

# GENERAL AGREEMENT ON

L/6552  
21 July 1989

## TARIFFS AND TRADE

Limited Distribution

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### TRADE POLICY REVIEW MECHANISM

#### Outline Format for Country Reports

Decision of 19 July 1989

Noting that the following agreement on an outline format for country reports has been reached by the Negotiating Group on the Functioning of the GATT System at its meeting on 19-20 June 1989 (MTN.GNG/NG14/12, Attachment),

The Council, acting pursuant to the CONTRACTING PARTIES' Decision of 12 April 1989 (L/6490, Part I, para. B(i)), decides that this will be the agreed outline format for country reports to be submitted under the Trade Policy Review Mechanism:

#### OUTLINE FORMAT FOR COUNTRY REPORTS TO BE SUBMITTED UNDER THE TRADE POLICY REVIEW MECHANISM

The following outline format for country reports has been agreed in pursuance of the Decision (L/6490) of the CONTRACTING PARTIES of 12 April 1989 establishing a Trade Policy Review Mechanism. This outline format shall be reviewed, and modified as appropriate, in the light of the experience gained from its application.

The purpose of the outline format is to provide guidelines that will permit all governments to supply, on a systematic basis, the information required to meet the objectives<sup>1</sup> of the Trade Policy Review Mechanism:

- "(i) The purpose of the mechanism is to contribute to improved adherence by all contracting parties to GATT rules, disciplines and commitments, and hence to the smoother functioning of the multilateral trading system, by achieving greater transparency in, and understanding of, the trade policies and practices of contracting parties. Accordingly, the review mechanism will enable the regular collective appreciation and evaluation by the CONTRACTING PARTIES of the full range of individual contracting parties' trade policies and practices and their impact on the functioning of the multilateral trading system. It is not, however, intended to serve as a basis for the enforcement of specific GATT obligations or for dispute settlement procedures, or to impose new policy commitments on contracting parties.

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<sup>1</sup>L/6490, paragraphs A(i) and (ii).

- (ii) The assessment to be carried out under the review mechanism will, to the extent relevant, take place against the background of the wider economic and developmental needs, policies and objectives of the contracting party concerned, as well as of its external environment. However, the function of the review mechanism is to examine the impact of a contracting party's trade policies and practices on the multilateral trading system."

The outline format aims to secure, in relation to each country, a level of essential detail which is both meaningful and readily achievable and which makes use of information provided under present notification obligations. The listing is not meant to exclude the provision by the contracting party concerned of such additional information (including relevant published studies if available) as it may consider appropriate.

Initial reports should focus on the previous three years, but should provide sufficient information regarding earlier years to put recent developments into context.

It is recognized that it may be burdensome for least-developed countries to adhere to the outline format. A simplified reporting format for reviews of trade policies and practices of the least-developed contracting parties should therefore be considered.

On request, the secretariat shall make available technical assistance in preparing reports to less-developed contracting parties, and in particular to the least-developed contracting parties.

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#### OUTLINE FORMAT

Governments are encouraged to add a brief "executive summary" to their reports.

#### A. TRADE POLICIES AND PRACTICES

##### (i) Objectives of trade policies

Objectives of national trade policies. Where particular sectoral trade policies have evolved, an explanation should be provided of their economic goals and significance.

##### (ii) Description of the import and export system

Summary description of the system, and its relationship to the general and sectoral objectives indicated in A(i).

(iii) The trade policy framework

(a) Domestic laws and regulations governing the application of trade policies.

(b) Summary description of the process of trade policy formulation and review, as well as responsibilities and institutional functioning of bodies primarily involved in this process and with the administration of trade policies.

(c) Bilateral, multilateral, regional or preferential trading agreements, their scope, duration and goals.

(iv) The implementation of trade policies

(a) Trade policy measures<sup>2</sup> used by the contracting party, their implementation during the period under review, including developments in different sectors, and comparison with their use in earlier periods. Where possible, quantitative estimates of the trade coverage of each policy instrument should be provided.

(b) Developments during the period under review in the agreements referred to in A(iii)(c) above.

(c) Programmes in existence for trade liberalization, including those agreed in the context of structural adjustment and/or debt negotiations.

(d) Prospective changes in trade policies and practices to the extent these changes are already announced or can be made known.

B. RELEVANT BACKGROUND AGAINST WHICH THE ASSESSMENT OF TRADE POLICIES WILL BE CARRIED OUT: WIDER ECONOMIC AND DEVELOPMENTAL NEEDS, EXTERNAL ENVIRONMENT.

(i) Wider economic and developmental needs, policies and objectives of the contracting party concerned

(ii) The external economic environment

(a) Major trends in imports and exports.

(b) Developments in the terms of trade and commodity prices.

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<sup>2</sup>Annex I provides an illustrative listing of types of measures affecting trade on which information could be supplied, as appropriate.

(c) Important trends in the balance of payments, reserves, debt, exchange and interest rates, and other such issues.

(d) International macroeconomic situation affecting the external sector of the contracting party concerned.

(iii) Problems in external markets

Problems of market access facing exports: existing significant barriers to trade (including VERs and OMAs) as well as developments since the last review.

APPENDIX: STATISTICAL AND TABULAR INFORMATION

(i) Trade flows by product and country/geographic area

Total exports and imports in value and volume, their commodity composition<sup>3</sup>, and the principal countries/geographic areas of origin and destination.

(ii) Macro-economic indicators and other information considered relevant

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<sup>3</sup>For example, at the 2-digit SITC level.

ANNEX

Illustrative listing<sup>4</sup> of measures

Trade measures applying to  
imports and exports and  
other measures directly  
affecting trade

- tariffs (including range and scope of bindings, GSP provisions, rates applied to members of free trade areas/customs unions, other preferences)
- tariff quotas and surcharges
- QRs, including VERs and OMAs affecting imports
- other non-tariff measures such as licensing and mixing requirements; variable levies
- customs valuation
- rules of origin
- government procurement
- technical barriers
- safeguard actions
- anti-dumping actions
- countervailing actions
- export taxes
- export subsidies, tax exemptions and concessionary export financing
- free trade zones, including in-bond manufacturing
- export restrictions, including VERs and OMAs
- other government assistance, including subsidies, tax exemptions
- rôle of state-trading enterprises
- foreign exchange controls related to imports and exports
- government-mandated countertrade
- any other measure covered by the General Agreement, its annexes and its protocols.

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<sup>4</sup>The measures listed are included with a view to information being made available on "the full range of individual contracting parties' trade policies and practices" (L/6490, A(i)) and not to defining the obligations of contracting parties with respect to any measure.