GENERAL AGREEMENT ON TARIFFS AND TRADE

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BACKGROUND NOTE FOR REVIEW OF IMPLEMENTATION OF PART IV AND OPERATION OF THE ENABLING CLAUSE

Note by the Secretariat

- 1. In accordance with its terms of reference, the Committee on Trade and Development is required to keep under continuous review progress made in the implementation of Part IV of the General Agreement. The Committee also undertakes, on a regular basis, reviews of the operation of the Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries (the Enabling Clause), in accordance with the Committee's primary responsibility for supervision of the implementation of that Decision. The last review of the implementation of Part IV and of the operation of the Enabling Clause was undertaken by the Committee in October 1982 at its forty-eighth session.
- 2. In the light of the decision taken by Ministers at the thirty-eighth session of the CONTRACTING PARTIES in November 1982, the Committee on Trade and Development adopted a programme of consultations with contracting parties to determine how individual contracting parties have responded to the requirements of Part IV. Consultations are to take place with Finland, Norway, Sweden, Austria and Hungary in October 1983. At its forty-ninth session in March 1983, the Committee on Trade and Development agreed that the consultations undertaken in pursuance of the Ministerial decision during the relevant period would, together with the work of the Sub-Committee on Protective Measures, form part of its overall annual review of the implementation of Part IV and the operation of the Enabling Clause.
- 3. Contracting parties were invited in GATT/AIR/1906 to make notifications containing information relevant to the regular annual reviews of the implementation of Part IV and the operation of the Enabling Clause which was not covered in the programme of consultations undertaken in the current period. Notifications received have been circulated for consideration by the Committee at its forthcoming meeting.
- 4. In this note the secretariat has attempted to put together relevant information on certain actions taken by contracting parties since the last review of the implementation of Part IV and the operation of the Enabling Clause. Section I contains information on commercial policy measures other than those referred to in the notifications made by contracting parties to the Sub-Committee on Protective Measures for its sixth session and the secretariat documentation prepared for that session (COM.TD/SCPM/W/17-21).

In Section II the secretariat has summarized available information on developments with regard to the Enabling Clause. Section III — Developments in Other GATT Bodies of Interest in Relation to Part IV — is intended to respond to the agreement in the Committee at its thirty—ninth session that the work on the review of the implementation of Part IV should be reinforced generally, so as to include, amongst other matters, an overall review of developments in different GATT bodies and of the implementation of MTN results with respect to the interests of developing countries.

SECTION I

COMMERCIAL POLICY MEASURES

- Japan announced a series of measures in January 1983 (L/5454) aimed at improving access to the Japanese market. These measures included the reduction of tariffs, with effect from 1 April 1983, on tobacco products, chocolates, biscuits, and on forty-seven agricultural products and twenty-eight manufactured products. Import restrictions were also relaxed on dried leguminous vegetables, groundnuts, fruit puree and paste, non-citrus fruit juice, tomato juice and tomato ketchup and sauce. In April 1983 (L/5472) the Japanese authorities further announced their intention to make changes in seventeen laws setting health and safety standards for imports. These changes were intended to simplify and speed up testing and certification procedures affecting a number of imported products including pharmaceuticals, agricultural chemicals and household appliances. In addition to these measures, the Government of Japan announced in October 1983 a series of further measures aimed at expanding domestic demand, attaining external balance with an enlarged volume of trade, further opening Japan's market and vigorously promoting imports. In pursuance of these objectives, Japan will inter alia, reduce tariff rates for a number of items, consider possible advance reduction of MTN tariff rates on industrial products and increase ceiling quotas under the GSP for industrial products. Fuller details of these measures will be notified to the CONTRACTING PARTIES in due course.
- 6. With effect from 26 August 1983 the <u>United States</u> reclassified machine-threshed tobacco to exclude it from TSUS tariff heading 170.80 where it was subject to duty of 17.5 cts/lb, and include it instead under heading TSUS 170.35 where it is subject to a consolidated customs duty of 32 cts/lb. Neither of these tariff lines falls within the Generalized System of Preferences Scheme of the United States.
- 7. In May 1983 the <u>United States</u> lifted the embargoes on imports of tuna fish and tuna products which were imposed on Ecuador and Peru in 1980.
- 8. The Commission of the European Communities announced in July 1983 (L/5521/Rev.1) that it intended to establish temporary measures in respect of imports into the Community of hybrid maize for sowing (CCCN tariff No. 10.05A). In notifying these measures before their adoption, the Commission expressed its desire to make use of the possibilities offered by the General Agreement for examining them with interested contracting parties.

9. In December 1982, Australia announced certain changes in import duties on wood and articles of wood. Duties on most early-stage processed timber, such as rough sawn wood and veneer, previously dutiable at rates ranging from 2 per cent to 15 per cent, were all set at 5 per cent. Duties on dressed timber, mouldings, dowelling, articles of wood and low and medium-density fibreboards were set at 15 per cent, having previously been subject to rates ranging from 15 per cent to 22.5 per cent. In addition, duty rates on hardboard and particle-board were to be phased down from 30 per cent to 20 per cent, and on plywood from 40 per cent to 25 per cent.

SECTION II

(a) Generalized System of Preferences (GSP)

- 10. In the paragraphs that follow, an attempt has been made to summarize the main features of the notifications made to the CONTRACTING PARTIES concerning the GSP since the 48th Session of the Committee:
 - in document L/3982/Add.19 Australia has notified the reduction of GSP rates on 22 industrial items, some exclusions from GSP application for two GSP beneficiaries, an introduction of GSP quota for canned leg and shoulder ham, GSP quota arrangements for the July 1982/June 1983 period and some details of GSP treatment for textiles, clothing and footwear.
 - in document L/3982/Add.20 Australia notified changes in Australia's GSP scheme which were implemented between 9 September 1982 and 1 January 1983. These changes included new or increased margins of preference for 27 industrial items, decreased GSP rates of duty on 31 industrial items, other changes affecting GSP margins or rates of duty on 17 industrial items, new exclusions from preference of imports from certain developing countries on 10 industrial items and the restoration of one country for GSP application with regard to one item.
 - in document L/4108/Add.14 Austria has notified that simultaneous to the reduction of m.f.n. duties on some 60 industrial items which took effect on 1 July 1982 in advance of the scheduled implementation, GSP rates on these items have been reduced in accordance with the Austrian formula for GSP rates, i.e. one-half of the m.f.n. rate for industrial items other than textiles and the m.f.n. rate less 35 per cent for textile items.
 - in document L/4108/Add.15 Austria has provided information on preferential imports under the GSP Scheme in 1981.
 - in document L/4108/Add.16 Austria has notified that with effect from 1 January 1983, Djibouti, Equatorial Guinea, Sao Tome and Principe, Sierra Leone and Togo have been included in the list of least-developed countries and that GSP rates on some 1900 tariff lines have been reduced in step with m.f.n. duty reductions resulting from Austria's implementation of the fourth stage of Tokyo Round duty reductions.

- in document L/3703/Add.4 Czechoslovakia has notified that with effect from 15 January 1982 the number of least-developed countries enjoying duty-free treatment has been increased to 27 countries and that the list of developing countries, imports from which are subject to preferential duties equivalent to 25 per cent of the m.f.n. rates, has been also enlarged to cover 89 countries. Thus, the overall list of beneficiaries now cover 116 countries. The notification also included new harmonized rules of origin.
- in document L/5116/Add.2 the Commission of the European Communities has notified the text of the regulations and decisions concerning EEC's GSP scheme for 1983. Further, in L/5116 Add.3, the EC Commission provided some information on the EEC's GSP scheme including the following changes made in the scheme for 1983.

 Agricultural products
 - (a) Addition of 8 new products to the scheme
 - (b) Improvements in preference margins for 17 products
 - (c) Addition of around 370 products to the list of products for which least-developed countries will have duty-free access (bringing the total to over 700).
 - (d) With respect to 5 products subject to GSP quota, modification of the shares allocated to EC Member States with particular marked effect on canned pineapples in slices and Virginia type tobacco.

Industrial products other than textiles

- (a) 13 additions to and 9 deletions from the list of sensitive products.
- (b) 22 new individual country quotas and suppression of 12 former quotas.
- (c) A 5 per cent increase in 14 quotas and 39 ceilings, and an increase of 10 per cent or more in 7 quotas and 52 ceilings. A 15 per cent across-the-board increase in ceilings for all non-sensitive products.

Textile products

- (a) Products of cotton, wool or man-made fibre
 Basic framework of the scheme which was originally
 introduced in 1980 remains unchanged.
- (b) Jute and coir products are not subject to a ceiling but the granting of preferences is conditional on bilateral agreements (India, Sri Lanka) or similar agreements (Thailand). These are not required however from least-developed countries (Bangladesh and Nepal).

- (c) Products made from other fibres
 The 1983 system of individual country ceilings replaces the old regime of global ceilings/butoirs. As on industrial products, ceilings are allocated among EC Member States for imports from competitive suppliers; volumes of new individual country ceilings are based on former butoirs, but the reference year has been updated to 1980 from the 1977 base previously used in calculations. There is no limit on imports from least-developed countries.
- in document L/3694/Add.14 Finland has provided comprehensive information on its GSP scheme as of January 1983. Apart from the inclusion of new beneficiary countries and the granting of special concessions to least developed developing countries, the Scheme has been subject to few modifications since it was introduced on 1 January 1972. Under a safeguard clause GSP treatment may be suspended for a certain period of time, subject to certain conditions. However, during the ten years of the operation of the Scheme, the clause has not been applied.
- in document L/4531/Add.5, Japan has notified improvements and other modifications made in its GSP scheme for the 1983 fiscal year starting l April. Equatorial Guinea, Sao Tome and Principe, Sierra Leone and Togo have been extended "least developed country" status. GSP rate reductions were made on 9 agricultural/tropical items. GSP treatment has been restored to two items imported from Hong Kong. Ceiling controls for industrial items have been relaxed for some product groups but have been tightened for some other groups.
- in document L/4366/Add.13, New Zealand has provided statistical information regarding the country's imports in the fiscal year 1981/82 under different tariff regimes including the GSP.
- in document L/4242/Add.22, Norway has notified that Djibouti, Equatorial Guinea, Sao Tome and Principe, Sierra Leone and Togo have been included in the list of least developed countries, which are eligible for duty-free treatment for all products.
- In document L/4020/Add.8 Switzerland has notified that in step with m.f.n. tariff reductions on 1 January 1983 for the implementation of Tokyo Round concessions, GSP rates have been reduced with respect to products which do not benefit from duty-free treatment (certain agricultural products, textiles, clothing, footwear, umbrellas, unworked aluminium and dry-cell batteries).
- in document L/4920/Add.9, Switzerland has notified that Djibouti, Equatorial Guinea, Sao Tome and Principe, Sierra Leone and Togo have been added to the list of least-developed countries. Since I July 1982, the least-developed countries have been granted duty-free treatment on all industrial products falling within Chapters 25-99 with the exception of goods subject to revenue duties. Duty-free treatment has been granted on 48 agricultural products, of which twenty-four are those not included in the Swiss GSP scheme.

- in document L/5153/Add.2, the United States has notified changes made in its GSP Scheme as from 31 March 1983. These included: the addition of 29 new items to the GSP list, the removal of three articles from the GSP Scheme bolts, nuts and high carbon ferromanganese, and the removal of Korea, Mexico, Taiwan and Brazil from eligibility for GSP treatment on certain products and a number of redesignations and exclusions of individual developing countries for GSP benefits on specific items under the competitive need provisions.
- (b) Differential and more favourable treatment under GATT multilaterally negotiated instruments concerning non-tariff measures
- 11. A summary of developments regarding the implementation of the MTN Agreements on various non-tariff measures is contained in Section III of this note.
- (c) Preferential arrangements among developing countries
- 12. The tenth annual report on the operation of the Protocol Relating to Trade Negotiations Among Developing Countries is being circulated as L/5540 and Addendum 1. It is listed for consideration by the Committee in the annotated provisional agenda as item 7.

SECTION III

DEVELOPMENTS IN OTHER GATT BODIES OF INTEREST IN RELATION TO PART IV

The Council

- 13. Since the Committee's last review of "developments in other GATT bodies of interest in relation to Part IV" at its forty-eighth session, meetings of the Council of Representatives have been held on 1 October, 2-5 November, 11 November and 16 November 1982, and on 26 January, 9 March, 20 April, 26 May, 12 July and 3 October 1983.
- 14. The meetings in October and November 1982 were principally devoted to the finalization and adoption of the Council's reports to the Ministerial and the regular parts of the thirty-eighth session of the CONTRACTING PARTIES. The Ministerial Declaration, adopted at the thirty-eighth session of the CONTRACTING PARTIES, forms the basis of some of the current work programme of the Committee.
- 15. The draft Report of the Council to be presented to the CONTRACTING PARTIES at their thirty-ninth session in regard to its work during the current year is contained in document C/W/426.
- 16. At a <u>special session</u>, held on 12 July 1983, the Council conducted a review of developments in the international trading system, in pursuance of a decision adopted in March 1980, taking into account also the commitment embodied in paragraph 7(1) of the Ministerial Declaration. A factual note

prepared by the secretariat (C/W/420), listing restrictive trade measures taken by contracting parties, within or outside the purview of GATT, provided the background for the discussions at this session. The minutes of the special session of the Council have been issued as C/M/169. At the meeting of the council on 3 October 1983, the Director General announced that a new division had been established within the secretariat, to be entitled the "Trade Policies Division", whose work would be directly relevant to the reviews carried out by the council in special session. The work of the Council in this regard during the current year is covered as item 2 in its draft Report to the CONTRACTING PARTIES (C/W/426)

Consultative Group of Eighteen

17. The Consultative Group of Eighteen met on 6-8 October 1982, and on 5-6 May and 19-21 October 1983. The October 1982 meeting was mainly devoted to a discussion of some leading issues, in particular agriculture, then being prepared for consideration at the Ministerial meeting of the CONTRACTING PARTIES. The May and October 1983 meetings undertook a review of developments in trade relations and trade policy since the Ministerial meeting. The Consultative Group also discussed at these meetings the relationship between trade policy and the international financial system, and the developments in co-operation between the secretariats of the GATT and other international organizations. The Chairman of the Consultative Group of Eighteen will be making a report in regard to the work of the Group during the current year to the council at its meeting on 1 and 2 November 1983.

Committee on Balance-of-Payments Restrictions

- 18. The Committee on Balance-of-Payments Restrictions conducted consultations in accordance with simplified procedures with Bangladesh, Ghana and the Philippines in November 1982, and with Egypt, Korea and Sri Lanka in October 1983. The Committee also conducted "full" consultations with Israel in November 1982.
- 19. At its 11 October 1982 meeting, the Committee noted that in terms of paragraphs 11 and 12 of the Declaration on Trade Measures Taken for Balance of Payments Purposes, it was clearly authorized to cover in its consultations restrictive measures of other countries which adversely affect the balance-of-payments position of the consulting country.

Safeguards

20. The Ministerial meeting had, inter alia, affirmed the "need for an improved and more efficient safeguard system which provides for greater predictability and clarity and also greater security and equity for both importing and exporting countries, so as to preserve the results of trade liberalization and avoid the proliferation of restrictive measures", and called for "a comprehensive understanding, to be based on the principles of the General Agreement" to be drawn up by the Council for adoption by the CONTRACTING PARTIES not later than their 1983 session. Work on this subject since the Ministerial meeting has been pursued through informal consultations organized by the Chairman of the Council. An Interim Report on the progress of these informal consultations was presented to the

Council by the Chairman at its session on 12 July 1983. It was stated in this report that the consultations had initially focussed on an examination of actual measures of a safeguard nature in order to understand better their underlying reasons and to draw conclusions therefrom, as the basis for further progress. The Chairman of the Council has since then continued informal consultations on the subject, and will be making a report to the Council at its meeting on 1 and 2 November 1983.

Committee on Tariff Concessions

21. The Committee on Tariff Concessions met on 21 October 1982, and on 28 February and 20 October 1983. The Committee discussed matters relating to the submission of loose-leaf schedules, including their legal status, the delays in the preparation of the schedules as well as in the examination of the schedules already submitted. The Committee adopted document TAR/W/25/Rev.2 and Add.1 entitled "The Harmonized System and GATT Concessions", on the understanding that it could revert to it in the light of the final decision of the CCC, and that the document would be transmitted to the Council for approval. The Committee also continued its discussion of the problem of tariff escalation in light of the Ministerial decision that "prompt attention should be given to the problem of escalation of tariffs on products with increased processing with a view to effective action towards the elimination or reduction of such escalation where it inhibits international trade, taking into account the concerns relating to exports of developing countries."

Textiles Committee

- 22. The Textiles Committee held its second meeting under the 1981 Protocol of Extension on 16 December 1982. The Committee had before it documents COM.TEX/W/134 and 135 which contained basic statistical data on production and trade in textile products. The Committee was informed of developments concerning the status of bilateral agreements under MFA III.
- 23. The Committee approved the composition of the Textile Surveillance Body for 1983.

Group on Quantitative Restrictions and Other Non-Tariff Measures

- 24. A Group on Quantitative Restrictions and other Non-Tariff Measures was set up in pursuance of a decision taken by the Ministers at the thirty-eighth session of the CONTRACTING PARTIES. Its terms of reference, instruct the Group, inter alia, to review existing quantitative restrictions and other non-tariff measures and find ways and means of achieving further liberalization or final elimination of these measures. Adequate attention should be given to the need for action on quantitative restrictions and other measures affecting products of particular export interest to developing countries. The Group held its first meeting in March 1983 at which it was decided, among other things, to adopt the following three-stage approach to its work:
 - (a) compilation of an adequate information base for the work of the Group;

- (b) review of existing quantitative restrictions and other non-tariff measures, the grounds on which these are maintained and their conformity with the provisions of the General Agreement;
- (c) consideration of the Group's findings and conclusions and preparation of its final report.
- 25. In the framework of its programme of work the Group has established a list of products of export interest to developing countries (NTM/W/4/Rev.1), as well as information on a product-by-product basis on quantitative restrictions maintained by a number of contracting parties (NTM/W/6 and Add.1). Additional information on quantitative restrictions is contained in Part IV of the Inventory of Non-Tariff Measures (NTM/INV/IV) which includes a large number of reverse notifications, and in the Agricultural Inventories (AG/DOC/2 series). The Inventories on Non-Tariff Measures and the Agriculture Inventories also contain information on other non-tariff measures.
- 26. At its meeting held on 21 October 1983, the Group took stock of the information that had been assembled for the purpose of its review so far, and discussed procedures for its further work. The Chairman of the Group is expected to make a report in regard to the progress of its work to the Council, at its meeting on 1 and 2 November 1983.

Committee on Trade in Agriculture

- 27. The Committee on Trade in Agriculture was also established by the Contracting Parties as a result of the Ministerial meeting. The Committee is responsible for examining:
 - trade measures, including tariffs and non-tariff measures, affecting market access for and supplies of agricultural products;
 - (ii) the operation and effectiveness, in the light of actual experience, of the General Agreement as regards subsidies, especially export subsidies, affecting agriculture;
 - (iii) trade measures affecting agriculture maintained under exceptions or derogations, and

making recommendations with a view to achieving greater liberalization to the trade of agricultural products. The Committee has to report on the results achieved and make appropriate recommendations to the Council periodically, and to the CONTRACTING PARTIES not later than their 1984 Session. The report submitted to the Council by the Chairman of the Committee on Trade in Agriculture regarding the progress of its work until its meeting on 4-13 October 1983 is contained in document L/5563.

Committee on Trade in Civil Aircraft

28. The Committee on Trade in Civil Aircraft met on 6-7 October 1982, 8, 10 March 1983 and 4, 6 October 1983. The Chairman noted the desirability of having the participation in the Agreement of developing

countries producing aircraft; in this context, it would be useful to have these countries' views on the terms they would need in order to accept the Agreement. In its October 1983 meeting, the Committee agreed to recommend to their respective governments that thirty-two new categories of civil aircraft products be added to the list of duty-free or duty-exempt products annexed to the Agreement. The Committee also agreed to recommend to their governments the entry into force of this extension to the Annex on 1 January 1985.

Bovine Meat

29. The International Meat Council met on 9-10 December 1982 and 23-24 June 1983. Both meetings discussed the functioning of the Arrangement Regarding Bovine Meat, the bovine meat market situation and outlook, and questions of a policy nature of special concern to participants.

Dairy Products

30. The International Dairy Products Council held two regular sessions (24 March and 29 September) and one special meeting (12 September) in 1983. At the special meeting initiated by the European Communities, the Council discussed the effects on the stability of the international dairy market of the United States sales to Egypt. At its regular sessions, the Council took note of the reports of the Protocol Committees, which emphasized that the situation in the world market for products covered by the Protocols was serious and that for certain products, such as cheese, it could deteriorate further. Since 1981, the considerably increased world production of dairy products, in the absence of corresponding growth in consumption, had the effect of increasing stocks and weakening market prices. The Council decided that an increase in minimum prices could not currently be considered desirable, in light of the international market situation and the appreciation of the United States dollar.

Agreements on Non-Tariff Measures

- 31. The Committee on Subsidies and Countervailing Duties met on 27 October 1982 and on 21 and 22 April, 18 and 19 May, and 9 June 1983. The Committee dealt with questions relating to the adherence of further countries to the Agreement. It continued its examination of national legislation and implementing regulations in member countries. It examined countervailing preliminary or final duty actions notified by members. Matters receiving attention of the Committee during this period included the questions raised by India in regard to domestic United States procedures, methods and practices in regard to countervailing action, and the disputes in regard to EEC subsidies on exports of wheat flour and pasta products. The Report of the Committee on Subsidies and Countervailing Measures in regard to its work until June 1983 is contained in document L/5496.
- 32. The Committee on Anti-Dumping Practices met on 25-26 October 1982 and 26-27 April 1983. The Chairman welcomed Australia as a new Party to the Agreement; Australia accepted the Agreement on 21 September 1982.

Following discussions on problems with implementations of the Agreement, the Committee decided to establish an <u>ad hoc</u> group to prepare recommendations or guidelines concerning the implementation of the Agreement on issues where agreement seemed possible. The Report on the Committee on Anti-Dumping Practices in regard to its work until May 1983 is contained in document L/5486.

- 33. The Committee on Import Licencing met on 13 December 1982 and on 6 June and 7 October 1983. The Committee continued its review of import licencing procedures prevalent in individual member countries and matters arising in relation to the implementation and operation of the Agreement on Import Licencing. In its annual Report for 1983 submitted to the Council submitted in pursuance of the Ministerial decision in this regard (L/5553), the Committee expressed the view that the work carried out so far under the Agreement had permitted a marked improvement in transparency with regard to import licencing procedures and their operation, and that the Agreement was adequate to ensure the discipline necessary to prevent trade distortions arising from the operation of licencing procedures.
- 34. The Committee on Customs Valuation met in November 1982 and in March and May 1983. The Committee continued its review of information in regard to implementing legislation and administration of the Agreement by member countries. It discussed technical problems relating to the interpretation and administration of the Agreement. The Committee also reviewed technical assistance activities in support of developing countries undertaken by members of the Agreement. In its review of the question of accession of further countries to the Agreement, in the context of its Annual Report to the Council, the Committee noted that "the Agreement contains a number of provisions, particularly those on special and differential treatment, aimed at reducing obstacles to acceptance of it. In addition, certain activities of the Committee, such as those relating to reservations, technical assistance, the participation of observers and the circulation of documents, have been carried out with a view, amongst other things, to facilitating acceptance of the Agreement."
- 35. The Committee on Government Procurement met on 15 and 16 December 1982, and on 24 February and 25 May 1983. The Committee continued its review of actions by member governments towards implementation and administration of the Agreement on Government Procurement and consideration of questions relating to accession of further members to the Agreement. The Committee also continued its discussion of the question of the preparations that would be necessary for the negotiations in regard to the improvement and broadening the scope of the Agreement foreseen in its Article IX: 6(b), and initiated substantive work toward this end. In its annual Report for 1983 submitted to the Council in pursuance of the Ministerial decision on MTN Agreements and Arrangements (L/5503), the Committee expressed the view that the operation and effectiveness of the Agreement's provisions of special and differential treatment of developing countries had been reviewed annually and found to be satisfactory.

36. The Committee on Technical Barriers to Trade met on 26 October 1982, 10 February 1983, 17-18 May 1983 and 4-5 October 1983. The Committee noted, inter alia that, in general, the Agreement on Technical Barriers to Trade was operating satisfactorily. The operation of the Agreement had greatly improved transparency with regard to technical regulations adopted at the national level. While a relatively large number of contracting parties had adhered to the Agreement, the Committee expressed the hope that participants would increase in the future, particularly as regards least-developed contracting parties. The Committee welcomed India as a new signatory to the Agreement in February 1983 and agreed to grant India an exception, for a period of two years, from the obligations of Article 7.2 of the Agreement. The annual Report submitted by the Committee in regard to the implementation and operation of the Agreement during 1983 is contained in document L/5548.