

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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COUNCIL

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/210) 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. The Council had a first discussion on this matter in November 1980 (C/M/144) on the basis of a factual note prepared by the secretariat drawing on the notifications made and other relevant information. The Council had a second discussion in May 1981 (C/M/147) and a third discussion in November 1981 (C/M/153) on the basis of more comprehensive notes setting out additional background information in respect of the various types of notification.

As a basis for further discussion and review, the comprehensive note has been further updated to reflect information and notifications covering the period from 1 January 1980 to 31 March 1982.

NOTIFICATIONS RELATED TO PARAGRAPH 2 OF THE UNDERSTANDING

1. Notifications required from contracting parties

(See document C/111, Annex I.)

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

A contracting party wishing to adjust its specific duties under the provisions of Article II:6(a) is required to seek the concurrence of the CONTRACTING PARTIES pursuant to these provisions. Under current procedures the communication of the contracting party concerned is submitted to the Council for consideration. Since 1948, Article II:6(a) has been invoked ten times.

In January 1980 the Council adopted the Guidelines for Decisions under Article II:6(a) (L/4938 - 15 February 1980), and in November 1980 it approved a proposal (C/112 - 31 October 1980) allotting certain functions in connection with the new Guidelines to the Committee on Tariff Concessions.

To the knowledge of the secretariat, no such action has been taken in the period under review.

No notifications.

Article VI - Anti-dumping and countervailing duties

Article VI does not provide for the notification of specific anti-dumping or countervailing duty cases. However, a contracting party wishing to impose an anti-dumping or countervailing duty for the purpose referred to in Article VI:6(b) - action in favour of third countries - is required to seek the prior approval of the CONTRACTING PARTIES.

Article VI:6(c) requires that if in exceptional circumstances a contracting party levies a countervailing duty for the purpose referred to in sub-paragraph 6(b) of this Article without the prior approval of the CONTRACTING PARTIES, such action shall be reported immediately to the CONTRACTING PARTIES.

The provisions of sub-paragraph 6(b) and 6(c) have, so far, not been invoked.

No notifications.

Certain notifications are required under the provisions of the two (1967 and 1979) Agreements on the Implementation of Article VI and of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII. These notifications have been made as required.

Article X - Publication of trade regulations

Under the provisions of Article X:1 contracting parties are required to publish promptly their trade regulations and matters relating thereto. In March 1964 the CONTRACTING PARTIES adopted a recommendation that contracting parties should forward promptly to the secretariat copies of the laws, regulations, decisions, rulings and agreements of the kind described in Article X:1 (BISD 12S/49).

A notification from Spain was circulated in L/5293 (5 March 1982).

While the response to this recommendation has been limited, the secretariat does receive from a number of contracting parties copies of the national tariffs and amendments thereto.

The Committees set up under (most of) the MTN Agreements have also received information on measures such as laws, regulations and administrative procedures and changes in same, adopted by the parties concerned, to ensure compliance with the Agreements in question.

See below for notifications related to paragraph 3 of the Understanding.

Quantitative restrictions

(a) Residual restrictions

Quantitative restrictions applied by eighteen developed contracting parties were examined by a Joint Working Group on Import Restrictions (JWG) set up by the Council in January 1970.

In June 1971 the Council decided that the data assembled by the JWG should be kept up to date and that the contracting parties concerned should be invited to notify annually by 30 September any changes which should be made concerning the restrictions listed in the consolidated document. This decision was reaffirmed by the Council in March 1980 (C/M/139).

Over the past few years, about half of the eighteen developed contracting parties concerned have responded to the invitation, issued each year by the secretariat in early May, to notify changes. For the 1981 exercise, a total of nine delegations (Australia, Austria, Canada, the European Communities (with respect to measures maintained by Denmark, France, the Federal Republic of Germany, Greece, Ireland and the United Kingdom), Japan, Norway, Sweden, Switzerland and the United States) submitted notifications, indicating certain changes to the existing documentation except in the case of Greece, which figured in the document for the first time.

The revised data of the JWG are contained in document L/5265 (12 January 1982). An updated version of this document will be circulated towards the end of 1982.

(b) Licensing

Following the decision by the CONTRACTING PARTIES at their twenty-eighth session in November 1972 that the data assembled on licensing systems should be kept up to date, the secretariat issues annually an airgram inviting contracting parties to communicate any changes in their licensing systems necessary to bring up to date the individual country data, contained in documents COM.IND/W/55, COM.AG/W/72/Addenda and Corrigenda (21 June 1971 - to date) and, as from the beginning of 1981 in the L/- series.

Document L/5106 (24 February 1981) includes the status of notifications with the date of the latest information on licensing procedures received in response to the GATT questionnaire, reproduced in the Annex to the document L/5106. Fifty-two notifications have been received since 1971 (fifty-one from individual contracting parties and one from the European Economic Community and its member States).

Since the issue of document L/5106 and in response to GATT/AIR/1741, notifications have been submitted by Argentina, Australia, Austria, Canada, Chile, Czechoslovakia, European Economic Community and member States, Finland, Hungary, Japan, Malawi, New Zealand, Norway, Pakistan, Philippines, Sri Lanka, Sweden, Switzerland, Turkey, United Kingdom on behalf of Hong Kong, United States and Yugoslavia.

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

A contracting party applying new restrictions or raising the general level of its existing restrictions by a substantial intensification of the measures applied under Articles XII or XVIII:B is required, pursuant to the provisions of Article XII:4(a) or Article XVIII:12(a), to enter into consultations with the CONTRACTING PARTIES.

In November 1960 the CONTRACTING PARTIES established procedures for the implementation of these provisions under which the contracting party concerned is required to furnish detailed information promptly for circulation to the contracting parties, after which the consultation is conducted by the Council (BISD, 9S/18).

In accordance with the provisions of Articles XII:4(b) and XVIII:12(b) the Committee on Balance-of-Payments Restrictions conducts consultations with contracting parties. Procedures for the consultations were approved in April 1970 (BISD 18S/48); and in December 1972 simplified procedures were approved for regular consultations with developing countries (BISD 20S/47). In November 1979 the CONTRACTING PARTIES adopted a Declaration on Trade Measures Taken for Balance-of-Payments Purposes (BISD 26S/205). According to paragraph 3 of the Declaration, "contracting parties shall promptly notify to the GATT the introduction or intensification of all restrictive import measures taken for balance-of-payment purposes".

At the present time, sixteen countries are consulting under Article XII:4(b) and/or Article XVIII:12(b) and provide notifications on this subject. In the absence of notifications, it is not clear whether import restrictions maintained by certain other countries are also based on balance-of-payments grounds.

Article XVI - Subsidies

Article XVI requires that contracting parties which maintain subsidies having the effects described in paragraph 1 of the Article, are to notify in writing the nature and extent of the subsidization. The CONTRACTING PARTIES established procedures for such notifications and adopted a questionnaire with a view to achieving a standardized reporting system.

Under current procedures (BISD, 11S/59) the contracting parties are invited to submit by the end of January every third year, new and full responses to the questionnaire on subsidies (BISD, 9S/193), and to notify changes to the basic notifications in the intervening years.

The number of responses to the full notification in 1978 was thirteen. Another four contracting parties sent in response in 1979 and 1980. Annex I contains a table showing notifications received since 1975.

New full notifications were submitted in 1981. The document (L/5102) inviting such notifications was circulated on 26 January 1981. Sixteen notifications have been received in response to that invitation (from Australia, Austria, Canada, Chile, European Communities, Finland, Hong Kong, Japan, Luxembourg, Malawi, Norway, Romania, South Africa, Sweden, Switzerland and the United States). On 17 February 1982 contracting parties were requested to bring their full notifications up to date (L/5282). The only response received so far is that from Chile.

Article XVII - State trading

Article XVII requires that contracting parties which maintain State-trading enterprises, in the sense of paragraph 1 of that Article, shall notify the CONTRACTING PARTIES of the products imported into or exported from their territories by such enterprises. The CONTRACTING PARTIES established procedures for such notifications and adopted a questionnaire designed to achieve a standardized reporting system.

Under current procedures (BISD, 11S/59) the contracting parties are invited to submit by the end of January every third year new and full responses to the questionnaire (BISD, 9S/184) and to notify changes to the basic notifications in the intervening years.

Every year the secretariat circulates a document inviting contracting parties to submit such a notification.

New and full notifications on State trading were due to be submitted in 1981. In response to the invitation to do so, issued by the secretariat in document L/5104, (28 January 1981), replies were received from the following contracting parties: Australia, Austria, Belgium, Finland, France, Federal Republic of Germany, Ireland, Israel, Luxembourg, New Zealand, Norway, Peru, Romania, South Africa, Switzerland, United Kingdom and Yugoslavia.

In document L/5281 (13 January 1982) contracting parties were invited to submit notifications of the changes which had occurred in their State-trading measures since their full notifications.

Article XVIII:A - Modification of concessions

A contracting party wishing to modify or withdraw a concession pursuant to the provisions of Article XVIII:7(a), in order to promote the establishment of a particular industry, is required to notify the CONTRACTING PARTIES and to enter into negotiations in this regard.

No notifications.

Article XVIII:C

A contracting party wishing to have recourse to the provisions of Section C of Article XVIII and to provide governmental assistance to promote the establishment of a particular industry is required to notify the special difficulties it meets and to indicate the specific measure which it proposes to introduce. A questionnaire for the guidance of contracting parties was approved in 1958 (BISD, 7S/85).

The MTN Decision on Safeguard Action for Development Purposes (BISD, 26S/209) provides additional flexibility for developing countries under unusual circumstances where delay in the application of measures may give rise to difficulties in the context of their programmes and policies of economic development. Under such circumstances, these contracting parties may deviate from certain provisions of Article XVIII:C to the extent necessary for introducing the measures contemplated on a provisional basis immediately after notification.

No notifications.

Article XVIII:D

A contracting party wishing to have recourse to the provisions of Section D of Article XVIII is required to seek the approval of the CONTRACTING PARTIES for the introduction of the measure it desires to take to promote the establishment of a particular industry.

No notifications.

Article XIX - Emergency action

Article XIX:2 requires any contracting party, before taking emergency action pursuant to the provisions of Article XIX:1, to give notice in writing to the CONTRACTING PARTIES as far in advance as may be practicable. However, in critical circumstances action may be taken provisionally without

prior consultation. In virtually all cases it has been this latter provision which has been applied. Notifications are also to be made of extensions of time-limits in terms of Article XIX:3. Terminations of actions and in some cases prolongations of actions are also normally notified.

Notifications have been received from:

Australia	- Works trucks and stackers	L/5026/Rev.1 (15 October 1980), Add.1 (9 January 1981) - Add.19 (21 January 1982)
Canada	- Non-leather footwear	L/5263 (30 November 1981) - Add.1 (11 March 1982)
EEC (UK)	- Yarn of synthetic fibres	L/4942 (20 February 1981), Add.1 (27 May 1980) - Add.6 (18 February 1981)
EEC	- Mushrooms	L/4994 (20 June 1980) and Add.1 (30 January 1981); L/5105 (9 February 1981)
Spain	- Cheeses	L/4978 (14 May 1980), Add.1 (23 September 1980) and Add.2 (26 January 1981)
United States	- Porcelain - on steel cooking ware	L/4889 (27 November 1979) Add.1 (22 January 1980) - Add.9 (21 January 1982)
United States	- Preserved mushrooms	L/5088 (15 December 1980) and Add.1 (27 April 1980) - Add.5 (24 March 1982)

Article XXII - Consultations

Procedures under Article XXII on questions affecting the interests of a number of contracting parties were adopted in 1958 (BISD, 7S/24). Under these procedures any contracting party seeking a consultation of this character under Article XXII is required to inform the Director-General for the information of all contracting parties, so as to enable any other contracting party to express its desire to be joined in the consultation.

The following notifications have been received:

European Communities	- Request for consultations with Japan (copper ores and concentrates). L/5286 (29 January 1982)
Japan	- Request for consultations with the United States (tariff measures on light truck cab chassis). L/5019 (5 September 1980)

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| Japan | - Request for consultations with Austria (restrictions on imports of video tape recorders). L/5119 (5 March 1981) and Add.1 (23 April 1981) |
| Peru | - Request for consultations with the United States (liquidation of strategic stocks) L/5264 (3 December 1981) |
| United States | - Request for consultations with EEC (tariff preferences to citrus products). L/5037 (8 October 1980) |
| United States | - Request for consultations with Canada (Foreign Investment Review Act). L/5280 (7 January 1982) |

Article XXIV - Customs unions and free-trade areas; regional agreements¹

(a) Notifications

Article XXIV:7(a) requires that any contracting party deciding to enter into a customs union or free-trade area, or an interim agreement leading to the formation of such a union or area, shall promptly notify the CONTRACTING PARTIES.

At its meeting in October 1972 the Council established procedures for the examination of such agreements. The Council decided, without prejudice to the legal obligation to notify in pursuance of Article XXIV, to invite contracting parties that sign an agreement falling within the terms of Article XXIV, paragraphs 5 to 8, to inscribe the item on the agenda for the first meeting of the Council following such signature. This should allow the Council to determine the procedures for examination of the agreement (BISD, 19S/13).

The following notifications have been received:²

¹ A notification has also been received in connection with the second ACP/EEC Convention of Lomé (L/5176 - 14 July 1981); questions and replies in L/5273 (18 December 1981); Report of the Working Party in L/5292 (5 March 1982).

² In November 1980 the Council was informed that the Latin American Free-Trade Association was to be replaced by the Latin American Integration Association (C/M/144, page 26). At the forty-fourth session of the Committee on Trade and Development (COM.TD/108 - 25 September 1981), the representative of Uruguay outlined recent developments regarding the implementation of the Treaty. He noted that once the transition period had been completed, contracting parties to LAIA and GATT would submit a notification to GATT, taking into account the Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries (BISD 26S/203).

- Agreement between the EEC and Yugoslavia (L/5007 - 22 July 1980 and Add.1 - 25 September 1980).
- European Communities - Accession of Greece (L/4845 - 24 October 1979).

(b) Progress reports

At their twenty-seventh session the CONTRACTING PARTIES discussed the question of periodic reports on progress under customs unions and free-trade areas notified under Article XXIV. The CONTRACTING PARTIES instructed the Council to establish a calendar fixing dates for the examination, every two years, of reports on developments under regional agreements submitted by the parties to the agreements. In June 1981 the Council established the calendar for the period October 1981-April 1983 (L/5158-19 June 1981).

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

- Agreement between Finland and Hungary (L/4878 - 19 November 1979) (L/5187 - 24 September 1981)
- Agreements between the European Communities and Israel (L/4886 - 23 November 1979)
- Association Agreement between the EEC and Malta (L/4966 - 22 April 1980)
- Agreement between the EEC and Spain (L/4973 - 7 May 1980)
- Association Agreement between the EEC and Cyprus (L/4982 - 20 May 1980)
- Agreement between Finland and Czechoslovakia (L/4988 - 11 June 1980)
- Agreements between the EEC and Egypt, Jordan, Lebanon and Syria (L/5029 - 29 September 1980)
- Agreements between the EEC and Algeria, Morocco and Tunisia (L/5030 - 29 September 1980)
- Association Agreement between the EEC and Turkey (L/5064 - 31 October 1980)
- Agreement between the European Communities and Israel (L/5147 - 15 May 1981)
- European Free-Trade Association and Finland - EFTA Association (L/5204 - 23 October 1981)

- Agreements between the European Communities and Iceland (L/5237 - 18 November 1981)
- Agreements between the European Communities and Austria (L/5238 and Corr.1 - 18 November 1981)
- Agreements between the European Communities and Norway (L/5242 - 18 November 1981)
- Agreements between the European Communities and Finland (L/5244 - 18 November 1981)
- Agreements between the European Communities and Sweden (L/5249 - 17 November 1981)
- The New Zealand/Australia Free Trade Agreement (L/5268 - 11 December 1981)
- Agreements between the European Communities and Switzerland (L/5275 - 18 December 1981)
- Agreements between the European Communities and Portugal (L/5285 - 28 January 1982)

Article XXVIII - Modification of schedules

(a) Article XXVIII:1

A contracting party wishing to have recourse to the provisions of Article XXVIII:1 for the renegotiation or withdrawal of certain concessions in its schedule is required to notify the CONTRACTING PARTIES. Such notification is to take place not earlier than six months, nor later than three months, before the termination date of the three-year period referred to in Article XXVIII:1 (see Notes and Supplementary Provisions ad Article XXVIII).

A notification period opened on 1 July 1981 and closed on 30 September 1981. One contracting party (Australia) notified the withdrawal of concessions during that period.

(b) Article XXVIII:4

A contracting party intending to seek authorization of the CONTRACTING PARTIES to enter into negotiations for the modification or withdrawal of a concession under the provisions of Article XXVIII:4 should submit its request for consideration by the Council.

No action has been taken requiring notification.

(c) Article XXVIII:5

Any contracting party wishing to reserve the right, for the duration of the three-year period envisaged in paragraph 1, to modify its schedule is required to notify the CONTRACTING PARTIES before the termination of the current three-year period. The current three-year period will terminate on 31 December 1984.

Reservations in respect of the three-year period 1982-1984 have been received from: Australia, Austria, Brazil, Canada, European Communities, Finland, Hungary, India, Japan, New Zealand, Norway, Poland, Romania, South Africa, Spain, Sweden, Switzerland, Turkey and the United States.

Notifications concerning renegotiations under Article XXVIII:5 were received, in the period ending on 31 December 1981, from Australia, Canada (two notifications), Finland (two notifications), New Zealand, South Africa (nine notifications), Sweden (two notifications) Switzerland (two notifications), United States (two notifications) and the European Economic Community.

Between 1 January and 31 March 1982 notifications concerning negotiations have been received from Australia and South Africa.

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

The provisions of Article XXXVII:1 contain certain commitments of developed contracting parties. Under the provisions of paragraph 2(a) of Article XXXVII any contracting party not giving effect to any of the provisions of paragraph 1, or any other interested contracting party, is required to report the matter to the CONTRACTING PARTIES.

No notifications.

Review of implementation of Part IV

In order to enable the Committee on Trade and Development to keep under continuous review the application of the provisions of Part IV, the Committee agreed, in March 1965, on reporting procedures (BISD, 13S/79).

Guidelines were adopted by the Committee (COM.TD/24, paragraph 10 - 7 July 1966), providing for the submission of notifications, the preparation of reports and the carrying out of reviews on the implementation of Part IV. Notifications made by governments should be as exhaustive and comprehensive as possible, and should relate both to measures specifically mentioned in paragraphs 1 and 3, or paragraph 4, as the case may be of Article XXXVII, as well as to all steps and measures of interest to the CONTRACTING PARTIES in relation to the objectives and provisions of Part IV.

Every year the secretariat issues an airgram inviting contracting parties to make the relevant information available.

In response to GATT/AIR/1745, notifications were received from several contracting parties and the EEC (COM.TD/W/347 and Add.1-3 - 14 October-3 November 1981) considered at the November 1981 meeting of the Committee.

Border tax adjustments

Based on the recommendations of the Working Party on Border Tax Adjustments, the Council, in December 1970, introduced a notification procedure on a provisional basis, whereby contracting parties would report changes in their tax adjustments (BISD, 18S/108). The notifications are to relate to any major changes in tax adjustment legislation and practices involving international trade, and in particular at bringing periodically up to date, the information contained in the consolidated document on contracting parties' practices (L/3389 - 20 July 1973) on tax adjustments drawn up in the course of the Working Party's work.

Notifications under this procedure are currently distributed as addenda to document L/3518 (30 March 1971). In practice, only the United Kingdom submits notifications.

One notification has been received (L/3518/Add.16 - 27 November 1980).

Liquidation of strategic stocks

Under the Resolution of 4 March 1955 a contracting party intending to liquidate a substantial quantity of strategic stocks should give at least forty-five days' prior notice of such intention (BISD, 3S/51).

Since 1970 one contracting party (Australia) has submitted a number of notifications under this procedure.

See also under Article XXII consultations, above.

Marks of origin

In 1958 the CONTRACTING PARTIES adopted certain rules on marks of origin, which elaborated the basic principles of Article IX in order to reduce the difficulties and inconveniences which marking regulations may cause to the commerce and industry of the exporting country. (Recommendation of 21 November 1958, BISD, 7S/30). The Recommendation also invites contracting parties to report, before 1 September each year, changes in their legislation, rules and regulations concerning marks of origin.

A number of contracting parties complied with this invitation; but since 1961 no further submissions have been received (see L/478 - 27 March 1956 and addenda 1-20 - 17 May 1956 to 26 October 1960).

II. Information required from some contracting parties

(See document C/111/Annex II - 14 March 1980)

(a) Accession protocols

- Hungary, paragraph 6(b): Hungarian foreign trade statistics circulated in L/5201 (23 October 1981).¹
- Poland, paragraph 5: No notifications.
- Romania, paragraph 5: Romanian foreign trade statistics and balance-of-payments data circulated in L/4926 - 25 January 1980).
- Switzerland, paragraph 4: Fifteenth annual report circulated in L/5208 - 22 October 1981.
- Hungary, paragraph 4(c): Notifications circulated in L/5200 and Add.1-5 (7 October - 17 December 1981).¹
- 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 - 13 February 1980, Add.1 - 19 February 1980, Add.2 - 12 March 1980, Add.3 - 5 June 1980 and Add.4 - 10 October 1980.)

¹The Report of the Working Party on Trade with Hungary was circulated in L/5303 (18 March 1982). See also communications related to unified exchange rate and commercial exchange rates (L/5216 and L/5219 - 29 October 1981).

(b) Waivers

- Australia: Products of Papua New Guinea, paragraph 3: the 1953 waiver has been disinvoked (L/5138 - 17 June 1981).
- Turkey: Stamp duty, paragraph 3: Turkey has recently been granted an extension of the waiver to 31 December 1983 (L/5258 - 27 November 1981).
- United States: Agricultural Adjustment Act, paragraph 6: the twenty-second annual report (L/4925 - 18 January 1980) was examined by a Working Party, whose Report (L/4999 - 4 July 1980) was adopted by the Council in October 1980 (C/M/143). The twenty-third annual report (L/5084 - 6 January 1981) was before the Council at its meeting in March 1981 (C/M/146).
- United States: Imports of automotive products, paragraph 6: annual report not yet received. Report for 1977 contained in document L/4847 (24 October 1979).
- Generalized System of Preferences, paragraph (c): notifications have been received as follows:

Australia (L/3982/Add.16 - 23 October 1981)
Austria (L/4108/Add.12 - 21 January 1982)
Canada (L/4027/Add.16 - 21 January 1982)
European Economic Community (L/5116/Add.1 - 17 February 1982)
Hungary (L/5141 - 12 May 1981)
Japan (L/4531/Add.3 - 14 July 1981)
New Zealand (L/4366/Add.10 - 2 July 1981)
Norway (L/4242/Add.18 - 6 May and Add.19 - 24 September 1981)
United States (L/5153 - 29 May 1981)

- (c) Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries (BISD, 26S/203): The Committee on Trade and Development has primary responsibility for supervision of the operation of this Decision. Accordingly, notifications are requested from governments for circulation at the same time as notifications relating to the implementation of Part IV are circulated, prior to end-of-year sessions of the Committee.

In response to GATT/AIR/1745, notifications have been received as of 14 October 1981 from several contracting parties and the EEC (COM.TD/W/347 - 23 October 1981). Other notifications are pending. See also Protocol Relating to Trade Negotiations Among Developing Countries (below).

- (d) Protocol Relating to Trade Negotiations Among Developing Countries, paragraph (e): the eighth annual report of the Committee of Participating Countries (L/5213 and Addenda - 11 November 1981) was considered at the November 1981 session of the Committee on Trade and Development.
- (e) Trade arrangements between India, the United Arab Republic and Yugoslavia (Tripartite Agreement): The report on the operation of the Tripartite Agreement (L/5166 - 10 July 1981) was noted at the July 1981 session of the Committee on Trade and Development.
- (f) Bangkok Agreement, operative paragraph (c): Report by the Standing Committee (L/5243 - 8 December 1981).

Caribbean Community: Report by the Caribbean Community Secretariat (L/5251 - 9 December 1981)

Central American Common Market: Report by the Permanent Secretariat of the General Treaty of Central American Economic Integration (SIECA) - (L/5270 - 12 January 1982)

- (g) Agreement on ASEAN Preferential Trading Arrangements, operative paragraph (c): notification pending.
- (h) Committee on Trade and Development - Sub-Committee on Protective Measures: Notifications received from Argentina (COM.TD/SCPM/W/9 - 4 June 1981), Australia (COM.TD/SCPM/W/12 - 2 November 1981) and COM.TD/SCPM/W/5 - 13 May 1981), Chile (COM.TD/SCPM/W/4 - 23 October 1980) and COM.TD/SCPM/W/10 - 9 October 1981), India (COM.TD/SCPM/W/7/Rev.1 - 16 July 1981), and Switzerland (COM.TD/SCPM/W/6 - 20 May 1981). (4 June 1981), Australia (COM.TD/SCPM/W/3 - 24 October 1980) and COM.TD/SCPM/W/5.
- (i) Arrangement Regarding International Trade in Textiles (MFA)

The notification of actions taken by participating countries under the Arrangement, and in particular Articles 2, 3, 4, 7, 8 and 11 thereof, are made to the Textiles Surveillance Body and subsequently circulated to the Textiles Committee. These notifications are summarized in the annual report by the TSB to the Textiles Committee for the purpose of its review of the operation of the Arrangement. Such a report, together with that of the Textiles Committee, are submitted to the GATT Council in accordance with Article 10:4 of the MFA. The TSB report submitted for the Major Review in 1980 is contained in COM.TEX/SB/610 (14 October 1980) and Add.1-4 (14 October 1980). The Textiles Committee's report on this Major Review is contained in COM.TEX/19 (31 October 1980), 19/ANNEX II (7 November 1980) and

ANNEX II/Suppl.1 (9 December 1980). A report by the TSB on notifications received since the Major Review until 31 October 1981 has been submitted to the Textiles Committee for its meeting in November 1981, (COM.TEX/SB/742 and Add.1, and Add.1/Corr.)

Notifications of adjustment measures are made by participating countries under Articles 1:4 and 10:2 of the Arrangement. These are contained in COM.TEX/16/Rev.1 (7 October 1980) and Add.1 (2 July 1980), Add.2 (18 September 1980), Add.3 (7 October 1980), Add.4-6 (6 October 1980), Add.7 (22 October 1980), Add.8 (21 November 1980), Add.9 (5 February 1981), Add.10 (20 February 1981) and Add.11 (16 March 1981), and in COM.TEX/21 (23 April 1981). The report of the Working Group on Adjustment Measures is contained in COM.TEX/22 (30 April 1981). The Textiles Committee's consideration of this report is contained in COM.TEX/23 (22 June 1981).

Production, employment, value-added and investment statistics are submitted regularly by participating countries under Article 10:2 (statistical reporting scheme). Trade data are compiled from statistics reported by governments to the UN Statistical Office. These data were circulated in documents COM.TEX/W/76, 77 and 78 (29 September 1980) in connection with the Major Review. A summary of the most recent statistics prepared for the Textiles Committee meeting in November 1981 was circulated in COM.TEX/W/118. Access to the full set of data is available to delegations on request.

(j) MTN Agreements and Arrangements

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

Agreement on Technical Barriers to Trade: The Committee reported to the CONTRACTING PARTIES at their thirty-seventh session. (L/5218 - 4 November 1981) It will report on the third year of operation of the Agreement at the thirty-eighth session. Notifications have been received regularly under the relevant provisions of the Agreement.

Agreement on Government Procurement: The Agreement entered into force on 1 January 1981. The Committee conducted the first review of the operation of the Agreement at its meeting on 13-15 October 1981 and subsequently submitted its report to the CONTRACTING PARTIES (L/5209 - 29 October 1981).

Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement: The Committee reported to the CONTRACTING PARTIES at their thirty-seventh session. (L/5231 - 9 November 1981)

Arrangement Regarding Bovine Meat: The International Meat Council reported to the CONTRACTING PARTIES at their thirty-seventh session. (L/5241 - 13 November 1981) Notifications, in the form of replies to questionnaires, have been received on a regular basis.

International Dairy Arrangement: The International Dairy Products Council reported to the CONTRACTING PARTIES at their thirty-seventh session. (L/5226 - 13 November 1981) 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 entered into force on 1 January 1981. The Committee conducted the first review of the operation of the Agreement at its meeting on 4-5 November 1981 and subsequently submitted its report to the CONTRACTING PARTIES. (L/5240 - 16 November 1981)

Agreement on Import Licensing Procedures: The Chairman of the Committee on Import Licensing reported to the CONTRACTING PARTIES at their thirty-seventh session in November 1981. (L/5248 - 17 November 1981) The Committee completed the first biennial review at its meeting on 9-11 November 1981 and informed the CONTRACTING PARTIES of developments during the period covered by the review at their thirty-seventh session in November 1981.

Agreement on Trade in Civil Aircraft: The Committee reported to the CONTRACTING PARTIES at their thirty-seventh session. (L/5225 - 6 November 1981)

Agreement on Implementation of Article VI of the General Agreement: The Committee reported to the CONTRACTING PARTIES at their thirty-seventh session. (L/5229 - 5 November 1981)

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:

- Chile: Import liberalization (L/5183 - 15 September 1981)
Specific import duties on certain dairy products
(L/5184 - 18 September 1981)

- Czechoslovakia: Law on economic relations with foreign countries (L/5017 - 20 August 1980)
- European Economic Community: Jute products (L/5000/Rev.1 - 16 July 1980)
Imports of preserved mushrooms (L/5105 - 9 February 1981, L/5207 - 21 October 1981, L/5267 - 9 December 1981)
Primary whale products (L/5125 - 17 March 1981)
Imports of grooved carped shells and other molluscs (L/5127 - 24 March 1981)
Imports of sheepmeat and goatmeat (L/5154 - 27 May 1981 and Add.1 - 28 July 1981)
Imports of frozen cod fillets (L/5193 - 2 October 1981)
- Finland: Import system of Finland (L/5152 - 29 May 1981)
Long-term trade agreement with Romania (L/5283 - 14 January 1982).
- Hungary: Bilateral international agreements on foreign trade (L/5049 - 27 October 1980)
- Norway: Import licensing for whale products; export licensing for equipment for whaling (L/5165 - 6 July 1981)
- Peru: Amendments to the customs tariff (L/5038 - 9 October 1980) Tariff modifications (L/5205 - 20 November 1981)
- Philippines: Import liberalization measures (L/5234 - 6 November 1981)
- South Africa: Reductions in duties (L/5010 - 30 July 1980 and L/5302 - 19 March 1982)
- Spain: Modified tariff treatment of unroasted coffee (L/5284 - 25 January 1982)
- Yugoslavia: Liberalization of import restrictions (L/5054 - 29 October 1980)

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:

Canada:

- Foreign Investment Review Act (FIRA) (L/5308 - 26 March 1982): Panel established in March 1982 (C/M/156).

European Communities:

- Imports of beef from Canada (L/4987 - 6 June 1980): Report of the Panel (L/5099 - 23 January 1981) adopted by the Council in March 1981 (C/M/146).
- Refunds on exports of sugar
 - (a) Recourse by Australia: Report of the Panel (L/4833 - 25 October 1979) adopted by the Council in November 1979 (C/M/135). Considered by the Council in January, March, October and November 1980 (C/M/138, 139, 143, 144) and in March 1981 (C/M/146).
 - (b) Recourse by Brazil: Report of Panel (L/5011 - 7 October 1980) adopted by the Council in November 1980 (C/M/144). Considered by the Council in March 1981 (C/M/146).
 - (c) Article XVI:1 Discussions. Report of the Working Party (L/5113 - 20 February 1981), adopted by the Council in March 1981 (C/M/146).
 - (d) New Sugar Regulations and the 1981/1982 sugar intervention price (L/5175 - 15 July 1981) noted by the Council in July 1981 (C/M/149).
 - (e) Minutes of the Meeting of the Council on 23 and 25 September 1981 (C/M/150).
 - (f) Working Party - Sugar (L/5294 - 1 March 1982). Report adopted by the Council in March 1982 (C/M/156).
- Restrictions on imports of apples from Chile: Report of the Panel (L/5047 - 31 October 1980) adopted by the Council in November 1980 (C/M/144).

- Imports of poultry from the United States: Report of the Panel (L/5155 - 3 June 1981) adopted by the Council in June 1981 (C/M/148).
- Production subsidies on canned fruit. Request by Australia for consultations under Article XXIII:1 (L/5167 - 1 July 1981).
- Imports of frozen cod fillets from Canada - raised at the September 1981 meeting of the Council (C/M/150).
- Subsidies on canned peaches, canned pears and raisins. Recourse to Article XXIII by the United States (L/5306 - 19 March 1982). Panel established in March 1982 (C/M/156).

Japan:

- Restraints on imports of manufactured tobacco: Report of the Panel (L/5140 - 15 May 1981) adopted by the Council in June 1981 (C/M/148).
- Measures on imports of leather: Report of the Panel (L/5042 - 12 October 1980) adopted by the Council in November 1980 (C/M/144).
- Measures on edible fats containing milk fat: Raised at the October 1980 meeting of the Council (C/M/143). New Zealand reported agreement reached, at the July 1981 meeting (C/M/149).

Norway:

- Restrictions on imports of textiles from Hong Kong: Report of the Panel (L/4959 - 24 March 1980) adopted by the Council in June 1980 (C/M/141). Considered by the Council in October and November 1980 (C/M/143, 144).

Spain:

- Tariff treatment of unroasted coffee: Report of the Panel (L/5135 - 27 April 1981) adopted by the Council in June 1981 (C/M/148). Information provided by Spain at October 1981 meeting of the Council (C/M/151). Modification of customs duties (L/5284 - 25 January 1982).
- Measures concerning domestic sale of soyabean oil: Report of the Panel (L/5142 - 17 June 1981) noted by the Council in November 1981 (C/M/152).
- Denial of import licences for fish and fish products from Canada: Raised at the March and June 1981 meetings of the Council (C/M/146, 148)

United States:

- Prohibition of imports of tuna and tuna products from Canada (L/4931 - 25 January 1980). Report of the Panel (L/5198 - 22 December 1981) adopted by the Council in February 1982 (C/M/155). Draft decision proposed by Canada (C/W/378) considered by the Council in March 1982 (C/M/156).
- Imposition of countervailing duty without injury criterion/industrial fasteners imported from India. Report of the Panel (L/5192 - 30 September 1981) adopted by the Council in November 1981 (C/M/152).
- Import duty on vitamin B12 in the United States (L/5129 - 30 March 1981): Panel established in June 1981 (C/M/148).
- Imports of certain automotive spring assemblies (L/5195 - 30 September 1981). Panel established in November 1981 (C/M/152).

Tax legislation:

- United States tax legislation (DISC): Report of the Panel (L/4422 - 2 November 1976) adopted by the Council in December 1981 (C/M/154) on the understanding reproduced in L/5271 (18 December 1981).
- Income tax practices maintained by France: Report of the Panel (L/4423 - 2 November 1976) adopted by the Council in December 1981 (C/M/154) on the understanding reproduced in L/5271 (18 December 1981).
- Income tax practices maintained by Belgium: Report of the Panel (L/4424 - 2 November 1976) adopted by the Council in December 1981 (C/M/154) on the understanding reproduced in L/5271 (18 December 1981).
- Income tax practices maintained by the Netherlands: Report of the Panel (L/4425 - 2 November 1976) adopted by the Council in December 1981 (C/M/154) on the understanding reproduced in L/5271 (18 December 1981).

ANNEX I

NOTIFICATION UNDER ARTICLE XVI:1^{1/}

	1975 (full)	1976	1977	1978 (full)	1979	1980	1981 (full)
Australia		X	X	X	X	X	X
Austria	X	X	X	X	X	X	X
Belgium	X			X		X	
Canada	X		X			X	X
Chile							X
Czechoslovakia	X		X	X	X	X	
Denmark	X			X			
EEC	X	X		X	X		X
Finland	X		X	X	X		X
France	X						
Germany, F.R.	X	X		X		X	
Japan	X						X
Luxembourg				X			X
Malawi						X	X
Norway	X						X
Romania	X						X
South Africa	X	X	X	X	X	X	X
Sweden	X		X			X	X
Switzerland	X	X	X	X	X	X	X
Tunisia				X			
United Kingdom	X			X	X	X	
United Kingdom for Hong Kong							X
United States	X	X					X
Yugoslavia						X	

^{1/} No notifications have been received from the other sixty-four contracting parties since 1975.