

GENERAL AGREEMENT ON

RESTRICTED

L/6942

21 November 1991

TARIFFS AND TRADE

Limited Distribution

CONTRACTING PARTIES
Forty-Seventh Session

COUNCIL OF REPRESENTATIVES

Report on Work since the Forty-Sixth Session

In accordance with the Decision of 4 June 1960 establishing the Council of Representatives, the Council is required to report to the CONTRACTING PARTIES on the matters considered between sessions of the CONTRACTING PARTIES.

In carrying out its task, the Council has held 7 regular meetings and 9 special meetings since the Forty-Sixth Session in December 1990. The minutes of these meetings, which remain the record of the Council's work, are contained in documents C/M/247-C/M/253, C/RM/M/10-17 and C/RM/OV/M/2. Adoption of this report, which summarizes the action taken by the Council, will constitute approval by the CONTRACTING PARTIES of that action.

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1. Work Program resulting from the 1982 Ministerial meeting

(a) Dispute settlement procedures

(i) Status of work in panels and implementation of panel reports
(C/M/251, 253)

In November 1989, the Director-General had announced that in future he would make his periodic report on the status of work in panels and implementation of panel reports at the Council meetings in June and November (C/M/237).

At the Council meeting on 11 July 1991, the Director-General¹ introduced his report in C/178 and Corr.1.

The representatives of Argentina, Australia, Canada, the European Communities, New Zealand, Chile, Thailand, Switzerland, Hong Kong, Sweden, Mexico, the United States and Japan, and the Chairman spoke.

The Council took note of the statements and of the Director-General's report in C/178 and Corr.1, and agreed to hold a discussion at its next meeting on the non-implementation of panel reports. (See point 17.)

At the Council meeting on 12 November 1991, the Director-General introduced his second periodic report in C/180.

The representatives of Argentina, Canada, Venezuela, Australia, New Zealand, Korea, South Africa, Japan and the European Communities, and the Chairman spoke.

The Council took note of the statements and of the Director-General's report in C/180.

(ii) Roster of non-governmental panelists (C/M/247, 250, 253)

In November 1985, the Council had approved a list of non-governmental panelists (L/5906), and in November 1990, had agreed to extend the roster provisionally for a further period until the conclusion of the Uruguay Round negotiations on dispute settlement rules and procedures (L/6763).

At its meeting on 6 February 1991, the Council approved a proposed nomination by Colombia (C/W/663).

At its meeting on 29-30 May 1991, the Council approved a proposed nomination by Australia (C/W/671).

At its meeting on 12 November 1991, the Council approved proposed nominations by Brazil (C/W/689) and Norway (C/W/687).

¹The text of the Director-General's statement was subsequently circulated as Spec(91)67.

(b) Export of Domestically Prohibited Goods and Other Hazardous Substances (C/M/248, 251)

In July 1989, the Council had established a Working Group on the Export of Domestically Prohibited Goods and Other Hazardous Substances, and had called for the Group to complete its work by 30 September 1990 (BISD 36S/402). By successive Decisions, the Council, and the CONTRACTING PARTIES at their Forty-Sixth Session, had extended the Group's mandate until 31 March 1991.

At the Council meeting on 12 March 1991, the Chairman said that he had been informed that delegations participating in the work of the Group considered it appropriate for the Group's mandate to be extended for a final period of three months until 30 June 1991.

The representatives of Cameroon and Nigeria spoke.

The Council took note of the statements and agreed to extend the Working Group's mandate for a final period of three months until 30 June 1991.

At its meeting on 11 July 1991, the Council considered the report by the Chairman of the Working Group (L/6872), which explained why the Group had been unable to complete its work during the period of its mandate.

The Chairman said that the Secretariat had consulted informally with interested delegations on this matter and that there appeared to be a consensus for the Council to extend the Group's mandate. Delegations also appeared to wish that he hold informal consultations on the timing for the convening of the Group's next meeting.

The Council took note of the statement, agreed to extend the mandate of the Working Group for a period of three months which would begin from the date of the Group's next meeting, and authorized the Chairman to hold consultations on the timing for convening this meeting.

2. Trade Policy Review Mechanism

Part I of the CONTRACTING PARTIES' Decision of 12 April 1989 (BISD 36S/403), establishing a trade policy review mechanism on a provisional basis, provides that the trade policies of all contracting parties will be subject to periodic review to be carried out by the Council at special meetings. The Decision also provides that country reports under the review mechanism will be based on an agreed format to be decided upon by the Council, and that the Council will establish a basic plan for the conduct of the reviews as well as a programme of reviews for each year in consultation with the contracting parties directly concerned.

Part I.F of the Decision further provides that the Council will undertake an overview of developments in the international trading environment, which will be assisted by an annual report by the Director-General setting out major GATT activities and highlighting significant policy issues affecting the trading system.

(a) Overview of developments in the international trading environment
(C/RM/OV/M/2)

At its special meeting on 23 April 1991, the Council conducted an overview of developments in international trade and the trading system. In so doing, the Council considered the annual report by the Director-General (C/RM/OV/2).

The representatives of the United States, Australia, the European Communities, Romania, India, Korea, Peru, Switzerland, Sweden on behalf of the Nordic countries, Brazil, Chile, New Zealand, Poland, Austria, Canada and Sri Lanka, and the Director-General and the Chairman spoke.

The Council took note of the statements and agreed that the overview of developments in international trade and the trading system had been conducted.

(b) Country reviews (C/RM/M/10, 11, 12, 13, 14, 15, 16, 17)

At its special meetings on 15-18 and 25-26 April 1991, the Council conducted reviews of the trade policies of the European Communities, Hungary and Indonesia (C/RM/M/10, 11 and 12 respectively).

At its special meetings on 2-5 July 1991, the Council conducted reviews of the trade policies of Thailand and Chile (C/RM/M/13 and 14 respectively).

At its special meetings on 24-25 September and 10 October 1991, the Council conducted reviews of the trade policies of Norway, Switzerland and Nigeria (C/RM/M/16, 17, and 15 respectively).

(c) Programme of reviews

(i) 1991 (C/M/247)

At its meeting on 6 February 1991, the Council considered a communication from its Chairman (C/W/664) proposing that the trade policy review of Bangladesh, which had originally been scheduled to be conducted in June 1991, be postponed until December 1991.

The Council agreed to the proposal.

(ii) 1992 (C/M/250, 251)

At its meeting on 29-30 May 1991, the Chairman informed the Council that the programme of trade policy reviews for 1991 was broadly on schedule and suggested that in view of the difficulties being faced by Bangladesh that country's review be postponed until the 1992 programme. He indicated his intention to announce the full 1992 programme at the next Council meeting.

The Council took note of this information.

At its meeting on 11 July 1991, the Chairman announced the programme of reviews for 1992.

The representative of Bolivia spoke.

The Council took note of the statements and agreed with the programme of reviews for 1992 (L/6887).

3. Tariff matters

- (a) Committee on Tariff Concessions
- Designation of Chairman and Vice-Chairman² (C/M/247)

At their Forty-Fourth Session in November 1988, the CONTRACTING PARTIES had taken note of a suggestion by the Council Chairman concerning the appointment of presiding officers of standing bodies (SR.44/2).

At its meeting on 6 February 1991, the Council agreed to re-appoint Mr. de la Peña (Mexico) as Chairman of the Committee on Tariff Concessions, and Mr. Tuusvuori (Finland) as Vice-Chairman of the Committee.

- (b) Procedures to implement changes in the Harmonized System
(C/M/252)

At its meeting on 8 October 1991, the Council considered a text on procedures to implement changes in the Harmonized System (Annex to document L/6905) which had been referred to it by the Committee on Tariff Concessions.

The Council adopted the procedures contained in the Annex to document L/6905.

4. Trade in Textiles

- Reports of the Textiles Committee (C/M/247, 252)

At the Council meeting on 6 February 1991, the Director-General, Chairman of the Textiles Committee, presented the Committee's report (COM.TEX/67) and the report of the Textiles Surveillance Body (COM.TEX/SB/1550 and Add.1).

The Council took note of the statement and of the report of the Textiles Surveillance Body, and adopted the report of the Textiles Committee.

²Carried in Council Minutes under "Appointment of presiding officers of standing bodies".

At the Council meeting on 8 October 1991, the Director-General, Chairman of the Textiles Committee, presented the Committee's report (COM.TEX/69).

The representatives of Chile, Cuba, the European Communities, and the Director-General in his capacity as Chairman of the Uruguay Round Negotiating Group on Textiles and Clothing spoke.

The Council took note of the statements and adopted the report of the Textiles Committee.

5. Committee on Balance-of-Payments Restrictions

(a) Designation of Chairman³ (C/M/247)

At their Forty-Fourth Session in November 1988, the CONTRACTING PARTIES had taken note of a suggestion by the Council Chairman concerning the appointment of presiding officers of standing bodies (SR.44/2).

At its meeting on 6 February 1991, the Council agreed to re-appoint Mr. Boittin (France) as Chairman of the Committee on Balance-of-Payments Restrictions.

(b) Programme of consultations for 1991 (C/M/247)

At its meeting on 6 February 1991, the Chairman of the Committee on Balance-of-Payments Restrictions informed the Council of the Committee's programme of consultations for 1991. He noted that Argentina and Peru had notified their removal of import restrictions maintained under Article XVIII:B (L/6811 and L/6813) and that, accordingly, there was no need to hold consultations with these contracting parties.

The Council took note of the statement.⁴

(c) Consultations (C/M/249, 251, 252)

At its meeting on 24 April 1991, the Chairman of the Committee on Balance-of-Payments Restrictions introduced the Committee's reports on its consultations with Yugoslavia (BOP/R/191) and with Nigeria, the Philippines, Tunisia and Turkey (BOP/R/190).

The Council took note of the statement and adopted the reports in BOP/R/191 and BOP/R/190.

³Carried in Council Minutes under "Appointment of presiding officers of standing bodies".

⁴The 1991 programme of consultations was subsequently circulated in L/6815.

At its meeting on 11 July 1991, the Chairman of the Committee on Balance-of-Payments Restrictions informed the Council that Brazil, with which a full consultation was to have been held in 1991, had recently implemented wide-ranging liberalization measures and was consequently disinvoking Article XVIII:B on the understanding that contracting parties would not challenge remaining restrictions under Article XVIII:B in the informatics area until the date foreseen for their elimination, i.e., October 1992.

The representatives of Brazil, Canada, the United States, Australia, Switzerland, the European Communities, Austria, Sweden on behalf of the Nordic countries, Japan, Peru, India, New Zealand, Chile, Hungary, Argentina, Colombia, Korea, Pakistan, Senegal, Hong Kong, Thailand on behalf of the ASEAN contracting parties and Yugoslavia spoke.

The Council took note of the statements.

At the Council meeting on 8 October 1991, the Chairman of the Committee on Balance-of-Payments Restrictions introduced the Committee's report on its consultation with the Czech and Slovak Federal Republic (BOP/R/193).

The Council took note of the statement, and adopted the report in BOP/R/193.

(d) Notes on meetings (C/M/249, 252)

At the Council meeting on 24 April 1991, the Chairman of the Committee on Balance-of-Payments Restrictions drew attention to the points raised under "Other Business" at the Committee's March meeting (BOP/R/192), and announced, on the basis of informal consultations, that India was prepared to consult with the Committee under Article XVIII:12(a) in November 1991 according to the normal procedures followed for full consultations (BISD 18S/48), and that the next consultation with India under Article XVIII:12(b) would be held in two years' time, according to the normal rhythm.

The Council took note of the statement and of the information in BOP/R/192.

At the Council meeting on 8 October 1991, the Chairman of the Committee on Balance-of-Payments Restrictions drew attention to the statement made by Brazil under "Other Business" at the Committee's meeting on 9 July (BOP/R/194).

The Council took note of the statement and of the information in BOP/R/194.

6. Korea - 1992-1994 Programme of liberalization (C/M/249, 250, 251, 252)

In October 1989⁵, Korea had agreed to disinvoke Article XVIII:B by 1 January 1990, and had undertaken to eliminate remaining restrictions in a generally even manner, on an mfn basis, over two three-year programmes beginning on the expiry of its current liberalization programme, i.e., in 1992. Korea had further undertaken to report on the progress of liberalization annually to the Council, to notify the Council of its three-year programmes by March of the year before their introduction, and to give all due consideration, in drawing up the programmes, to the interests of other contracting parties in a balanced manner.

At its meeting on 24 April 1991, the Council considered Korea's 1992-1994 liberalization programme (L/6834).

The representatives of the United States, New Zealand, Australia, Canada, the European Communities, Iceland and Korea spoke.

The Council took note of the statements.

At its meeting on 29-30 May 1991, the Council again considered this matter.

The representatives of New Zealand, Australia, Korea, the United States and the European Communities, and the Chairman spoke.

The Council took note of the statements.

At its meeting on 11 July 1991, the representative of Korea informed the Council that Korea had recently held a plurilateral consultation with five interested contracting parties regarding its 1992-1994 programme.

The representatives of Australia, the United States, New Zealand, Canada and the European Communities spoke.

The Council took note of the statements.

At the Council meeting on 8 October 1991, the representative of New Zealand reiterated his Government's concern regarding this matter.

The representatives of the United States, Australia, Canada and Korea spoke.

The Council took note of the statements.

⁵ See BOP/R/183 and Add.1.

7. Austria - Article XIX action on certain types of cement and certain preparations containing cement (C/M/252)

At the Council meeting on 8 October 1991, the representative of Japan raised the matter of Austria's recently notified action under Article XIX (L/6899).

The representatives of Austria, India, Thailand on behalf of the ASEAN contracting parties, Hong Kong, Pakistan, Korea, Hungary, the European Communities and Chile spoke.

The Council took note of the statements and agreed to revert to this matter at a future meeting.

8. Trade and environment (C/M/247, 248, 249, 250, 251, 252, 253)

At the Forty-Sixth Session of the CONTRACTING PARTIES in December 1990, the EFTA countries had drawn attention to interlinkages between environmental and trade policies, and the need to initiate a GATT discussion thereon (SR.46/2).

At its meeting on 6 February 1991, the Council considered the matter of trade and environment on the basis of a communication from Austria on behalf of the EFTA countries (L/6809).

The representatives of Austria on behalf of the EFTA countries, Brazil, Canada, Chile, Thailand on behalf of the ASEAN contracting parties, India, New Zealand, Tanzania, the European Communities, Australia, Morocco, Poland, the United States, Hungary, Egypt, Bolivia, Costa Rica, Peru, Mexico, the Czech and Slovak Federal Republic, Argentina and Yugoslavia, and the Chairman spoke.

The Council took note of the statements, agreed to revert to this matter at a future meeting, and asked the Chairman of the CONTRACTING PARTIES to conduct informal consultations in the meantime.

At its meeting on 12 March 1991, the Chairman informed the Council, on behalf of the Chairman of the CONTRACTING PARTIES, that the consultation process agreed to at the February Council meeting had begun, and that there was a need for it to continue for at least a few more weeks.

The representatives of Austria on behalf of the EFTA countries, the European Communities⁶, Switzerland, Sweden on behalf of the Nordic countries, Malaysia on behalf of the ASEAN contracting parties, the United States, Chile, Romania, Uruguay, Mexico, Cameroon, Canada, Peru, India and Jamaica spoke.

⁶The statement by the European Communities was subsequently circulated as Spec(91)13.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 24 April 1991, the Chairman of the CONTRACTING PARTIES informed the Council that a consensus had emerged in his informal consultations to hold a structured debate on the subject of trade and the environment at the next Council meeting. He intended to continue informal consultations on the EFTA countries' request to convene the 1971 Working Group on Environmental Measures and International Trade, and also on any eventual GATT contribution to the UN Conference on Environment and Development (UNCED) process.

The representatives of the European Communities, Mexico and Austria spoke.

The Council took note of the statements and agreed that sufficient time would be made available at the next Council meeting for a structured debate on this matter.

At its meeting on 29-30 May 1991, the Council held a structured debate on this subject. In so doing, the Council considered an outline of points circulated by the Chairman of the CONTRACTING PARTIES (Spec(91)21), and also a communication from the ASEAN contracting parties (L/6859).

The representatives of Austria on behalf of the EFTA countries, Argentina, Yugoslavia, Australia, Tanzania on behalf of the African contracting parties, Switzerland, Turkey, Uruguay, Hong Kong, New Zealand, Mexico, Canada, Peru, India, Malaysia on behalf of the ASEAN contracting parties, Sweden on behalf of the Nordic countries, Hungary, the United States, Colombia, Cameroon, Pakistan, Cuba, the Czech and Slovak Federal Republic, Venezuela, Brazil, Israel, the European Communities, Nigeria, Japan, Zaire, Bolivia and Chile, and the Chairman of the CONTRACTING PARTIES and the Chairman spoke.

The Chairman informed the Council that the Secretariat would, in the following two months and sufficiently in advance of the next substantive discussion on this subject, prepare a factual paper along the lines of the ASEAN contracting parties' request in L/6859, as well as a note on the UNCED discussions as they related to GATT provisions and principles.

The Council took note of the statements⁷ and agreed to revert to this item at a future meeting.

At the Council meeting on 11 July 1991, the Chairman of the CONTRACTING PARTIES reported on the results of his further informal consultations. He said that additional efforts would be required to reach a consensus on how this subject should be dealt with in the GATT.

⁷At the Chairman's suggestion, the statements were subsequently issued in extenso in the Spec(91).. series for those delegations that so wished.

The representatives of Austria on behalf of the EFTA countries, Japan, the United States, the European Communities, Sweden on behalf of the Nordic countries, Mexico, Malaysia on behalf of the ASEAN contracting parties, Switzerland, Australia, New Zealand, Nigeria, India and Chile, and the Chairman spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 8 October 1991, Mr. Carlisle, Deputy Director-General, informed the Council that in recent informal consultations he had held on behalf of the Chairman of the CONTRACTING PARTIES it had been agreed that:

1. the 1971 Group on Environmental Measures and International Trade would be convened;
2. the Group would have, for the present, the following three items as its agenda:
 - (a) trade provisions contained in existing multilateral environmental agreements (e.g., the Montreal Protocol on Substances that Deplete the Ozone Layer, the Washington Convention on International Trade in Endangered Species and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal) vis-à-vis GATT principles and provisions;
 - (b) multilateral transparency of national environmental regulations likely to have trade effects;
 - (c) trade effects of new packaging and labelling requirements aimed at protecting the environment;
3. the Group itself would adopt this agenda at its first meeting;
4. the Group would be open-ended, i.e., open to any contracting party which wished to participate;
5. because of the present burden on delegations arising from the Uruguay Round, until January 1992 the Group would limit the number of its meetings as much as possible;
6. finally, the Council Chairman should enquire of the Government of Japan whether Mr. Kaya, currently Japan's Ambassador to Brazil, was still available to chair the Group. If he was not available, the Council Chairman, as was customary, would hold consultations to designate a new chairman.

With regard to the last point, it was his understanding that Mr. Kaya was not available.

The representatives of Chile, New Zealand, Mexico, Colombia, Uruguay, the United States, Cuba, Peru, Malaysia on behalf of the ASEAN contracting parties, the European Communities, Australia, Venezuela, India and Argentina, and the Chairman spoke.

The Chairman said that he would hold further informal consultations regarding an eventual GATT contribution to the UNCED. He proposed that the Council authorize him to designate a new Chairman of the Working Group in consultation with interested contracting parties since Mr. Kaya, the present Chairman, was no longer available. He also proposed that the Council agree that the Chairman of the Working Group should hold consultations with interested parties to see if changes in the Group's agenda were necessary to take their concerns into account.

The Council so agreed and took note of the statements.

At its meeting on 12 November 1991, the Chairman informed the Council that, following the consultations which he had been authorized to conduct, it had been agreed that Mr. Hidetoshi Ukawa (Japan) be designated as Chairman of the Group on Environmental Measures and International Trade.

The Council took note of this information.

9. United States - Action under the Marine Mammal Protection Act with respect to "intermediary nations" (C/M/250)

At its meeting on 29-30 May 1991, the representative of Japan informed the Council of the United States' intention to implement its Marine Mammal Protection Act in respect of "intermediary nations" as provided for in that Act, and reserved Japan's rights in this matter.

The Council took note of the statement.

10. EEC - Measures on imports of baler twine and other sisal processed products (C/M/248)

At the Council meeting on 12 March 1991, the representative of Brazil raised the matter of a recent legislation adopted by the European Communities' Council of Ministers modifying the Community's GATT Schedule of concessions in respect of baler twine and other sisal processed products.

The representative of the European Communities spoke.

The Council took note of the statements.

11. EEC - Import régime for bananas (C/M/251)

At the Council meeting on 11 July 1991, the representative of Costa Rica expressed his Government's concern over the possibility that the

European Economic Community might soon introduce a new import régime for bananas in the context of its ongoing process towards the establishment of a single market by the end of 1992.

The representatives of Colombia, the United States, Chile, Peru, Venezuela, Mexico, Côte d'Ivoire, the European Communities and the observer from Honduras spoke.

The Council took note of the statements.

12. EC/Japan - Trade in motor vehicles (C/M/252)

At its meeting on 8 October 1991, the representative of the European Communities informed the Council that Japan and the European Communities had reached a mutually acceptable solution regarding their future trade in motor vehicles, and that both parties intended to notify jointly the outline of this accord to contracting parties shortly.⁸

The Council took note of the statement.

13. United States - Extension of marketing orders to kiwis (C/M/249)

At the Council meeting on 24 April 1991, the representative of Chile expressed his Government's concern that US marketing orders, which Chile considered to be GATT-inconsistent, had recently been extended to kiwis.

The representatives of the United States and Brazil spoke.

The Council took note of the statements.

14. United States - Imports of lumber from Canada (C/M/252)

At the Council meeting on 8 October 1991, the representative of Canada expressed his Government's concern at the United States' recent initiation, for the third time, of a countervailing duty investigation into softwood lumber imports from Canada and announced Canada's intention to seek recourse to GATT dispute settlement procedures regarding this matter.

The Council took note of the statement.

15. Restrictions on imports of carrageenan from the Philippines (C/M/251)

At the Council meeting on 11 July 1991, the representative of the Philippines expressed his Government's concern over recent measures by the

⁸An outline of this accord was subsequently notified in L/6922.

European Economic Community and Canada that could adversely affect carrageenan exports from the Philippines and other developing countries.

The representatives of Thailand on behalf of ASEAN contracting parties other than the Philippines, the European Communities and Canada spoke.

The Council took note of the statements.

16. Recourse to Articles XXII and XXIII

(a) Canada

(i) Import, distribution and sale of certain alcoholic drinks by provincial marketing agencies (C/M/247)

At their Forty-Sixth Session in December 1990, the CONTRACTING PARTIES had considered a request by the United States for the establishment of a panel to examine its complaint (DS17/2), and had referred this matter to the Council for further consideration.

At its meeting on 6 February 1991, the Council considered this matter.

The representatives of the United States, Canada, the European Communities, New Zealand, Japan and Switzerland spoke.

The Council took note of the statements, agreed to establish a panel, and authorized its Chairman to designate the Chairman and members of the Panel in consultation with the parties concerned.

(ii) Import restrictions on ice cream and yoghurt (C/M/247)

At their Forty-Fifth Session in December 1989, the CONTRACTING PARTIES had adopted the Panel report (BISD 36S/68). At their Forty-Sixth Session in December 1990, the CONTRACTING PARTIES had referred the follow-up on the Panel report back to the Council for further consideration.

At its meeting on 6 February 1991, the Council again considered this matter.

The representatives of the United States, Canada and Argentina, and the Chairman spoke.

The Council took note of the statements and agreed to revert to this matter at a future meeting.

⁹The Panel's composition was subsequently announced on 3 March 1991 in DS17/4.

(b) European Economic Community

(i) Payments and subsidies paid to processors and producers of oilseeds and related animal-feed proteins (C/M/249, 250, 251, 252, 253)

In January 1990, the Council had adopted the Panel report (BISD 37S/86).

At the Council meeting on 24 April 1991, the representative of the United States expressed concern at the lack of progress to date in implementing fully the Panel's recommendations.

The representatives of Australia, Canada, the European Communities and Argentina, and the Chairman spoke.

The Council took note of the statements and agreed to revert to this item at a future meeting.

At its meeting on 29-30 May 1991, the Council again considered this matter.

The representatives of the United States, the European Communities, Australia, Canada and Argentina spoke.

The Council took note of the statements and agreed to revert to this item at a future meeting.

At its meeting on 11 July 1991, the Council again considered this matter.

The representatives of the United States, the European Communities, Canada and Australia spoke.

The Council took note of the statements and agreed to revert to this item at a future meeting.

At its meeting on 8 October 1991, the Council again considered this matter.

The representatives of the United States, Canada, Argentina, Brazil, Australia and the European Communities spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 12 November 1991, the Council again considered this matter, and a recent communication from the United States thereon (L/6933).

The representatives of the United States, Canada, Argentina and the European Communities spoke.

The Council took note of the statements and agreed to refer this matter to the CONTRACTING PARTIES for consideration at their Forty-Seventh Session.

(ii) Restrictions on imports of pork and beef under Third-Country Meat Directive (C/M/251)

At its meeting on 11 July 1991, the Council considered a request by the United States for the establishment of a panel to examine whether GATT benefits accruing to it were nullified or impaired as a result of Community practices in respect of meat imports from the United States pursuant to the Third-Country Meat Directive (DS20/2 and Corr.1).

The representatives of the European Communities and Canada spoke.

The Council took note of the statements and agreed to revert to this matter at its next meeting.

(c) Japan

- Restrictions on imports of certain agricultural products
(C/M/247, 248, 249, 250, 251, 252, 253)

In March 1988, the Council had adopted the Panel report (BISD 35S/163).

At the Council meeting on 6 February 1991, the representative of the United States asked Japan to report on the actions it had undertaken to implement the report fully, and expressed concern about Japan's intention with regard to two of the agricultural import categories covered by the report.

The representatives of Australia, New Zealand, Thailand, Japan, Argentina and Chile spoke.

The Council took note of the statements.

At its meeting on 12 March 1991, the Council again considered this matter.

The representatives of the United States, New Zealand, Thailand, Australia, Chile, Uruguay, Canada, Argentina, Japan and the European Communities, and the Chairman spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 24 April 1991, the Chairman informed the Council that Japan had recently held a plurilateral consultation on this matter under the provisions of Article XXII:1, and that the participants had agreed to continue the consultation.

The representatives of Japan, the European Communities, the United States, Australia, New Zealand, Chile and Argentina, and the Chairman spoke.

The Council took note of the statements and agreed to revert to this item at a future meeting.

At its meeting on 29-30 May 1991, the representative of Japan informed the Council that a second plurilateral consultation under Article XXII:1 had not resulted in a mutually satisfactory solution, and that further consultations were appropriate.

The representatives of New Zealand, Australia, the United States, Argentina, Thailand, Uruguay, Chile and the European Communities spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 11 July 1991, the Council again considered this matter.

The representatives of the United States, Australia, Thailand, New Zealand, Uruguay and Japan spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 8 October 1991, the Council again considered this matter.

The representatives of the United States, New Zealand, Australia, Argentina, Uruguay, Chile, Thailand and Japan spoke.

The Council took note of the statements and agreed to revert to this item at a future meeting.

At its meeting on 12 November 1991, the Council again considered this matter.

The representatives of Australia, New Zealand, the United States, Argentina, Uruguay and Japan spoke.

The Council took note of the statements and agreed to revert to this item at a future meeting.

(d) Norway
- Restrictions on imports of apples and pears (C/M/251)

In June 1989, the Council had adopted the Panel report (BISD 36S/306).

In February 1990, Norway had notified contracting parties (L/6651) of changes envisaged in its import policy for apples and pears, in response to the Panel's recommendation. In Article XXIII:1 consultations in May 1990, the United States had informed Norway of its concern that Norway's new import régime on apples and pears was inconsistent with Article XI:2(c).

At its meeting on 11 July 1991, the representative of the United States said his Government considered that Norway had not yet brought its import measures on apples and pears into conformity with its GATT obligations, and reserved the United States' rights on this matter.

The representative of Norway spoke.

The Council took note of the statements.

(e) United States

(i) Countervailing duties on fresh, chilled and frozen pork from Canada (C/M/247, 248, 249, 250, 251)

At their Forty-Fifth Session in December 1989, the CONTRACTING PARTIES had established a panel to examine Canada's complaint regarding this matter (DS7/2). At its meeting in October 1990, the Council had considered the Panel report (DS7/R) and had derestricted it at Canada's request. The Council had again considered the report in November 1990. At their Forty-Sixth Session in December 1990, the CONTRACTING PARTIES had referred the report back to the Council for further consideration.

At its meeting on 6 February 1991, the Council again considered the Panel report.

The representatives of Canada, the United States, the European Communities, and Finland on behalf of the Nordic countries spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 12 March 1991, the Council again considered this matter.

The representatives of Canada, the United States, Japan and the European Communities spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 24 April 1991, the Council again considered this matter.

The representatives of Canada, the United States, Japan, the European Communities and Argentina spoke.

The Council took note of the statements and agreed to revert to this item at a future meeting.

At its meeting on 29-30 May 1991, the Council again considered this matter.

The representatives of Canada, the United States, the European Communities, Japan, Argentina, Norway on behalf of the Nordic countries, Uruguay, Australia, Mexico and Colombia, and the Director-General and the Chairman spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 11 July 1991, the Council again considered this matter.

The representatives of Canada and the United States spoke.

The Council took note of the statements and adopted the Panel report in DS7/R.

(ii) Countervailing duty and anti-dumping actions on salmon
(C/M/251)

At the Council meeting on 11 July 1991, the representative of Norway said that Norway had recently held Article XXIII:1 consultations with the United States concerning the latter's countervailing and anti-dumping duties on imports of fresh and chilled Atlantic salmon from Norway (DS24/2). At Norway's request, the two countries had agreed to consider the consultations as constituting also consultations under Articles 3:2 of the Subsidies Code¹⁰ and 15:2 of the Anti-Dumping Code¹¹, and requests for conciliation under those Agreements were being circulated to the members of their respective Committees.

The Council took note of the statement.

(iii) Customs user fee (C/M/248)

In February 1988, the Council had adopted the Panel report (BISD 35S/245).

At its meeting on 12 March 1991, the Council considered a communication from the European Communities (L/6822) regarding the United States' recent legislation revising its custom user fee in response to the Panel's recommendations on this matter.

The representatives of the European Communities, the United States and Japan spoke.

The Council took note of the statements.

¹⁰ Agreement on Interpretation and Application of Article VI, XVI and XXIII (BISD 26S/56).

¹¹ Agreement on the Implementation of Article VI (BISD 26S/171).

(iv) Denial of MFN treatment as to imports of non-rubber footwear from Brazil (C/M/248, 249)

At its meeting on 12 March 1991, the Council considered a request by Brazil for the establishment of a panel to examine its complaint regarding the United States' denial of MFN treatment as to imports of non-rubber footwear from Brazil.

The representatives of Brazil, the United States, Colombia, Peru, India, Mexico, Singapore on behalf of the ASEAN contracting parties, Chile, Hong Kong, Poland, the European Communities, Argentina, Yugoslavia, Venezuela, Australia, Uruguay, Cuba, Romania, Pakistan, Korea and Costa Rica spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 24 April 1991, the Council again considered this matter.

The representatives of Brazil, the United States, Chile, India and Mexico, and the Chairman spoke.

The Council took note of the statements, agreed to establish a panel and authorized its Chairman to designate the Chairman and members of the Panel in consultation with the parties concerned.¹²

(v) Measures affecting alcoholic and malt beverages (C/M/249, 250)

At its meeting on 24 April 1991, the Council considered a request by Canada for the establishment of a panel to examine the United States' measures affecting alcoholic and malt beverages (DS23/2).

The representatives of Canada, Australia and the United States spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 29-30 May 1991, the Council again consider this matter.

The representatives of Canada, the United States, Australia, New Zealand, the European Communities and Venezuela spoke.

¹²The Panel's composition and terms of reference were subsequently announced on 3 June 1991 in DS18/3.

The Council took note of the statements, agreed to establish a panel and authorized its Chairman to designate the Chairman and members of the Panel in consultation with the parties concerned.¹³

(vi) Restrictions on imports of tuna (C/M/247, 248¹⁴)

At its meeting on 6 February 1991, the Council considered a request from Mexico for the establishment of a panel to examine the United States' restrictions on imports of tuna (DS21/1).

The representatives of Mexico, the United States, Thailand, New Zealand, Canada, the European Communities, Australia, Japan, Singapore, the Philippines, India, Costa Rica, Chile, Korea, Norway, Senegal, Venezuela, Peru, Tunisia, Indonesia, Colombia, Tanzania and Nicaragua spoke.

The Council took note of the statements, agreed to establish a panel and authorized its Chairman to designate the Chairman and members of the Panel in consultation with the parties concerned.

At its meeting on 12 March 1991, the Chairman informed the Council of the Panel's composition.

The Council took note of this information.

(vii) Section 337 of the Tariff Act of 1930 (C/M/248, 249)

In November 1989, the Council had adopted the Panel report (BISD 36S/345).

At the Council meeting on 12 March 1991, the representative of Japan asked the United States to report on the action it intended to take in order to comply with the Panel's recommendation.

The representatives of the United States and the European Communities spoke.

The Council took note of the statements and agreed to revert to this item at its next meeting.

At its meeting on 24 April 1991, the Council again considered this matter.

The representatives of Japan, Hong Kong, Australia, Canada, the United States, the European Communities and Argentina spoke.

¹³The Panel's composition and terms of reference were subsequently announced on 8 July 1991 in DS23/4.

¹⁴This matter was also raised at the Council meeting on 12 November 1991 (C/M/253, item 6(a)).

The Council took note of the statements and agreed to revert to this item at a future meeting.

17. Non-implementation of panel reports¹⁵ (C/M/252)

At its meeting on 8 October 1991, the Council considered this matter.

The representatives of Argentina, Australia, the European Communities, and the Chairman spoke.

The Chairman noted that consideration of the Director-General's periodic report on the status of work in panels and implementation of panel reports at the next Council meeting would provide a further opportunity for representatives to address this matter if they so wished.

The Council took note of the statements.

18. Establishment of a panel under the April 1989 improvements to the GATT dispute settlement rules and procedures (C/M/250, 251, 252)

At the Council meeting on 29-30 May 1991, the representative of India asked for clarification as to the legal status of the Chairman's statement at the previous meeting (C/M/249, item 10) regarding the application of the April 1989 improvements to the GATT dispute settlement rules and procedures (BISD 36S/61).

The representatives of the United States and the European Communities, and the Chairman spoke.

The Council took note of the statements.

At its meeting on 11 July 1991, the Chairman informed the Council that he had consulted with the Secretariat's legal service and had held informal bilateral consultations with the parties concerned on this matter. He announced his intention to hold informal plurilateral consultations with the parties concerned prior to the next Council meeting in order to ensure that there was a common understanding on the matter.

The Council took note of the statement.

At the Council meeting on 8 October 1991, the Chairman said that he had held consultations with the contracting parties concerned regarding the interpretation of his statement at the April Council meeting on the application of the April 1989 improvements to the GATT dispute settlement

¹⁵ Some further discussion related to this matter is carried under sub-point 1(a)(i) - "Status of work in panels and implementation of panel reports", and in the following Council Minutes: C/M/247 - item 6, C/M/248 - item 4, C/M/249 - items 6, 7 and 9, and C/M/250 - items 5 and 6.

rules and procedures. For purposes of clarification, it was his understanding that the possibility indicated in the April 1989 Decision that there might be a consensus not to establish a panel at the second Council meeting at which the matter was being discussed, also included the possibility of a consensus to postpone the consideration of a request for a panel.

The Council took note of the statement.

19. "Forum shopping" within the GATT dispute settlement systems¹⁶
(C/M/249)

At the Council meeting on 24 April 1991, the representative of the European Communities expressed the Community's concern regarding the problem of "forum shopping" within the GATT dispute settlement systems.

The representatives of the United States and Chile spoke.

The Council took note of the statements.

20. Restrictions on exports from Peru following the cholera epidemic
(C/M/248, 249, 250, 251)

At the Council meeting on 12 March 1991, the representative of Peru expressed concern that, following the cholera epidemic in his country, certain contracting parties had imposed undue restrictions on Peru's exports which were not in accordance with international standards for the control of this disease, nor with recommendations by international health organizations. He expressed the hope that the guidelines to be used in the event of a trade-damaging act, adopted by the Council in October 1989¹⁷, would be implemented by all contracting parties.

The Council took note of the statement.¹⁸

At its meeting on 24 April 1991, the Council again considered this matter.

¹⁶ Some further discussion related to this matter is carried under sub-point 1(a)(i) - "Status of work in panels and implementation of panel reports".

¹⁷ Streamlined mechanism for reconciling the interests of contracting parties in the event of trade-damaging acts (BISD 36S/67). Under the guidelines, the European Community subsequently submitted notifications in L/6845 (17 May 1991) and L/6845/Add.1 (18 November 1991), and Austria in L/6917 (7 October 1991).

¹⁸ The text of Peru's statement was subsequently circulated as Spec(91)12.

The representative of Peru spoke.

The Council took note of the statement.

At its meeting on 29-30 May 1991, the Council again considered this matter.

The representatives of Peru, Colombia and Chile spoke.

The Council took note of the statements.

At its meeting on 11 July 1991, the Council again considered this matter.

The representatives of Peru, Colombia, Austria, Chile also on behalf of Mexico, and the European Communities spoke.

The Council took note of the statements.

21. Customs unions and free-trade areas; regional agreements
- Canada - United States Free-Trade Agreement (C/M/253)

In February 1989, the Council had established a working party to examine the Canada - United States Free-Trade Agreement, which had entered into force on 1 January 1989.

At its meeting on 12 November 1991, the Chairman of the Working Party introduced its report (L/6927) and, in so doing, suggested that present procedures for examination of agreements submitted under Article XXIV produced unsatisfactory results and that the Council might discuss how working party examinations of such agreements ought to be conducted and, in particular, the kind of conclusions they could most usefully seek.

The representatives of Canada, the United States, India, the European Communities, Japan, Sweden on behalf of the Nordic countries and Australia spoke.

The Council took note of the statements, adopted the report in L/6927, and agreed to revert at a future meeting to the question of how examinations of agreements submitted under Article XXIV might be made more meaningful.

22. Article XXIV:6 - Consultation between Argentina and the European Economic Community (C/M/247)

At its meeting on 6 February 1991, the representative of Argentina informed the Council of continuing consultations between Argentina and the European Economic Community concerning their December 1987 Compensation Agreement for Portugal's and Spain's accessions to the Community, and reserved Argentina's GATT rights in this matter.

The Council took note of the statement.

23. US/EEC Agreement on EEC enlargement (C/M/253)

At its meeting on 12 November 1991, the representatives of the United States and the European Communities informed the Council that they had agreed to extend through the end of 1992 the provisions specified in the Annexes to the 30 January 1987 Agreement for the conclusion of Article XXIV:6 negotiations between the two parties, and that this was without prejudice to either party's interpretation of Article XXIV. Both parties reserved their GATT rights, including those which would otherwise be time-limited.

The Council took note of the statements.

24. Agreements among Argentina, Brazil, Paraguay and Uruguay (C/M/247, 249)

At the Council meeting on 6 February 1991, the representative of the European Communities asked for information from Argentina and Brazil regarding their recently signed "Economic Complementarity Agreement" which represented an important step towards the establishment of the Southern Cone Common Market (MERCOSUR).

The representative of Brazil spoke.

The Council took note of the statements.

At the Council meeting on 24 April 1991, the representative of the European Communities urged the signatories to the agreement establishing the MERCOSUR to submit a full notification to the GATT which would allow for a thorough examination thereof.

The representatives of the United States and Argentina spoke.

The Council took note of the statements.

25. Waivers under Article XXV:5

(a) Uruguay - Renegotiation of Schedule XXXI (C/M/248)

By their Decision of 7 December 1990 (L/6783), the CONTRACTING PARTIES had waived until 31 March 1991 the application of the provisions of Article II to enable Uruguay to adjust its schedule of tariff concessions.

At its meeting on 12 March 1991, the Council considered a request by Uruguay for an extension of the waiver (L/6819), and a draft decision to this effect (C/W/666).

The representatives of Uruguay and the European Communities spoke.

The Council took note of the statements, approved the text of the draft decision in C/W/666, and recommended its adoption by the CONTRACTING PARTIES by postal ballot.

The Decision was adopted on 11 April 1991 (L/6837).

(b) Zaire - Establishment of a new Schedule LXVIII (C/M/250)

By their Decision of 5 December 1989 (BISD 36S/434), as extended until 30 June 1991 (L/6711), the CONTRACTING PARTIES had waived Zaire's obligations under Article II to enable it to implement its new tariff.

At its meeting on 29-30 May 1991, the Council considered a request by Zaire for a further extension of the waiver until 31 December 1991 (L/6855), and a draft decision to this effect (C/W/679).

The Council approved the text of the draft decision in C/W/679 and recommended that it be adopted by the CONTRACTING PARTIES by postal ballot.

The Decision was adopted on 1 July 1991 (L/6882).

(c) Czech and Slovak Federal Republic - Renegotiation of Schedule X
(C/M/253)

At its meeting on 12 November 1991, the Council considered a request by the Czech and Slovak Federal Republic for a waiver from the provisions of Article II of the General Agreement (L/6911), and a draft decision to this effect (C/W/685).

The representatives of the Czech and Slovak Federal Republic, the United States, Argentina, New Zealand, Poland, Nicaragua, Austria, Costa Rica, Thailand on behalf of the ASEAN contracting parties, Egypt, Mexico, Colombia, Hungary, Israel, Chile, Bangladesh, Morocco, Switzerland, Sweden on behalf of the Nordic countries, Canada, Australia, Japan, Korea, India and the European Communities spoke.

The Chairman offered his good offices with a view to finding a solution satisfactory to all prior to the forthcoming Session of the CONTRACTING PARTIES.

The Council took note of the statements and agreed to refer this matter to the CONTRACTING PARTIES for consideration at their Forty-Seventh Session.

(d) Harmonized System

(i) Chile (C/M/249, 253)

At its meeting on 24 April 1991, the Council considered a request by Chile (L/6840) for an extension of a waiver already granted in connection with its implementation of the Harmonized Commodity Description and Coding System, and a draft decision to this effect (C/W/669).

The representatives of Chile, the United States and the European Communities, and the Chairman spoke.

The Council took note of the statements, approved the text of the draft decision in C/W/669, and recommended its adoption by the CONTRACTING PARTIES by postal ballot.

The Decision was adopted on 24 May 1991 (L/6857).

At the Council meeting on 12 November 1991, the representative of Chile noted that the waiver granted to his Government in connection with its implementation of the Harmonized System (HS) would soon expire. Since the HS process had not been completed, Chile would request an extension of its waiver at the forthcoming Session of the CONTRACTING PARTIES.

The Council took note of the statement.

- (ii) Brazil, Malaysia, Mexico, Pakistan, Philippines, Sri Lanka and Turkey (C/M/250)

At its meeting on 29-30 May 1991, the Council considered requests by Brazil (L/6849), Malaysia (L/6851), Mexico (L/6852), Pakistan (L/6853), Philippines (L/6848), Sri Lanka (L/6847) and Turkey (L/6854) for extensions of waivers already granted in connection with their implementation of the Harmonized Commodity Description and Coding System.

The representatives of the United States, the European Communities and Sweden on behalf of the Nordic countries, and the Chairman spoke.

The Council took note of the statements, approved the texts of the draft decisions (C/W/674 - Brazil; C/W/675 - Malaysia; C/W/676 - Mexico; C/W/677 - Pakistan; C/W/673 - Philippines; C/W/672 - Sri Lanka; and C/W/678 - Turkey) and recommended their adoption by the CONTRACTING PARTIES by postal ballots.

The Decisions were adopted on 1 July 1991 (L/6874 - Brazil; L/6875 - Malaysia; L/6876 - Mexico; L/6877 - Pakistan; L/6878 - Philippines; L/6879 - Sri Lanka; and L/6881 - Turkey).

- (iii) Bangladesh and Israel (C/M/251)

At its meeting on 11 July 1991, the Council considered requests by Bangladesh (L/6865) and Israel (L/6856) for extensions of waivers already granted in connection with their implementation of the Harmonized Commodity Description and Coding System.

The Chairman spoke.

The Council took note of the statement, approved the texts of the draft decisions (C/W/682 - Bangladesh and C/W/680 - Israel) and recommended their adoption by the CONTRACTING PARTIES by postal ballots.

The Decisions were adopted on 12 August 1991 (L/6898 - Bangladesh and L/6897 - Israel).

- (e) Reports under Waivers
- United States - Caribbean Basin Economic Recovery Act (CBERA)
(C/M/248)

Under paragraph 7 of the CONTRACTING PARTIES' Decision of 15 February 1985 (BISD 31S/20), the United States is to submit an annual report on the implementation of the provisions of the Caribbean Basin Economic Recovery Act (CBERA), and the CONTRACTING PARTIES are, two years from the Waiver's entry into force and biennially thereafter, to review its operation and consider if in the circumstances then prevailing any modifications to or termination of its provisions are required.

At its meeting on 12 March 1991, the representative of the United States presented his Government's report on the trade-related provisions of the CBERA (L/6773).

The representative of the European Communities spoke.

The Council took note of the statements and of the information in L/6773.

- (f) Working Party on "German unification - Transitional measures adopted by the European Communities" (C/M/247)

At their Forty-Sixth Session in December 1990, the CONTRACTING PARTIES had established a working party to examine transitional measures adopted by the European Communities following German unification (L/6793), and had authorized the Council Chairman to designate the Chairman of the Working Party in consultation with interested contracting parties.

At its meeting on 6 February 1991, the Chairman informed the Council that Mrs. Escaler (Philippines) had been designated to serve as Chairperson of the Working Party.

The Council took note of this information.

26. Accession

- (a) El Salvador (C/M/249)

At their Forty-Sixth Session in December 1990, the CONTRACTING PARTIES had adopted a Decision (L/6794) authorizing El Salvador to accede to the General Agreement under terms set out in its Protocol of Accession (L/6795).

At its meeting on 24 April 1991, the observer from El Salvador informed the Council that her country's legislative assembly had ratified the Protocol and that El Salvador would become a contracting party on 22 May 1991.

The Council took note of this information.

(b) Guatemala (C/M/247, 251)

In April 1990, the Council had established a working party to examine Guatemala's application to accede to the General Agreement.

At its meeting on 6 February 1991, the Council considered the Working Party's report (L/6770, Corr.1¹⁹, Add.1 and Add.1/Corr.1).

The representatives of Guatemala (as an observer), Nicaragua, Costa Rica, Mexico and Morocco spoke. The representatives of Argentina, the European Communities, Australia, Austria, Bolivia, Brazil, Canada, Chile, Colombia, Hong Kong, Korea, Malaysia, Japan, Jamaica, Peru, Romania, Sri Lanka, Thailand, Senegal, Zimbabwe, Yugoslavia, Venezuela, Uruguay, the United States, Turkey, Norway, Sweden, Finland, Iceland and Switzerland, among others, wished to be placed on record as supporting and welcoming the accession of Guatemala.

The Council approved the text of the draft decision and the text of the draft Protocol of Accession, agreed that the draft decision be submitted to a vote by postal ballot, adopted the Working Party's report in L/6770, Corr.1¹⁹, Add.1 and Add.1/Corr.1, and took note of the statements.

The Decision was adopted on 28 February 1991 (L/6824).

At its meeting on 11 July 1991, the Council considered a communication from Guatemala requesting that the time-limit for signature in paragraph 5 of its Protocol of Accession be changed to 30 September 1991 (C/W/683).

The Council agreed to the change (L/6889).²⁰

(c) Mongolia (C/M/252)

At its meeting on 8 October 1991, the Council considered a communication from Mongolia (L/6886) concerning its interest in acceding to the General Agreement pursuant to Article XXXIII.

The representatives of Mongolia (as an observer), Japan and the United States spoke.

The Council took note of the statements, agreed to establish a working party to examine Mongolia's application (L/6919), and authorized the Council Chairman to designate the Chairman of the Working Party in consultation with representatives of contracting parties and with the representative of Mongolia.

¹⁹ Spanish only.

²⁰ Guatemala subsequently became a contracting party on 10 October 1991.

(d) Panama (C/M/252)

At its meeting on 8 October 1991, the Council considered a communication from Panama (L/6912) concerning its interest in acceding to the General Agreement pursuant to Article XXXIII.

The representatives of Panama (as an observer), Chile also on behalf of Colombia, Mexico also on behalf of Venezuela, Costa Rica, Argentina also on behalf of Brazil, Nicaragua, Peru, El Salvador and the United States spoke.

The Council took note of the statements, agreed to establish a working party to examine Panama's application (L/6920), and authorized the Council Chairman to designate the Chairman of the Working Party in consultation with representatives of contracting parties and with the representative of Panama.

(e) Paraguay (C/M/250)

In March 1989, the Council had agreed to reactivate the Working Party established in 1974 to examine Paraguay's request for accession to the General Agreement (L/6468).

At its meeting on 29-30 May 1991, the Chairman suggested that he be authorized to designate a new Chairman of the Working Party in consultation with interested contracting parties, since the appointed Chairman, Mr. Ceska (Austria), had asked to be relieved of his duties.

The Council agreed to the Chairman's suggestion.²¹

27. Hungary - Protocol of Accession (C/M/249, 252)

At the Council meeting on 24 April 1991, the representative of Hungary requested that the Council initiate the process, at its next meeting, leading to the elimination of all specific provisions in Hungary's Protocol of Accession, and also that the Council Chairman hold informal consultations to enable the Council to take the necessary decisions on the establishment of a working party, its terms of reference and its chairmanship.

The Chairman spoke.

The Council took note of the statements.

At its meeting on 8 October 1991, the Council considered a communication from Hungary regarding this matter (L/6909).

²¹Mr. Seade (Mexico) was subsequently designated Chairman of the Working Party, as reflected in L/6472/Rev.2.

The representatives of Hungary and the United States spoke.

The Council took note of the statements, and agreed to establish a working party to examine Hungary's request with the terms of reference and composition that had emerged from informal consultations (L/6923).

28. Macau - Succession to the General Agreement

(a) Tariff régime (C/M/247)

At the Council meeting on 6 February 1991, the representative of Macau recalled that her Government had succeeded to the General Agreement on

11 January 1991 (L/6806), and stated that Macau would submit, within one year of its date of succession, a Schedule to which Macau's customs duties would be bound, up to an acceptable percentage of its imports.

The Council took note of the statement.

(b) Status as a contracting party (C/M/247)

At the Council meeting on 6 February 1991, the representative of India welcomed Macau as a contracting party, but reserved India's position regarding Macau's status as a contracting party after December 1999.

The observer from China spoke.

The Council took note of the statements.

29. Switzerland - Review under Paragraph 4 of the Protocol of Accession (C/M/247)

Under paragraph 4 of its Protocol of Accession, Switzerland has reserved its position with regard to the application of the provisions of Article XI to permit the application of certain import restrictions pursuant to existing national legislation. The Protocol calls for an annual report by Switzerland on the measures maintained under this reservation, and requires the CONTRACTING PARTIES to conduct review of the application of the provisions of paragraph 4 every three years.

At the Council meeting on 6 February 1991, the representative of Switzerland introduced the twenty-second, twenty-third and twenty-fourth annual reports (L/6454, L/6632 and L/6802 respectively) submitted by his Government in accordance with paragraph 4 of its Protocol of Accession.

The representatives of Australia, New Zealand and Argentina requested that a working party be established to conduct the triennial review required under Switzerland's Protocol.

The Council took note of the reports and of the statements, and agreed to establish a working party with the following terms of reference: "To

conduct the eighth triennial review of the application of the provisions of paragraph 4 of the Protocol for the Accession of Switzerland, and to report to the Council." Membership would be open to all contracting parties indicating their wish to serve on the Working Party. The Council authorized its Chairman to designate the Chairman of the Working Party in consultation with delegations.²²

30. Romania - Reform for transition to a market economy (C/M/249, 253)

At the Council meeting on 24 April 1991, the representative of Romania provided information on his Government's reform programme aimed at putting into effect a market economy in Romania (L/6838).

The representative of the European Communities spoke.

The Council took note of the statements.

At the Council meeting on 12 November 1991, the representative of Romania provided information on further measures and regulations adopted by his Government within the framework of its reform programme (L/6838/Add.1).

The Council took note of the statement.

31. De facto application of the General Agreement (C/M/251)

At its meeting on 11 July 1991, the Council considered the eighth report by the Director-General (L/6866) on the application of the Recommendation of 11 November 1967 (BISD 15S/64) inviting contracting parties to continue to apply the General Agreement de facto in respect of newly-independent territories on a reciprocal basis.

The Council took note of the report (L/6866) and invited the Director-General to remain in contact with the governments of the States concerned and to report again on the application of the Recommendation within three years.

32. Union of Soviet Socialist Republics - Report on progress in the ongoing economic reforms (C/M/248)

At the Council meeting on 12 March 1991, the observer from the USSR provided information on progress in the ongoing economic reforms in his country.

The Council took note of the statement.

²²The Working Party's Chairmanship was subsequently announced on 8 March 1991 in L/6825.

33. Training activities (C/M/252, 253)

At its meeting on 8 October 1991, the representative of Switzerland informed the Council of his authorities' readiness to finance a further trade policy course for officials from Eastern and Central European countries within the framework of GATT's training activities.

The representatives of Hungary, Romania, Poland, Yugoslavia and the observer from Bulgaria spoke.

The Council took note of the statements.

At the Council meeting on 12 November 1991, the Director-General introduced his annual report on the Secretariat's training activities (L/6925).

The representatives of Pakistan, Thailand on behalf of the ASEAN contracting parties, India, Hungary, Argentina, Peru, Nigeria, Egypt, Romania, Sri Lanka, Tanzania, Jamaica, Myanmar, the Czech and Slovak Federal Republic, Madagascar, Chile also on behalf of Colombia, Morocco, Tunisia, Zimbabwe and Senegal, and the observer from China and the Chairman spoke.

The Council took note of the statements and of the report in L/6925.

34. International Trade Centre UNCTAD/GATT
- Report of the Joint Advisory Group (C/M/252)

At its meeting on 8 October 1991, the Council considered the report of the Joint Advisory Group of the International Trade Centre UNCTAD/GATT on its twenty-fourth session (ITC/AG(XXIV)/128).

The Chairman of the Group introduced the report. The representatives of Norway on behalf of the Nordic countries, Switzerland, Tunisia, Costa Rica on behalf of Latin American contracting parties, Jamaica, Bangladesh, Tanzania, Poland, Pakistan, Côte d'Ivoire, Senegal, Sri Lanka, Morocco and Nigeria spoke.

The Council took note of the statements and adopted the report.

35. Latin American Economic System (SELA) - Conclusions of the Sixth
consultation meeting on the Uruguay Round (C/M/252)

At its meeting on 8 October 1991, the representative of Costa Rica informed the Council of the conclusions of the Sixth consultation meeting of the SELA on the Uruguay Round.

²³The text of the conclusions was subsequently circulated as MTN.TNC/W/88.

The Council took note of the statement.

36. Administrative and financial matters

(a) Committee on Budget, Finance and Administration

(i) Designation of Chairman (C/M/247²⁴, 251)

At their Forty-Fourth Session in November 1988, the CONTRACTING PARTIES had taken note of a suggestion by the Council Chairman concerning the appointment of presiding officers of standing bodies (SR.44/2).

At its meeting on 6 February 1991, the Council agreed to re-appoint Mr. Broadbridge (Hong Kong) as Chairman of the Committee on Budget, Finance and Administration.

At its meeting on 11 July 1991, the Chairman informed the Council that the appointed Chairman of the Committee on Budget, Finance and Administration, Mr. Broadbridge (Hong Kong), would no longer be in a position to continue in his post, and proposed, on the basis of informal consultations, that Mr. Szepesi (Hungary) be appointed as Chairman for the remainder of the current term of office.

The Council so agreed.

(ii) Reports (C/M/248, 250, 251, 253)

At the Council meeting on 12 March 1991, the Chairman of the Committee on Budget, Finance and Administration introduced the Committee's report in L/6818.

The representative of Tanzania spoke.

The Council took note of the statements, approved the Committee's specific recommendations in paragraphs 5, 18 and 19 of its report (L/6818), and adopted the report.

At the Council meeting on 29-30 May 1991, the Chairman of the Committee on Budget, Finance and Administration introduced the Committee's report in L/6858.

The Council took note of the statement, approved the Committee's specific recommendation in paragraph 17 of its report (L/6858), and adopted the report.

At the Council meeting on 11 July 1991, the Chairman of the Committee on Budget, Finance and Administration introduced the Committee's report in L/6870.

²⁴ Carried in Council Minutes under "Appointment of presiding officers of standing bodies".

The representative of the Federal Republic of Germany, and the Director-General and the Chairman spoke.

The Council took note of the statements, approved the Committee's specific recommendations in paragraphs 41, 42, 51, 52 and 54 of its report (L/6870), and approved the draft resolution referred to in paragraph 32. The Council also adopted the report in L/6870, including the recommendations contained therein and the Resolution on the expenditure of the CONTRACTING PARTIES in 1991 and the ways and means to meet that expenditure.

At the Council meeting on 12 November 1991, the Chairman of the Committee on Budget, Finance and Administration introduced the Committee's report in L/6928.

The Council took note of the statement, approved the Committee's specific recommendations in paragraphs 24, 31, 32 and 43 of its report (L/6928) and agreed to submit the draft resolution referred to in paragraph 18 to the CONTRACTING PARTIES for consideration and approval at their Forty-Seventh Session. The Council also approved the report in L/6928 and recommended its adoption by the CONTRACTING PARTIES at their Forty-Seventh Session, including the recommendations contained therein and the Resolution on the expenditure of the CONTRACTING PARTIES in 1992 and the ways and means to meet that expenditure.

The representatives of Brazil, the United States, the Federal Republic of Germany, Nicaragua, Venezuela, Tanzania and Chile spoke.

The Council took note of the statements.

(iii) Membership (C/M/248, 250, 251, 253)

At its meeting on 12 March 1991, the Council took note of Belgium's intention to withdraw from the Committee on Budget, Finance and Administration (L/6817) and invited the Netherlands to ^{be} represented thereon, on the basis of the latter's request (L/6814).

At its meeting on 29-30 May 1991, the representative of Colombia informed the Council of his country's request for membership on the Committee on Budget, Finance and Administration (L/6827) and expressed the hope that the Council would be able to act on that request at its next meeting.

The Council took note of the statement.

At its meeting on 11 July 1991, the Council considered requests from Colombia (L/6827) and Venezuela (L/6871) to join the Committee on Budget, Finance and Administration.

²⁵ The changes in the Committee's membership were subsequently reflected in L/5964/Rev.4.

The representatives of the United States, the European Communities, Peru, Chile, Mexico, India, Australia, Uruguay, Thailand on behalf of the ASEAN contracting parties, Japan, Colombia, Costa Rica, Jamaica, Pakistan, Venezuela, Hong Kong, El Salvador and Brazil, and the Chairman spoke.

The Council took note of the statements, approved Colombia's and Venezuela's requests for membership on the Committee²⁶, and agreed that the Chairman of the Budget Committee should hold consultations, not limited to Committee members, regarding the efficiency of the Committee's work, its size, composition and criteria for membership therein, and report to the Council.

At the Council meeting on 12 November 1991, the Chairman of the Committee on Budget, Finance and Administration reported on the progress of his consultations on the size, composition and criteria for membership of the Committee, and indicated his intention to pursue, and broaden the participation in, these consultations.

The Council took note of the statement.

(b) Office of the Deputy Director-General (C/M/249)

At its meeting on 24 April 1991, the Director-General informed the Council that, in accordance with the procedures for the appointment of the Deputy Directors-General (BISD 34S/173), he had been holding consultations, which he would continue, with a view to appointing a successor to Mr. M.G. Mathur whose contract was due to expire on 31 July 1991.

The Council took note of this information.²⁷

(c) Organizational changes in the Secretariat (C/M/250)

At the Council meeting on 29-30 May 1991, the representative of Chile²⁸, on behalf of the Latin American and Caribbean contracting parties, raised the matter of the Director-General's consultations, announced at the April Council meeting, regarding the appointment of a successor to the outgoing Deputy Director-General, and also the recent organizational changes in the Secretariat (GATT 1510).

The representative of the European Communities, and the Director-General, the Chairperson of the Committee on Trade and Development and the Chairman spoke.

²⁶ The changes in the Committee's membership were subsequently reflected in L/5964/Rev.5.

²⁷ Some further discussion related to this matter is carried under the next point.

²⁸ The text of Chile's statement was subsequently circulated as Spec(91)25.

The Council took note of the statements.

(d) Pension and salary matters (C/M/247, 253)

At their Forty-Sixth Session in December 1990, the CONTRACTING PARTIES had agreed that the Council should take up this matter in the coming year.

At its meeting on 6 February 1991, the Council considered this matter.

The Chairman said that he intended to hold informal consultations with Council members with a view to pursuing and promoting this matter.

The representative of Canada, and the Chairman of the Committee on Budget, Finance and Administration and the Director-General spoke.

The Council took note of the statements and agreed to revert to this matter at a future meeting in the light of the Chairman's informal consultations.

At the Council meeting on 12 November 1991, the Chairman reported on the progress of his consultations on this matter. He proposed that the Director-General be asked to make proposals for rectifying the situation and to report to the Council as early as possible in 1992, and in any event no later than at the Council's last meeting before the summer break.

The Director-General spoke.

The Council took note of the statements.

37. Council membership

(a) Costa Rica and Macau (C/M/247)

At its meeting on 6 February 1991, the Council welcomed Costa Rica and Macau as Council members.

(b) El Salvador (C/M/250)

At its meeting on 29-30 May 1991, the Council welcomed El Salvador as a Council member.

(c) Malta (C/M/251)

At its meeting on 11 July 1991, the Council welcomed Malta as a Council member.

38. Texts submitted for circulation as documents (C/M/249)

At the Council meeting on 24 April 1991, the Secretary of the Council said that it would greatly facilitate the Secretariat's task if delegations

using word processors could also provide copies of texts they submitted for circulation as documents in "machine-readable" form on diskettes.

The Council took note of this information.²⁹

39. Items under "Other Business" (C/M/251)

At the Council meeting on 11 July 1991, the Chairman expressed the hope that representatives would appreciate the difficulty of conducting a proper discussion of substantial issues in the Council if these were raised only during the Council meeting under "Other Business". He encouraged representatives who wanted a substantive debate on issues to bring them to the notice of the Secretariat in sufficient time to have them placed on the airgram, thus allowing all parties concerned to prepare themselves for the discussion.³⁰

The Council took note of the statement.

40. Appointment of presiding officers of standing bodies (C/M/247, 253)

At the Council meeting on 6 February 1991, pursuant to the CONTRACTING PARTIES' action at their Forty-Fourth Session (SR.44/2), the Chairman announced the results of his consultations. Mr. Boittin (France) and Mr. Broadbridge (Hong Kong) had agreed to continue for another year as Chairman of the Committee on Balance-of-Payments Restrictions and of the Committee on Budget, Finance and Administration respectively. Mr. De la Peña (Mexico) and Mr. Tuusvuori (Finland) had agreed to continue to serve respectively as Chairman and Vice-Chairman of the Committee on Tariff Concessions.

The Council agreed to the foregoing.

At the Council meeting on 12 November 1991, the Chairman announced that consultations on presiding officers of standing bodies would be carried out in due course by his successor. These consultations would be open to all delegations.

The Council took note of this information.

²⁹ A note by the Secretariat providing additional details was subsequently circulated as Spec(91)26.

³⁰ A note by the Secretariat on the practice relating to the issuance of airgrams convening Council meetings was subsequently circulated as Spec(91)73.

41. 700th anniversary of the Swiss Confederation (C M/250)

At the Council meeting on 29-30 May 1991, the Director-General suggested that contracting parties might participate in the celebration of the Swiss Confederation's 700th anniversary by planting representative trees from the geographical regions of the world in the park surrounding the Centre William Rappard. He suggested creating a Trust Fund for this project which would be open to contributions by interested contracting parties.

The representatives of the United States and the European Communities spoke.

The Council took note of the statements and agreed to revert to this matter at a future meeting.