GENERAL AGREEMENT ON

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TARIFFS AND TRADE

COMMITTEE ON TRADE IN CIVIL AIRCRAFT

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 November 1986.

2. In November 1987 there were twenty-two signatories to the Agreement: Austria, Canada, the EEC, Belgium, Denmark, France, Federal Republic of Germany, Greece (subject to ratification), Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, the United Kingdom, Egypt (subject to ratification), Japan, Norway, Romania, Sweden, Switzerland and the United States. In addition, the following contracting parties have observer status in the Committee: Argentina, Bangladesh, Brazil, Cameroon, Czechoslovakia, Gabon, Ghana, India, Indonesia, Israel, Malta, Mauritius, Nigeria, Poland, Singapore, Sri Lanka, Trinidad and Tobago, Tunisia, Turkey, Yugoslavia. The IMF and UNCTAD are also observers.

3. The Committee on Trade in Civil Aircraft held three regular meetings in the period under review: on 2 December 1986, 25 March 1987 and 12 November 1987. In addition, the Committee held two special meetings, on 19-20 March 1987 and 23 July 1987, to review Articles 4 and 6 of the Agreement.

4. The Committee finalized work on the transposition of the Annex to the Agreement into the Harmonized System nomenclature, as well as on the methods of incorporating aircraft concessions expressed in Harmonized System nomenclature in GATT Schedules and national tariffs. On 2 December 1986, the Committee adopted the Protocol (1986) Amending the Annex to the Agreement, which has been opened for signature and will enter into force on 1 January 1988. The Committee also adopted an authentic text of the Agreement in Spanish; followed up the implementation of the 1985 revised Annex with respect to GATT bindings; exchanged views on further negotiations under Article 8.3; and discussed matters of United States aircraft maintenance regulations, statistical reporting, transitional provisions for certain aircraft under the US Tax Reform Bill, and government mandated offsets in civil aircraft sales.

5. The minutes of the Committee's meetings are contained in documents AIR/M/1 to 23 and are available to the contracting parties to the GATT.