

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG13/W/29/Rev.1/Add.1

3 October 1988

Special Distribution

Group of Negotiations on Goods (GATT)

Negotiating Group on Dispute Settlement

COMPARISON OF EXISTING TEXTS AND PROPOSALS FOR
IMPROVEMENTS TO THE GATT DISPUTE SETTLEMENT SYSTEM

Addendum

The following proposal should be included in Section XV, Implementation of Adopted Panel Reports and Recommendations (revised "Non-Paper"), after paragraph 24:

[The "Understanding on Notification, Consultation, Dispute Settlement and Surveillance", adopted on 28 November 1979, should be supplemented so as to include in future the estimation of the "retroactive prejudice" caused by a measure applied by a contracting party, once the CONTRACTING PARTIES have taken the decision on the basis of the panel's report.

This retroactive prejudice should be evaluated from the time when the measure in question in the case entered into force, and not from the time when the dispute was referred to the CONTRACTING PARTIES.

It is suggested that, during the panel's discussion, the affected contracting party should carry out an evaluation of the prejudice so that the panel may make a recommendation on this point, for decision by the CONTRACTING PARTIES.] (MTN.GNG/NG13/10; MTN.GNG/NG13/W/17, page 2).