Backbone of the multilateral trading system: WTO goods schedules



What is a WTO schedule?

WTO schedules are legal instruments that describe the treatment a member must provide to the trade of other WTO members. They are one of the main WTO tools to ensure transparency, security, and predictability for world trade.

Schedules result from negotiations among members, both in the multilateral (among all WTO members) and plurilateral (among some members) context.

All goods schedules include "bound duties", i.e. maximum tariffs that can be applied by a member for a particular product, as well as other non-tariff concessions. They also reflect members' commitments limiting subsidies for agricultural products.

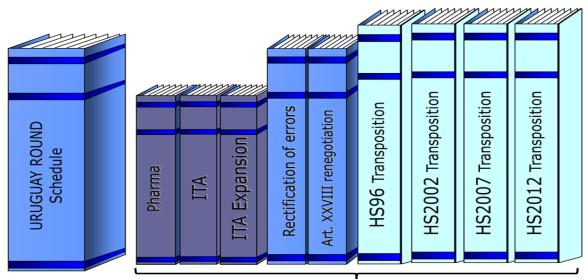
Although practitioners typically refer to "*the*" schedule of a member, these concessions and commitments can be spread out over several legal instruments that, together, set out that member's obligations.

Most schedules have changed considerably since the Uruguay Round of trade talks were concluded in 1994.

A member's schedule can be contained in several legal instruments

Did you know?

- Schedules are an integral part of WTO legal texts and each member must have one for Goods and another one for Services.
- While most schedules were established during the Uruguay Round in 1994, others have resulted from accessions to the WTO.
- There are 135 schedules for the 164 WTO members. The European Union has a single Schedule for all its member states.
- Schedules are identified by a unique Roman numeral which has been assigned according to the moment in which a member has joined the GATT or the WTO. The first one is "Schedule I – Australia" and the most recent is "Schedule CLXXIV – Liberia".
- 92 of the schedules are written in English, 24 in French, and 19 in Spanish. The contents are not translated.



Rectifications & modifications

500+ Changes to goods schedules



Why do schedules change?

Goods schedules constantly change due to "rectifications" and "modifications", which can result from a number of different procedures. These include corrections of errors or renegotiations of concessions under Article XXVIII of the General Agreement on Tariffs and Trade (GATT), and other actions by members.

Schedules need to be frequently updated in order to reflect changes in the tariff classification used by members, so that the tariffs applied by a national customs administration can be easily compared with that member's WTO obligations.

New tariff concessions have also been added over time, for instance, as a result of a member joining the WTO's Information Technology Agreement (ITA). Recently, Australia modified its Schedule of concessions pursuant to the Nairobi Decision on the elimination of export subsidies on agricultural products.

In order to introduce changes in the formal text of the schedule, members should follow specific procedures for the modification and rectification of schedules, which were adopted by the GATT Contracting Parties in 1980.

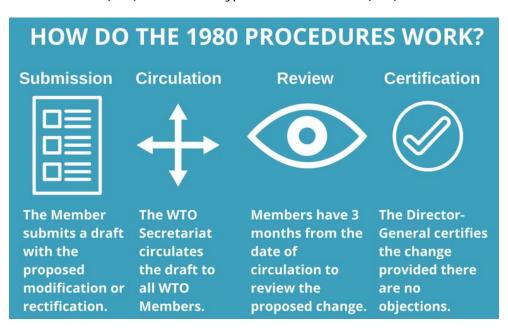
The "1980 Procedures"

The large majority of changes to goods schedules take place under the so-called "1980 Procedures for the modification and rectification of Schedules". Under these procedures, all WTO members have an opportunity to review the proposed changes and to approve them if there are no objections from other members. In the absence of any objections, proposed changes the are "certified" by the WTO Director-General.

To date, more than **97%** of such procedures have been successfully concluded.

What type of changes?

Most changes to the goods schedule consist of: amendments to reflect newer versions of the Harmonized System (65% of changes); new concessions resulting from plurilateral agreements (21%); rectifications of errors (5%); renegotiations of concessions (3%); unilateral concessions (2%); and other type of modifications (3%).



For more information:

For each member: <u>https://www.wto.org/english/tratop_e/schedules_e/goods_schedules_table_e.htm</u> Members' tariff profiles: <u>https://www.wto.org/english/res_e/reser_e/tariff_profiles_e.htm</u>