

# GENERAL AGREEMENT ON

RESTRICTED

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# TARIFFS AND TRADE

Limited Distribution

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COUNCIL  
11 November 1987

STATUS OF WORK IN PANELS  
AND IMPLEMENTATION OF PANEL REPORTS

Report by the Director-General<sup>1</sup>

A. STATUS OF WORK IN PANELS ESTABLISHED BY THE COUNCIL

1. Canada - Measures affecting the sale of gold coins

The Panel, established in November 1984 at the request of South Africa, submitted its report in September 1985 (L/5863). At issue in this case was the differential fiscal treatment in Ontario between Maple Leaf gold coins and other gold investment coins. This differential treatment was removed on 7 January 1986. The report was discussed at five Council meetings. At the May 1986 meeting Canada stated that it was not in a position to indicate whether it could support the adoption of the report (C/M/198).

2. Canada - Import, distribution and sale of alcoholic drinks by provincial marketing agencies

The Panel was established in March 1985 at the request of the European Economic Community (C/M/186). The Council was informed of the terms of reference in February 1986 (C/M/195) and of the composition of the Panel in December 1986 (C/143). The Panel began its work in December 1986 and submitted its report to the parties to the dispute in October 1987.

3. United States - Restrictions on imports of certain sugar-containing products

The Panel was established in March 1985 at the request of Canada (C/M/186). The Chairman of the Council was authorized to draw up the terms of reference of the Panel and to designate its Chairman and members in consultation with the parties concerned. These consultations have been deferred since the two parties are having bilateral discussions on the matter of the dispute.

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<sup>1</sup>Previous reports were circulated as documents C/124, C/136, C/139 C/146 and C/148.

4. United States - Trade measures affecting Nicaragua

The Panel was established in October 1985 at the request of Nicaragua and submitted its report in October 1986 (L/6053). The report was considered at the Council meeting in November 1986 (C/M/204) and April and July 1987 (C/M/208, C/M/212).

5. Japan - Restrictions on imports of certain agricultural products

The Panel was established in October 1986 at the request of the United States (C/M/202). The terms of reference and the composition of the Panel were agreed in February 1987 (C/145). The Panel began its work in March 1987 and submitted its report to the parties to the dispute in October 1987.

6. Japan - Customs duties, taxes and labelling practices on imported wines and alcoholic beverages

The Council established this Panel and determined its terms of reference and composition in February 1987 at the request of the EEC (C/M/206). The Panel began its work in February 1987 and submitted its report to the parties to the dispute in September 1987 and to the Council in October 1987 (L/6216).

7. United States - Customs user fee

The Panel was established in March 1987 at the request of Canada and the EEC (C/M/207). The terms of reference and composition of the Panel were agreed in May 1987 (C/147). The Panel began its work in June 1987.

8. Canada - Restrictions on exports of unprocessed salmon and herring

The Panel was established in March 1987 at the request of the United States (C/M/207). The Council was informed of the terms of reference and composition of the Panel in April 1987 (C/M/208). The Panel began its work in April 1987 and submitted its report to the parties to the dispute in November 1987.

9. Japan - Trade in semi-conductors

The Council established this Panel and determined its terms of reference in April 1987 at the request of the EEC (C/M/208). At its meeting in April 1987, the Council authorized its Chairman to designate the Chairman and members of the Panel. Members of the Council were informed of the composition of the Panel in June 1987 (C/149). The Panel began its work in September 1987.

10. United States - Section 337 of the Tariff Act of 1930

The Panel was established in October 1987 at the request of the EEC (C/M/213). The terms of reference and the composition of the Panel have not yet been determined.

B. STATUS OF WORK OF PANELS ESTABLISHED BY MTN COMMITTEES

1. European Economic Community - Subsidies on exports of wheat flour
2. European Economic Community - Subsidies on exports of pasta products

The reports of these two Panels, established by the Committee on Subsidies and Countervailing Measures at the request of the United States (SCM/42 and SCM/43), were submitted to the Committee in March and May 1983, respectively. They deal with fundamental issues, bearing on the interpretation of Article 10 in the wheat flour case and on the application of Article 9 in the pasta products case. As there have been divergent perceptions in the Committee in this respect, it has not been possible, so far, to adopt these reports.

3. United States - Definition of "industry" for wine and grape products

The Panel was established by the Committee on Subsidies and Countervailing Measures in February 1985 at the request of the EEC and submitted its report to the Committee in March 1986 (SCM/71). The Committee discussed the report at meetings in April and October 1986 but no agreement on its adoption could be reached (SCM/M/31 and 32).

4. Canada - Countervailing duty investigation into manufacturing beef from the EEC

The Panel was established by the Committee on Subsidies and Countervailing Measures in October 1986 at the request of the EEC (SCM/M/32). The terms of reference of the Panel were agreed in December 1986 and its composition in March 1987. The Panel began its work in May 1987. It submitted its report to the parties to the dispute in September 1987 and to the Committee in October 1987 (SCM/85). The Committee began its consideration of the report at its meeting in October 1987 and decided to continue it at a special meeting in December 1987.

5. India - Licensing procedures applied to almond imports

The Panel was established by the Committee on Import Licensing in September 1987 at the request of the United States (LIC/M/19). The terms of reference and the composition of the Panel have not yet been determined.

C. IMPLEMENTATION OF PANEL REPORTS ADOPTED BY THE COUNCIL

1. European Economic Community - Quantitative restrictions against imports of certain products from Hong Kong

The report of this Panel, established at the request of Hong Kong, was adopted in July 1983 (BISD 30S/129). At the meeting of the Council in May 1986 the representative of Hong Kong pointed out that, although nearly three years had elapsed since the adoption of that report, the Panel's recommendation that the measures be eliminated had still not been fully complied with (C/M/198, item 8). At the November 1986 Council meeting the EEC reported that imports of toys had been liberalized, that there had already been a substantial increase in the quota for imports of radios and that further moves were being examined (C/M/203). At the June 1987 Council meeting Hong Kong reported that the restrictions on imports of toys and radios had been liberalized with effect from 1 January 1987 and that this had brought the dispute to a conclusion (C/M/210).

2. United States - Taxes on petroleum and certain imported substances

The report of the Panel, established at the request of Canada, the EEC and Mexico, was adopted in June 1987 (C/M/211). At the meeting of the Council in October 1987 Canada, the EEC and Mexico asked for information on the implementation of the Panel's recommendations. The United States stated that the implementation of the Panel report required legislation and that the United States' authorities, while anxious to respond positively to the report, continued to reflect on how best to address it (C/M/213).