

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/W/349

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NOTIFICATION AND SURVEILLANCE

Note by the Secretariat

At their thirty-fifth session the CONTRACTING PARTIES adopted an Understanding regarding Notification, Consultation, Dispute Settlement and Surveillance (BISD 26S/21G) drawn up in the Multilateral Trade Negotiations.

In March 1980 the Council adopted the Proposal (C/111) relating to the implementation of the paragraphs of the Understanding dealing with Notification (paragraphs 2 and 3) and with Surveillance (paragraph 24). Subsequently, contracting parties were invited to submit the relevant notifications (GATT/AIR/1629).

In respect of Notification and Surveillance, it will be recalled that the Proposal contained in document C/111 provided, inter alia, for reviews to be conducted by the Council at sessions specially held for that purpose. Such reviews should be held twice a year, the first taking place in autumn 1980. (C/111, paragraphs 6(b) and (c).) The Proposal also provided that the secretariat should prepare a factual note, drawing on the notifications made and other relevant information, on which the first review could be based. This factual note is reproduced below.

Finally, it will be recalled that the Proposal provided that "Any arrangements which the Council might make at the present stage will necessarily be experimental and initially some amount of overlap may be unavoidable. This suggests that arrangements should be kept as simple as possible and that they should be reviewed, and if necessary modified, in the light of experience." (C/111, paragraph 5.)

NOTIFICATIONS RELATED TO PARAGRAPH 2 OF THE UNDERSTANDING

I. Notifications required from contracting parties

(See document C/111, Annex I.)

Article II:6(a) - Adjustment of specific duties

No notifications.

Article VI - Anti-dumping and countervailing duties

No notifications.

Article X - Publication of trade regulations

See below: notifications relating to paragraph 3 of the Understanding.

Quantitative restrictions

(a) Residual restrictions

Notifications in response to GATT/AIR/1631 have been submitted by Austria, Finland, Japan, Portugal, Sweden and Switzerland.

A separate note is being circulated on the "Updating of Documentation on Non-Tariff Measures". (L/5053)

(b) Licensing

Forty-nine notifications have been received since 1971 (forty-eight from individual contracting parties and one from the European Economic Community and its member States). Notifications in response to GATT/AIR/1632 have been submitted by Japan, New Zealand, Norway, Portugal, South Africa, Sweden, Switzerland and Zaire.

(c) Import restrictions applied for balance-of-payments purposes

Sixteen contracting parties at present invoke Article XII or XVIII and provide notifications on this subject.

Article XVI - Subsidies

Notifications have been received from Austria, Czechoslovakia, Malawi, South Africa, Sweden, Switzerland, United Kingdom and Yugoslavia (cf. Addenda to L/4932).

Article XVII - State trading

Notifications have been received from Austria, Canada, Czechoslovakia, Japan, New Zealand, Romania, South Africa, Sweden, Switzerland, United Kingdom and Yugoslavia (cf. Addenda to L/4933).

Article XVIII:A - Modification of concessions

No notifications.

Article XVIII:C

No notifications.

Article XVIII:D

No notifications.

Article XIX - Emergency action

Notifications have been received from Australia (L/5026/Rev.1 - works trucks and stackers), EEC (L/4942 - yarn of synthetic fibres, and L/4994 - mushrooms), Spain (L/4978 - cheeses), and the United States (L/4889 and Add.1 - porcelain-on-steel cooking ware, and L/5027 - preserved mushrooms).

Article XXII - Consultations

- Japan - Request for consultations with the United States (tariff measures on light truck cab chassis - L/5019)
- United States - Request for consultations with EEC (export refunds for wheat flour - L/5014)
- United States - Request for consultations with EEC (tariff preferences to citrus fruits - L/5037)

Article XXIV - Customs unions and free-trade areas; regional agreements

(a) Notifications

No notifications.

(b) Progress reports

Progress reports have been submitted to the Council, as follows:

- Agreement between Finland and Hungary (L/4878);
- Agreements between the European Communities and Israel (L/4886);

- Association Agreement between the EEC and Malta (L/4966);
- Agreement between the EEC and Spain (L/4973);
- Association Agreement between the EEC and Cyprus (L/4982);
- Agreement between Finland and Czechoslovakia (L/4988);
- Agreements between the EEC and Egypt, Jordan, Lebanon and Syria (L/5029);
- Agreements between the EEC and Algeria, Morocco and Tunisia (L/5030);
- Association Agreement between the EEC and Turkey (L/5064).

Article XXVIII - Modification of schedules

(a) Article XXVIII:1

No notifications. (Next notification year - 1981)

(b) Article XXVIII:4

No notifications.

(c) Article XXVIII:5

Notifications received from Canada, Finland (two notifications), South Africa (three notifications), Sweden and Switzerland (two notifications).

Article XXXVII:2(a) - Non-fulfilment of Article XXXVII:1

No notifications.

Review of implementation of Part IV

In response to GATT/AIR/1651, notifications have been received from six contracting parties and the European Communities (COM.TD/W/321 and Add.1).

Border tax adjustments

No notifications.

Liquidation of strategic stocks

No notifications.

Marks of origin

No notifications.

II. Information required from some contracting parties

(See document C/111/Annex II.)

(a) Accession protocols

- Hungary, paragraph 6(b): No notifications.
- Poland, paragraph 5: No notifications.
- Romania, paragraph 5: Romanian foreign trade statistics and balance-of-payments data circulated in L/4926.
- Switzerland, paragraph 4: No notifications.
- Hungary, paragraph 4(c): No notifications.
- Poland, paragraph 3(b): No notifications.
- Romania, paragraph 3(b): In response to GATT/AIR/1596, notifications were received from twenty-seven contracting parties and the European Communities. (L/4935 and Addenda)

(b) Waivers

- Australia: Products of Papua New Guinea, paragraph 3: No notifications. Formal action to disinvoke the 1953 waiver has not yet been taken.
- Turkey: Stamp duty, paragraph 3: Turkey has reported under the waiver. (L/4960, L/4964, C/M/139)
- United States: Agricultural Adjustment Act, paragraph 6: The twenty-second annual report (L/4925) was examined by a Working Party, whose Report (L/4999) was adopted by the Council in October 1980 (C/M/143).
- United States: Imports of automotive products, paragraph 6: Annual report not yet received.
- Generalized System of Preferences, paragraph (c): Notifications have been received, as follows:

Australia (L/3982/Add.14)
Austria (L/4108/Add. 6-10)
Canada (L/4027/Add. 12-14)
European Communities (L/4804/Add.1)
Finland (L/3694/Add.9 and Corr.1, Add.10)
Japan (L/4531/Add.2)
New Zealand (L/4366/Add. 7-10)
Norway (L/4242/Add. 14-17)
Sweden (L/4472/Add.3)
Switzerland (L/4020/Add. 4 and 5)
United States (L/4299/Add.11)

- Trade negotiations among developing countries, paragraph (e):
In their seventh annual report (L/5051), the Committee of Participating Countries included a reference to the CONTRACTING PARTIES' Decision of 28 November 1979 on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries (BISD 26S/203).

(c) Differential and more favourable treatment, reciprocity and fuller participation of developing countries, paragraph 4(a): No notifications; however, see "Trade Negotiations among Developing Countries" (above) and "Trade arrangements between India, the United Arab Republic and Yugoslavia" (below).

(d) Trade arrangements between India, the United Arab Republic and Yugoslavia, operative paragraph: A report has been received from the participants and will be circulated to contracting parties.

(e) Bangkok Agreement, operative paragraph (c): No notification.

(f) Agreement on ASEAN Preferential Trading Arrangements, operative paragraph (c): No notification.

(g) Committee on Trade and Development - Sub-Committee on Protective Measures

See documents COM.TD/SCPM/W/1-4 for information relating to these notifications.

(h) Arrangement regarding International Trade in Textiles

Article 10.4

See the Report of the TSB to the Textiles Committee for the Major Review of the Operation of the Arrangement, 1980 (COM.TEX/SB/610).

(i) MTN Agreements and Arrangements

(Notification requirements applicable to the parties to these instruments.)

Agreement on Technical Barriers to Trade: The Committee will report to the CONTRACTING PARTIES at their thirty-sixth session in November 1980.

Agreement on Government Procurement: The Agreement will enter into force on 1 January 1981.

Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement: The Committee will report to the CONTRACTING PARTIES at their thirty-sixth session in November 1980.

Arrangement regarding Bovine Meat: Notifications, in the form of replies to questionnaires, have been received on a regular basis.

International Dairy Arrangement: Notifications, in the form of replies to questionnaires, have been received on a regular basis.

Agreement on Implementation of Article VII of the General Agreement: The Agreement will enter into force on 1 January 1981. Upon entry into force of the Agreement, the provisions of the Protocol thereto shall be deemed to be part of the Agreement.

Agreement on Import Licensing Procedures: The Chairman of the Committee on Import Licensing will report to the CONTRACTING PARTIES at their thirty-sixth session in November 1980.

Agreement on Trade in Civil Aircraft: The Committee will report to the CONTRACTING PARTIES at their thirty-sixth session in November 1980.

Agreement on Implementation of Article VI of the General Agreement: The Committee will report to the CONTRACTING PARTIES at their thirty-sixth session in November 1980.

NOTIFICATIONS RELATING TO PARAGRAPH 3 OF THE UNDERSTANDING

Notifications related to the adoption of new trade measures affecting the operation of the General Agreement have been received as follows:

- Czechoslovakia: Law on economic relations with foreign countries (L/5017)
- European Economic Community: Jute products (L/500C/Rev.1)
- Hungary: Bilateral international agreements on foreign trade (L/5049)

- Peru: Amendments to the customs tariff (L/5038)
- South Africa: Reductions in duties (L/5010)
- Yugoslavia: Liberalization of import restrictions (L/5054)

SURVEILLANCE - PARAGRAPH 24 OF THE UNDERSTANDING

It will be recalled that paragraph 24 of the Understanding provided that particular attention would be paid, inter alia, to measures which have been subject to consultation, conciliation or dispute settlement procedures laid down in the Understanding.

The following matters have been taken up in this context:

European Communities:

- Imports of beef from Canada (L/4987): Panel established in June 1980 (C/M/141)
- Refunds on exports of sugar
 - (a) Recourse by Australia: Considered by the Council in January, March and October 1980 (C/M/138, 139, 143)
 - (b) Recourse by Brazil: Report of Panel (L/5011) before the Council in November 1980
- Restrictions on imports of apples from Chile: Report of the Panel (L/5047) before the Council in November 1980
- Imports of poultry from the United States (L/5033, L/5040): Panel established in October 1980 (C/M/143)

Japan:

- Restraints on imports of manufactured tobacco (L/4871): Under examination by the Panel
- Measures on imports of leather: Report of the Panel (L/5043) before the Council in November 1980
- Measures on edible fats containing milk fat: Raised at the meeting of the Council in October 1980 (C/M/143)

Norway:

- Restrictions on imports of textiles from Hong Kong: Report of the Panel (L/4959) adopted by the Council in June 1980 (C/M/141)

Spain:

- Tariff treatment of unroasted coffee (L/4954): Panel established in June 1980 (C/M/141)
- Measures concerning domestic sale of soyabean oil (L/4859): Panel established in January 1980 (C/M/138)

United States:

- Prohibition of imports of tuna and tuna products from Canada (L/4931): Panel established in March 1980 (C/M/139)
- Imposition of countervailing duty without injury criterion/ Industrial fasteners imported from India (L/5028, L/5062): Raised at the meeting of the Council in October 1980 (C/M/143).