

# GENERAL AGREEMENT ON

RESTRICTED

## TARIFFS AND TRADE

C/W/587

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COUNCIL  
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### ESTABLISHMENT OF A STREAMLINED MECHANISM FOR RECONCILING THE INTERESTS OF CONTRACTING PARTIES IN THE EVENT OF TRADE-DAMAGING ACTS

#### Convening by the Council Chairman of Informal Consultations among Interested Contracting Parties

#### Draft Decision Submitted by the Delegation of Chile

Recalling the statement made by the delegation of Chile at the meeting of the Council on 12 April 1989 concerning the establishment of a streamlined mechanism for reconciling the interests of contracting parties in the event of trade-damaging acts.

Bearing in mind that there is a need for GATT to take a decision with respect to how contracting parties may reconcile, on the one hand, the right of every contracting party to protect the health of its consumers and, on the other, the legitimate right of exporters to be able to rely on unrestricted and stable international trade, by endeavouring to avoid unilateral measures which, being ill-considered and/or hasty, run the risk of being disproportionate, and furthermore that there is a need for machinery to ensure that any decisions adopted include provisions securing a prompt return to the normal state of unhindered trade.

Considering that it is essential to have a permanent and expeditious system of consultations to enable contracting parties with the requisite speed to exchange information and prepare the decisions to be made on both sides in a concerted manner.

Considering, in short, that to ensure that the management of crises arising in such circumstances aims at balancing the interests of the affected contracting parties, in particular by seeking to ensure that the measures adopted are proportional to the threat, and by securing a prompt return to normal trade conditions,

The Council decides, to invite its Chairman to convene informal consultations among interested contracting parties to study possible forms of international co-operation with a view to the establishment of a mechanism which, while guaranteeing the rights of contracting parties, minimizes the injury resulting from trade-damaging acts.

To invite the participants in the above-mentioned consultations to carry out their analysis in such a way as to enable the Chairman to report to the Council in good time, if possible at its next meeting.