taipei	G/TRIMS/N/1/TPKM/1	27 May 2002
Trinidad & Tobago	G/TRIMS/N/1/TTO/1	1 April 1996
Zambia	G/TRIMS/N/1/ZMB/1	13 April 1995

¹⁶ A Corrigendum to the English version was issued in G/TRIMS/N/1/CRI/1/Add.1/Corr.1, dated 26 October 1999.

ANNEX 3

Members which have Submitted Notifications under Article 6.2 of
the Agreement on Trade-Related Investment Measures

Albania*
Angola*
Argentina
Armenia
Bahrain
Australia
Brazil
Brunei Darussalam
Bolivia
Bulgaria
Burundi
Cameroon
Canada
Chad
Chile
China
Colombia
Costa Rica
Croatia
Cuba
Czech Republic
Dominica
Ecuador
El Salvador
Estonia
European Community (including the member States)
Fiji Islands, Rep. of the
Gabon
Georgia
Ghana
Haiti
Hong Kong, China
Iceland
India
Indonesia
Israel
Jamaica
Japan
Jordan
Korea
Kyrgyz Republic
Latvia
Liechtenstein
Lithuania
Macau, China
Madagascar
Maldives
Mali

Malta
Mauritius
Mexico
Moldova
Mongolia
Namibia
New Zealand
Nicaragua
Norway
Panama
Paraguay
Peru
Philippines
Poland
Qatar
Romania
Singapore
Slovak Republic
Slovenia
South Africa
Sri Lanka
Suriname
Switzerland
Chinese Taipei
Thailand
Trinidad and Tobago
Tunisia
Uganda
United States
Uruguay
Venezuela, Bolivarian Rep. of
Zambia
Zimbabwe

(*) Members that submitted notifications during the period covered by this annual report.
