DATABASE ON PREFERENTIAL TRADE ARRANGEMENTS

USER GUIDE

I. BACKGROUND

In December 2010, the WTO's General Council took a decision to establish a <u>Transparency</u> <u>Mechanism for Preferential Trade Arrangements</u>. Preferential trade arrangements (PTAs) are non-reciprocal preferential schemes and are distinct from regional trade agreements, which are covered by the <u>Transparency Mechanism for Regional Trade Agreements</u>.

Information on PTAs being implemented by WTO Members has been compiled in the Database on Preferential Trade Arrangements. The database is available to WTO Members and the public and is maintained by the WTO Secretariat.

II. OVERVIEW OF THE PROCEDURES TO IMPLEMENT THE TRANSPARENCY MECHANISM

The Transparency Mechanism for PTAs is to be implemented by the WTO's Committee on Trade and Development (CTD) and lays out a number of procedures.

A Member establishing a PTA is required to notify its scheme under the Transparency Mechanism. A <u>standard format</u> for the notification to the CTD has been agreed to. There are three possible notification provisions:

<u>Paragraph 1(a)</u>: PTAs falling under paragraph 2 of the <u>Enabling Clause</u> (except for those falling under paragraph 2(c) of the Enabling Clause, which are covered by the Transparency Mechanism for Regional Trade Agreements).

<u>Paragraph 1(b)</u>: PTAs taking the form of preferential treatment accorded by any Member to the products of least developed countries (LDCs).

<u>Paragraph 1(c)</u>: Any other non-reciprocal preferential treatment authorized under the WTO Agreement.

Once a PTA is notified, the WTO Secretariat is required to prepare a "factual presentation" of the PTA. The factual presentation is prepared on the basis of information and data (including trade and tariff data) provided by the Member implementing the PTA. After the factual preparation is circulated, Members may submit written questions on the PTA. The implementing Member is to provide written responses. The questions and responses will then be circulated to Members before the CTD meets to consider the PTA. The CTD's consideration of the PTA should normally be concluded within one year of the date of notification. A single formal meeting of the Committee is to be devoted to consider each PTA that is notified. Any additional exchange of information should take place in written form.

The Transparency Mechanism also specifies that Members implementing PTAs are to annually provide information on any changes in the implementation of their PTAs. Furthermore, they are to annually submit trade data, as well as information on changes in the preferential tariffs applied in the context of the PTA. This requirement applies equally to PTAs that were notified prior to the establishment of the Transparency Mechanism and to PTAs notified after the establishment of the Mechanism. At the <u>CTD meeting of 5 July 2011</u>, Members agreed to a number of clarifications to the procedures to be used to implement the Transparency Mechanism.

III. ELEMENTS OF THE DATABASE

1. PTA lists and search facilities

From the homepage of the database, a list of all the PTAs included in the database can be accessed. The list can be sorted according to various criteria, for example by provider, by "type" or by number of "sub-schemes" (see below for an explanation of these terms).

The database also allows users to conduct searches using pre-defined selections or criteria. The relevant search facilities are accessible from the homepage of the database.

(a) Search by country/territory

Users can select any country/territory, either by clicking on the map or using a drop-down list. The PTAs in which the country/territory is participating - either as a provider of preferences or as a beneficiary - can be viewed.

(b) Search by criteria

Users can select search parameters in order to obtain lists of PTAs satisfying specified criteria. For example, a search can be made of all GSP schemes in the database. It is also possible to search by multiple criteria - for example, all PTAs being implemented by a particular WTO Member of which a particular country/territory is a beneficiary.

2. Information on individual PTAs: the "ID Card" and its contents

Information on each PTA in the database is presented in the form of an "ID Card". The ID Card for a PTA includes the date of entry into force of the PTA, the date of expiry (if applicable), the PTA's legal texts and related documents, and a list of beneficiary countries. Links to relevant websites of the provider are also made available, as are all WTO documents relating to the PTA, including notifications and other communications from Members, factual presentations, questions and responses documents, and the minutes of the CTD meeting held to consider the PTA. These documents can be viewed by category, or in list form. For historical purposes, communications from the time of the General Agreement on Tariffs and Trade (GATT) - between 1948 and 1994 - are also included (as a single category of documents). In addition, the ID Card contains the guide that Members agreed would be prepared for each PTA.

Some PTAs are made up not only of a single scheme, but also of a number of "sub-schemes". For example, in many of the Generalized System of Preferences (GSP) schemes of developed countries, LDCs receive additional preferential treatment to what is offered to other beneficiary developing countries. The ID Card for a given PTA specifies the sub-schemes of that PTA (if any). The beneficiaries of each sub-scheme are also provided.

The ID Card for a PTA categorizes the PTA in terms of "type". Each PTA in the database is categorized either as a GSP scheme (falling under the Enabling Clause), an LDC-specific scheme (a PTA that offers preferential treatment only to products from LDCs), or as part of "Other PTAs". The latter category includes PTAs that have been granted waivers. It will be noted that the three categories of PTAs are similar in structure to the three notification provisions specified in the Transparency Mechanism (see above). For completeness, however, the ID Card for a PTA also specifies under which provision of the Transparency Mechanism - paragraph 1(a), paragraph 1(b) or paragraph 1(c) - the PTA has been notified.

Finally, the ID Card includes trade and tariff data on each PTA. In particular, the user is directed to the WTO's Trade Analysis Online (TAO) system, in the context of which searches can be defined and data accessed, subject to availability.

3. Languages

The database is maintained in the WTO's three official languages - English, French and Spanish.

IV. FURTHER INFORMATION AND FEEDBACK

For any queries or feedback on the database and its functioning, please send an email to: <u>pta@wto.org</u>.