

GENERAL AGREEMENT ON

RESTRICTED

C/W/517/Corr.1

16 June 1987

TARIFFS AND TRADE

Limited Distribution

COUNCIL
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DEVELOPMENTS IN THE TRADING SYSTEM
OCTOBER 1986 - MARCH 1987

Corrigendum

Page 5, paragraph 18

Sixth line: replace "of the provisions relating to the United States' access" by "it is alleged that certain provisions might lead to a privileged access for the United States".

Seventh line: insert as penultimate sentence, "This is not the view of the US Government."

Page 27, paragraph 117

Thirteenth line: insert "in the press" after "reported".

Page 28, paragraph 126

Third line: replace "either of the parties" by "the Government of Japan".

Page 29, paragraph 127

Sixteenth line: after "respectively" insert "This action was taken because the US Administration had determined that the Government of Japan was not fully living up to the terms of the arrangement."

Page 30, add paragraph 129 bis

"On 8 June, the US President announced a partial relaxation of the sanctions imposed on 17 April (paragraph 127). The sanctions release, which was said to be "strictly proportional" to progress made by Japanese producers towards selling DRAMs (random access memory chips) at fair market prices, applies specifically to 20-inch colour television sets. The new relief valued at \$51 million is equivalent to 17 per cent of the previously imposed tariff sanctions package."

Page 30, paragraph 130

First line: before "reports" insert "press".

Sixth line: after "Industry" delete "took" and insert "(MITI) is reported to have taken".

Page 31, replace paragraph 135 by:

"After the US Administration held public hearings under Section 301 of its trade law on Brazil's trade policies on informatics, it announced its intention to take retaliatory action before December 1986. In November 1986, the Brazilian delegation to the Council of Representatives' meeting reaffirmed that the Brazilian Government could not accept the claim by the US to have a right to resort to unilateral actions, based on domestic legislation, as announced publicly by high US trade officials, without due regard to GATT rules and to the specific obligations assumed by the US under such rules, thus nullifying or impairing benefits accruing to Brazil, and reserved all its GATT rights on this matter. This statement as well as the US delegation's reaction to it are summed up in document C/M/204. In December 1986, Brazil decided to streamline its administrative procedures for imports and to specify those sectors of the market which were open to foreign computers. Thirteen items were removed from the list of products requiring special import approval and import licence procedures were simplified for another six. The US was still seeking a greater protection for software copyrights in Brazil and a larger rôle for US companies in joint ventures with Brazil. The Administration decided to delay until 30 June 1987 any decision on possible retaliatory action."

Page 42, paragraph 194

First line: insert "1" before "July" and replace "24" by "41".

Second line: delete "and agricultural".

Third line: beginning "three" replace the remainder of the paragraph by "black and white film, colour film, photocopying papers, ABS resins, cable cranes and mechanical shovels. Import tariffs on 9 tobacco and cigarette items will also be reduced by 30 percentage points as of that date".

Page 49, paragraph 235

Second line: delete "whose import is suspended for an indeterminate time."

Fourth line: insert at beginning of sentence "Under Communiqué No. 133 (which has been superseded by Communiqué No. 172)"; delete "will".

Fifth line: replace "allow" by "allowed".

Page 49, paragraphs 234 and 235

Both paragraphs should be transferred to Section (c) "Import measures notified as being applied for balance-of-payments purposes" beginning on page 52.

Page 57, paragraph 295

Move to Section B.VI "Prospective developments and current discussion".

Page 77, paragraph 391

Fourth line: before "short-term trade credits" insert "payment of interest of".

Complete paragraph by: "Subsequent understandings between the Brazilian authorities and the banking community have secured the continuation of inter-bank and trade deposits and short-term credits, despite the expiration of the relevant agreement on 31 March 1987."