The following communication, dated 1 November 2018, is being circulated at the request of the Delegations of Argentina, Costa Rica, the European Union, Japan, and the United States.

Draft General Council Decision

Procedures to Enhance Transparency and Strengthen Notification Requirements Under WTO Agreements

Decision of X Date

The General Council,

Recognizing that transparency and notification requirements constitute fundamental elements of many WTO agreements and a properly functioning WTO system, and thus of Members' obligations;

Acknowledging the chronic low level of compliance with existing notification requirements under many WTO agreements; and

Desiring to strengthen and enhance transparency and improve the operation and effectiveness of notification requirements;

Decides:

General

1. To reaffirm existing notification obligations and recommit to providing complete and timely notifications under the WTO Agreements within the remit of the Council for Trade in Goods, for which there is regular annual reporting provided by the Secretariat (G/L/223/Rev.24 and its revisions), including the:

   (a) Agreement on Agriculture

   (b) Agreement on Implementation of Article VI of the GATT 1994 (Anti-Dumping)
       Agreement on Subsidies and Countervailing Measures
       Agreement on Safeguards
       Understanding on the Interpretation of Article XVII of the GATT 1994 (State Trading)
       Agreement on Implementation of Article VII of the GATT 1994 (Customs Valuation)
       Agreement on Import Licensing Procedures
       Agreement on Rules of Origin
       Agreement on Preshipment Inspection
       Decision on Notification Procedures for Quantitative Restrictions (G/L/59/Rev.1)
Agreement on Trade Related Investment Measures  
Agreement on the Application of Sanitary and Phytosanitary Measures  
Agreement on Technical Barriers to Trade.

2. To instruct appropriate committees, working groups or other bodies, such as the Working Group on Notification Obligations and Procedures (Working Group), to assess and report annually to their designated supervisory bodies on Members' compliance with notification obligations under the agreements listed in paragraph 1, take appropriate steps to reinforce compliance with the notification requirements under such agreements (for example, by carrying out notification workshops), and to make recommendations, as appropriate, on means by which greater compliance can be encouraged and achieved.

3. To instruct the Working Group to meet before [x date] to develop recommendations on improving Member compliance with notification obligations under the agreements listed in paragraph 1. The Working Group will consult with appropriate committees, other working groups and bodies as appropriate, and consider both systemic and specific improvements that can help Members improve compliance with notification obligations. The Working Group will also consult with the WTO Secretariat as appropriate, including the WTO Institute for Training and Technical Cooperation (ITTC) to assess the contribution of WTO trade-related technical assistance to improving notification compliance, as well as the Central Registry of Notifications. The Working Group will report to the Council for Trade in Goods on its findings before [x date], and provide updates at each subsequent meeting.

4. In light of the particular importance Members attach to the WTO's work to reform agriculture, and in order to strengthen and enhance the effectiveness of the review process of the implementation of commitments in the Agreement on Agriculture, the Committee on Agriculture is requested to review and update its Notification Requirements and Formats (G/AG/2), taking into account recommendations made by the Working Group and other bodies described in paragraphs 2 and 3.

5. To instruct the Working Group to work with the Secretariat to update the Technical Cooperation Handbook on Notifications (WT/TC/NOTIF/INF/3) and present it to the Council for Trade in Goods for its [x date] meeting.

6. To instruct the Trade Policy Review Body to ensure that beginning in 2019 all trade policy reviews include a specific, standardized focus on the Member's compliance with its notification obligations under the agreements listed in paragraph 1.

7. At any time, Members are encouraged to provide a counter notification of another Member concerning notification obligations under the agreements listed in paragraph 1.

8. That beginning in [x date], a Member that fails to provide a required notification under an agreement listed in:

   (a) paragraph 1(a) within [720 days] [2 years] following the year that a notification is required by the Committee on Agriculture's Notification Requirements and Formats (G/AG/2) or has failed to provide any prior required notification, that Member is encouraged to submit to the Committee on Agriculture by [x date] of each subsequent year an explanation for the delay, the anticipated time-frame for its notification, and any elements of a partial notification that a Member can produce to limit any delay in transparency;

   (b) paragraph 1(b) by the relevant deadline or has failed to provide any prior required notification is encouraged to submit to the relevant committee by [x date] and by [x date] of each subsequent year an explanation for the delay, the anticipated time-frame for its notification, and any elements of a partial notification that a Member can produce to limit any delay in transparency; and

   (c) paragraph (1a) as far as ad hoc notifications are concerned, the Member shall follow current practice under G/AG/2.
9. A developing country Member encountering difficulties to fulfil notification obligations or the information required under paragraph 8 is encouraged to request assistance and support for capacity building from the Secretariat, either in the form of WTO trade-related technical assistance or as ad hoc-assistance for a particular notification. The Secretariat shall advise Members on the most appropriate assistance available.

10. Each developing country Member is encouraged to submit to the relevant committee and to the Working Group by [x date] and by [x date] of each subsequent year information on those notifications under the agreements listed in paragraph 1 that it has not submitted due to a lack of capacity, including information on the assistance and support for capacity building that the Member requires in order to submit complete notifications.

11. If a Member fails to provide a complete notification within one year of the deadline set out in paragraph 8(a) or (b), the Member may request that the Secretariat assist the Member in researching the matter and, in full consultation with the relevant Member, and only with the approval of that Member, provide a notification on its behalf.

12. For an agreement listed in paragraph 1, if a Member fails to provide a complete notification within one year of the deadline set out in paragraph 8(a) or (b) and that Member has not requested assistance from the Secretariat identified in paragraph 9 or if such assistance is requested but the Member has not cooperated with the Secretariat, the following administrative measures shall apply to that Member:

   (a) After one but less than two full years from a notification deadline, the following measures shall be applied to the Member at the beginning of the second year:

      (i) representatives of the Member cannot be nominated to preside over WTO bodies;

      (ii) questions posed by the Member to another Member during a Trade Policy Review need not be answered;

      (iii) the Member will be assessed a supplement of [x][5] percent on its normal assessed contribution to the WTO budget, to be effective in the following biennial budget cycle;

      (iv) the Secretariat will report annually to the Council for Trade in Goods on the status of the Member's notifications; and

      (v) the Member will be subject to specific reporting at the General Council meetings.

   (b) After two but less than three full years following a notification deadline, the following measures shall be applied to the Member at the beginning of the third year, in addition to the measures in subparagraph (a):

      (i) the Member will be designated as an Inactive Member;

      (ii) representatives of the Member will be called upon in WTO formal meetings after all other Members have taken the floor, and before any observers; and

      (iii) when the Inactive Member takes the floor in the General Council it will be identified as such.

   (c) The administrative measures identified in paragraph 12(a) and 12(b) shall not apply to Members that have submitted information on the assistance and support for capacity building that the Member requires, as set out in paragraph 10.

13. At the beginning of each year when measures will be applied to any Member, the Director-General will notify the Ministers of those Members responsible for the WTO of the administrative measures being applied with respect to those Members. Once any such Member comes into compliance with its notification requirements, the measures will cease to apply.
14. Taking into account the decision of Ministers at the 11th Ministerial Conference to recommit to the implementation of existing notification obligations for fisheries subsidies (WT/MIN(17)/64; WT/L/1031), and recognizing the significant contribution that enhanced fisheries subsidies notifications would make to the negotiation and implementation of prohibitions on harmful fisheries subsidies, the Rules Negotiating Group will develop enhanced notification procedures as part of the ongoing fisheries subsidies negotiations in that body, in consultation with the Committee on Subsidies and Countervailing Measures as appropriate.