

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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COMMITTEE ON TRADE IN CIVIL AIRCRAFT

Draft Report to the Contracting Parties

1. This report is submitted under Article 8.2 of the Agreement on Trade in Civil Aircraft. It sets out the activities of the Committee since the entry into force of the Agreement. It is not the result of an annual review, since the Agreement has been in operation only since 1 January 1980.
2. As provided in Article 8.1 a Committee was established under the Chairmanship of Mr. R. Maynard (United Kingdom), and Vice-Chairmanship of Mr. S. Piper (United States of America). The Committee met on 20 February and 9 July and is scheduled to hold a third meeting towards the end of 1980.
3. The Committee took a number of decisions on procedural matters. It adopted a text on the participation of observers, based on the CONTRACTING PARTIES' Decision of 28 November 1979. The Committee decided to apply the GATT Procedure for Modification and Rectification of Schedules (BISD sixteenth Supplement) in respect of the Annex to the Agreement. As for conduct of business, it agreed that it would be guided by existing rules and practice.
4. Regarding the operation of the Agreement, the Committee discussed status reports on acceptance of the Agreement, incorporation of aircraft bindings in Signatories' respective GATT Schedules, end-use systems and on other matters relevant to Articles 1 and 2 of the Agreement.

5. The Committee established a Technical Sub-Committee, open to all Signatories, to deal with two broad items: (1) problems relating to product coverage, end-use systems, customs duties and other charges, including matters relating to aircraft tariff nomenclature, and (2) proposals for modifying the product coverage. In July 1980, the Technical Sub-Committee made an interim report to the Committee. Pursuant to this interim report the Committee adopted a recommendation aimed at the provision of regular statistical reporting for the products covered by the Agreement and invited the Technical Sub-Committee to report on the feasibility of the project. The Committee also invited the Technical Sub-Committee to pursue its work on proposals for modifying the product coverage.

6. The Committee will continue to carry out its responsibilities under the Agreement, and to deal with any items raised by Signatories, including matters arising under specific articles and the relationship between the Aircraft Agreement and other MTN Agreements.