

# GENERAL AGREEMENT ON

RESTRICTED

## TARIFFS AND TRADE

C/167

9 June 1989

Limited Distribution

COUNCIL

21-22 June 1989

### 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. 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.

##### 3. 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). The Chairman of the Council has consulted with delegations on the Panel report on several occasions (C/M/212, 213, 215). The Council will consider this matter at its regular meeting in June 1989 (GATT/AIR/2790).

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<sup>1</sup>Previous reports were circulated as documents C/124, C/136, C/139 C/141, C/148, C/152, C/156 and C/160.

4. 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 Council was informed of the terms of reference and the composition of the Panel in January 1988 (C/153). The Panel began its work in February 1988. It submitted its report in January 1989 (L/6439). The Council considered the report at its meetings in February, March, April and May 1989 (C/M/228, 230, 231 and 232), and will again consider it at the regular meeting in June 1989 (GATT/AIR/2790).

5. EEC - Third-country meat directive

The Panel was established by the CONTRACTING PARTIES at their Session in December 1987 at the request of the United States (SR.43/5). 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 are presently suspended.

6. Norway - Restrictions on imports of apples and pears

The Panel was established in March 1988 at the request of the United States (C/M/218). The Council was informed of the terms of reference and the composition of the Panel in June 1988 (C/M/222). The Panel began its work in July 1988. It submitted its report to the Council in April 1989 (L/6474). The Council considered the report at its meeting in May 1989 (C/M/232) and will again consider it at the regular meeting in June 1989 (GATT/AIR/2790).

7. Japan - Imports of spruce-pine-fir (SPF) dimension lumber

The Panel was established in March 1988 at the request of Canada (C/M/218). The Council was informed of the terms of reference and the composition of the Panel in June 1988 (C/M/222). The Panel began its work in July 1988. It submitted its report to the Council in April 1989 (L/6470). The Council considered it at its meeting in May 1989 (C/M/232) and will again consider it at the regular meeting in June 1989 (GATT/AIR/2790).

8. (a) Korea - Restrictions on imports of beef  
(complaint by the United States)
- (b) Korea - Restrictions on imports of beef  
(complaint by Australia)
- (c) Korea - Restrictions on imports of beef  
(complaint by New Zealand)

The Council established the first two Panels in May 1988 at the request of the United States and Australia. The Council established the third Panel in September 1988 at the request of New Zealand (C/M/224). The Panels, which had the same composition, began their work in November 1988. They submitted their reports to the Council in May 1989 (L/6503, L/6504, L/6505), for consideration at the regular meeting in June 1989 (GATT/AIR/2790).

9. European Economic Community - Restrictions on imports of dessert apples

The Panel was established in May 1988 at the request of Chile (C/M/220). The Panel began its work in August 1988. It submitted its report to the Council in April 1989 (L/6491). The Council considered it at its meeting in May 1989 (C/M/232) and will again consider it at the regular meeting in June 1989 (GATT/AIR/2790).

10. European Economic Community - Restrictions on imports of apples

The Panel was established in September 1988 at the request of the United States (C/M/224). The Panel began its work in October 1988 and submitted its report to the Council in June 1989 (L/6513). The Council will consider the report at its regular meeting in June 1989 (GATT/AIR/2790).

11. European Economic Community - Payments and subsidies paid to processors and producers of oilseeds and related animal-feed proteins

The Panel was established in June 1988 at the request of the United States (C/M/222). The Panel's terms of reference and composition were announced in June 1989 (C/166). The Panel will begin its work in June 1989.

12. United States - Restrictions on imports of sugar

The Panel was established in September 1988 at the request of Australia (C/M/224). The Panel began its work in December 1988. It submitted its report to the Council in June 1989 (L/6514). The Council will consider the report at its regular meeting in June 1989 (GATT/AIR/2790).

13. European Economic Community - Regulations to prevent circumvention of anti-dumping duties

The Panel was established in October 1988 at the request of Japan (C/M/226). The terms of reference and composition of the Panel were announced in May 1989 (C/165). The Panel will begin its work in July 1989.

14. Canada - Restrictions on imports of ice-cream and yoghurt

The Panel was established in December 1988 at the request of the United States (C/M/227). Its composition was announced in April 1989 (C/164). The Panel began its work in May 1989.

15. United States - Tariffs on imports of certain products from Brazil

The Panel was established in February 1989 at the request of Brazil (C/M/229). Consultations on the terms of reference and composition of the Panel are being held.

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 considered the report at meetings in October and December 1987, and in February, May and October 1988 (SCM/M/35, 36, 37, 38 and 42).

5. United States - Collection of Countervailing Duties on Entries of Non-Rubber Footwear from Brazil

The Panel was established by the Committee on Subsidies and Countervailing Measures in October 1988 (SCM/M/40 and Add.1) at the request of Brazil. The Panel began its work in February 1989.

6. United States - Anti-dumping duties on imports of stainless steel pipes and tubes from Sweden

The Panel was established by the Committee on Anti-Dumping Practices in January 1989 at the request of Sweden (ADP/M/25). The terms of reference and the composition of the Panel were determined in April 1989 (ADP/43). The Panel began its work in May 1989.

C. IMPLEMENTATION OF PANEL REPORTS ADOPTED BY THE COUNCIL

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

The report of the Panel, established in March 1985 at the request of the European Economic Community, was adopted in March 1988 (C/M/218). At the meeting of the Council in December 1988 the representative of Canada reported that an ad referendum settlement on the implementation of the Panel's recommendations had been negotiated with the European Economic Community (C/M/227).

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

The report of the Panel, established in February 1987 at the request of Canada, the European Economic Community and Mexico, was adopted in June 1987 (C/M/211). At the meeting of the Council in October 1987 Canada, the European Economic Community 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). The Council discussed the matter again in February 1988 (C/M/217). In March 1988 the European Economic Community submitted a request for authorization to suspend the application of concessions in accordance with Article XXIII:2 (C/W/540/Add.1). The matter was considered by the Council in March, May, June, July, September, October and December 1988, and in February, April and May 1989 (C/M/218, 220, 222, 223, 224, 226, 227, 228, 231 and 232). It will again be considered at the regular Council meeting in June 1989 (GATT/AIR/2790).

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

The report of the Panel, established in February 1987 at the request of the European Economic Community, was adopted in November 1987 (C/M/215). At the meeting of the Council in February 1989 the representative of Japan reported that the Liquor Tax Law had been revised to implement the Panel's recommendations (C/M/228). At the Council meeting in March 1989 the representatives of the EEC, Finland and Sweden commented on the revision of the Liquor Tax Law (C/M/230).

4. Canada - Measures affecting exports of unprocessed salmon and herring

The report of the Panel, established in March 1987 at the request of the United States, was adopted in March 1988 (C/M/218). At the meeting of the Council in June 1988 the United States expressed concerns about proposals in Canada to replace the restrictions on exports of unprocessed

fish, found to be inconsistent with the General Agreement by the Panel, by a fish landing requirement having the same effect as the export restrictions (C/M/220). The United States reiterated these concerns at the meeting of the Council in February 1989 (C/M/228). At the Council meeting in April 1989 Canada expressed concern about the decision of the United States Government to seek public comment on the possibility of taking retaliatory actions against the proposed landing requirement (C/M/231). At the Council meeting in May 1989 Canada informed the Council that Canada had taken steps to remove the export prohibitions on Pacific salmon and herring, in compliance with the recommendations of the Panel, and had introduced a GATT-consistent landing requirement (C/M/232).

5. United States - Customs user fee

The report of the Panel, established in March 1987 at the request of Canada and the European Economic Community, was adopted by the Council in February 1988 (C/M/217). Concerns about the non-implementation of the Panel's recommendations were expressed at the meeting of the CONTRACTING PARTIES at their Session in November 1988 (SR.44/2) and at Council meetings in March and May 1989 (C/M/228, 232).

6. Japan - Trade in semi-conductors

The report of the Panel, established in April 1987 at the request of the European Economic Community, was adopted in May 1988 (C/M/226). At the Council meetings in October and December 1988 the European Economic Community requested Japan to report on the implementation of the Panel's recommendations (C/M/226 and 227). Japan made the requested report at the Council meeting in March 1989 (C/M/230).