
COUNCIL FOR TRADE IN GOODS
1 December 1995

DRAFT REPORT (1995) OF THE COUNCIL FOR TRADE IN GOODS¹

In accordance with the "Procedures for an Annual Overview of WTO Activities and for Reporting under the WTO" (WT/L/105), the Council for Trade in Goods is to report "in November each year to the General Council on the activities in the Council as well as in the subsidiary bodies". The reports are to be "factual in nature, containing an indication of actions and decisions taken, with cross references to reports of subordinate bodies and could follow the model of the GATT 1947 Council reports to the CONTRACTING PARTIES".

In carrying out its task, the Council for Trade in Goods has held [...] regular meetings. The minutes of these meetings, which remain the record of the Council's work, are contained in documents G/C/M/1 to [...].

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1. Waivers under Article IX of the WTO Agreement

(a) Dominican Republic - Renegotiation of Schedule XXIII (G/C/M/2 and 3)

At its meeting of 3 April 1995, the Council for Trade in Goods considered a request from the Dominican Republic (G/L/4) requesting a waiver from its obligations under Article II of GATT 1994 for the renegotiation and transposition of its pre-Uruguay Round Schedule XXIII into the Harmonized System.

The Council for Trade in Goods agreed that further discussion was needed and authorized the Chairman to undertake informal consultations on this matter.

At its meeting of 29 May 1995, the Council for Trade in Goods took note of the decision by the Dominican Republic to withdraw its request for a waiver.

(b) Senegal - Renegotiation of Schedule XLIX (G/C/M/4)

At its meeting of 3 July 1995, the Council for Trade in Goods considered a request by Senegal (G/L/7) for an extension of the waiver granted to it in connection with the renegotiation of its Schedule.

The Council for Trade in Goods approved the text of the draft decision in G/C/W/8, and recommended its adoption by the General Council.

(c) Harmonized System

(i) Bangladesh, Israel, Morocco and Sri Lanka (G/C/M/4)

At its meeting of 3 July 1995, the Council for Trade in Goods considered requests by Bangladesh (G/L/8), Israel (G/L/14), Morocco (G/L/11), Sri Lanka (G/L/10) for an extension of waivers already granted in connection with their implementation of the Harmonized System.

The Council for Trade in Goods approved the texts of the draft decisions in G/C/W/9 and Corr. 1 (Bangladesh), G/C/W/15 and Corr. 1 (Israel), G/C/W/12 (Morocco), G/C/W/11 and Corr. 1 (Sri Lanka) and recommended their adoption by the General Council.

(ii) Guatemala (G/C/M/4 and 5)

At the meeting of 3 July 1995, the Chairman proposed that as Guatemala's WTO membership had not yet taken effect, consideration of Guatemala's request (G/L/12) for an extension of the waiver already granted in connection with its implementation of the Harmonized System should be postponed to the next meeting of the Council for Trade in Goods.

The Council for Trade in Goods agreed to revert to Guatemala's request at its next meeting.

At its meeting of 31 July 1995, the Council for Trade in Goods approved the text of the draft decision in G/C/W/13/Rev.1 extending the waiver, and recommended its adoption by the General Council.

(iii) Jamaica, Pakistan, Trinidad and Tobago (G/C/M/4, 5 and 6)

At its meeting of 3 July 1995, the Council for Trade in Goods considered requests by Jamaica (G/L/9), Pakistan (G/L/6) and Trinidad and Tobago (G/L/13) for an extension of the waiver already granted in connection with their implementation of the Harmonized System.

The Council for Trade in Goods agreed to revert to these requests for waiver extensions at its next meeting, and authorized the Chairman to undertake consultations on these requests.

At the meeting of 31 July 1995, the Chairman informed the Council for Trade in Goods that he had undertaken consultations with respect to the requests for extension of waivers. The draft decisions had been revised in light of those consultations and had been circulated in documents G/C/W/10/Rev.1 (Jamaica), G/C/W/7/Rev.1 (Pakistan), G/C/W/14/Rev.1 (Trinidad and Tobago).

The Council for Trade in Goods approved the texts of the draft decisions in G/C/W/10/Rev.1 (Jamaica) and G/C/W/14/Rev.1 (Trinidad and Tobago), recommended their adoption by the General Council, and authorized the Chairman to undertake further consultations on the request for a waiver extension from Pakistan.

At the meeting of 26 September 1995, the Chairman informed the Council for Trade in Goods that consultations had been carried out, and that agreement had been reached between the parties concerned to extend the waiver requested by Pakistan until 31 December 1995.

The Council for Trade in Goods approved the text of the draft decision in G/C/W/7/Rev.1 (Pakistan) and recommended its adoption by the General Council.

(d) Malawi - Renegotiation of Schedule LVIII (G/C/M/6)

At its meeting of 26 September 1995, the Council for Trade in Goods considered a request by Malawi (G/L/24) for an extension of the waiver granted to it in connection with the renegotiation of its Schedule.

The Council for Trade in Goods approved the text of the draft decision in G/C/W/19, and recommended its adoption by the General Council.

(e) Caribbean Basin Economic Recovery Act - Request for renewal of waiver (G/C/M/6)

At its meeting of 26 September 1995, the Council for Trade in Goods considered a communication from the United States requesting a renewal of the waiver relating to the Caribbean Basin Economic Recovery Act (G/L/25).

The Council for Trade in Goods approved the request from the United States for the renewal of the waiver relating to the Caribbean Basin Economic Recovery Act, on condition that in further consultations to be held shortly the questions raised and the drafting changes mentioned be clarified. The draft decision with the agreed changes could then be forwarded as a revision of document G/C/W/21 to the General Council with the recommendation that it be adopted.

2. Understanding on the Interpretation of Article XVII of GATT 1994

(a) Establishment of the Working Party on State Trading Enterprises (G/C/M/1)

At its meeting of 20 February 1995, the Council for Trade in Goods established a Working Party on State Trading Enterprises to carry out the tasks described in paragraph 5 of the Understanding on the Interpretation of Article XVII of GATT 1994, with membership in the Working Party open to all Members indicating their wish to serve on it.

(b) Notification requirement with respect to State Trading Enterprises under Article XVII of GATT 1994 (G/C/M/1)

At its meeting of 20 February 1995, the Council for Trade in Goods agreed that the first notifications on state trading enterprises would be "new and full" and that the deadline for their submission would be 30 June 1995.

3. Market Access Matters

(a) Committee on Market Access

- Report of the Committee (G/C/M/4)

At its meeting of 3 July 1995, the Council for Trade in Goods took note of the report.

(b) Finalization of Schedules of Concessions on Goods (G/C/M/2, 3 and 5)

At the meeting of 3 April 1995, Mr. Saint-Jacques (Canada), the Chairman of the Market Access Committee reported on the informal meeting of the Market Access Committee, which had been convened on 31 March 1995, with the purpose of verifying draft final schedules of concessions.

The Council for Trade in Goods took note of the report, agreed to submit the Schedules of Chad and The Gambia to the General Council with the recommendation that they be approved, and recommended that the General Council extend the deadline of 31 March 1995 for the submission of negotiated schedules to the General Council provided for in the Decision on "Finalization of Negotiations on Schedules on Goods and Services" to 24 April 1995, as proposed by the Market Access Committee.

At the meeting of 29 May 1995, Mr. Saint-Jacques (Canada), the Chairman of the Market Access Committee reported on the informal meeting of the Market Access Committee which had been convened on 24 April 1995 with the purpose of verifying draft final schedules of concessions.

The Council for Trade in Goods took note of the report, and agreed to submit to the General Council for approval the Schedules of Concessions on Goods of Angola, Botswana, Burundi, Central African Republic, Djibouti, Grenada, Guinea, Guinea Bissau, Haiti, Lesotho, Malawi, Maldives, Mozambique, Papua New Guinea, Rwanda, St. Kitts and Nevis, Sierra Leone, Togo and Zaire.

At the meeting of 31 July 1995, the Chairman informed the Council for Trade in Goods that the fourth revision of Qatar's draft schedule had been considered verified, and proposed that the Council approve this Schedule of Concessions on Goods of Qatar and forward it for approval to the General Council.

The Council for Trade in Goods approved the fourth revision of Qatar's Schedule of Concessions on Goods and agreed to forward it to the General Council with the recommendation that it be approved.

4. Agreement on Textiles and Clothing

- Textiles Monitoring Body - Status of Members (G/C/M/5)

At the meeting of 31 July 1995, the Chairman informed the Council for Trade in Goods that the Chairman of the Textiles Monitoring Body, on behalf of the Body, had informed him of discussions it had held when developing and adopting its own working procedures, with respect to the perceived need of the Body to re-assert the fact that the TMB members discharge their functions on an *ad personam* basis. He noted that he would be consulting with Members on this matter, on the basis of a proposal provided by the TMB.

The Council for Trade in Goods took note of this information.

5. Agreement on Trade-Related Investment Measures (TRIMs)

(a) Notification formats and procedures: notifications under Article 5.1 of the TRIMs Agreement (G/C/M/1)

At the meeting of 20 February 1995, the Chairman proposed that the Council for Trade in Goods endorse the format for notifications under Article 5.1 of the TRIMs Agreement and remit it and the other issues relating to notifications to the TRIMs Committee for further consideration and/or action as appropriate.

The Council for Trade in Goods so agreed.

(b) Notifications under Article 5.1 by governments which accept the Agreement after 1 January 1995 (G/C/M/1)

At the meeting of 20 February 1995, the Chairman proposed that the Council for Trade in Goods request the Committee on TRIMs to consider the matter of arrangements for notifications under Article 5.1 by countries eligible to become original Members and which accepted the WTO Agreement after the expiry of ninety days provided for in that Article, and to prepare any appropriate recommendations.

The Council for Trade in Goods so agreed.

(c) Recommendation by the Committee on TRIMs (G/C/M/2)

At its meeting of 3 April 1995, the Council for Trade in Goods took note of the draft recommendation and the decision contained therein which would allow states and separate customs territories which accepted the WTO Agreement after its entry into force a period of ninety days from the date of their acceptance of the WTO Agreement to make notifications required under Article 5.1 of the TRIMs Agreement. The Council for Trade in Goods agreed to submit the decision to the General Council for adoption.

6. Agreement on Preshipment Inspection

- Legal status of the Independent Review Entity under Article 4 of the Agreement (G/C/M/1, 2, 3 and 4)

At its meeting of 7 October 1994, the Sub-Committee on Institutional, Procedural and Legal Matters had requested the Secretariat in consultation with interested delegations and with the International

Federation of Inspection Agencies (IFIA) and the International Chamber of Commerce (ICC), to prepare a draft for formalising, in writing, the status of the ICC, the IFIA and the Independent Entity foreseen under Article 4 of the Agreement on Preshipment Inspection (PC/IPL/M/6, paragraph 60). At its first meeting on 31 January 1995, the General Council had assigned the subject of preshipment inspection to the Council for Trade in Goods.

At the meeting of 20 February 1995, a representative of the Secretariat reported that consultations had not yet concluded and thus until a solution had been found to the questions of status and legal liabilities of the Independent Entity and of its staff and panellists, the Independent Entity would not come into existence and, therefore, no recourse could be made to it.

The Council for Trade in Goods took note of the report; requested the Secretariat to pursue its consultations with interested delegations and with the ICC and IFIA, with a view to putting forward a solution to the questions of the status of the Independent Entity and the legal liabilities of the Independent Entity, its staff and panellists, for consideration by all WTO Members; and agreed to revert to this matter at its next meeting.

At its meeting of 3 April 1995, the Council for Trade in Goods took note of information provided by the observer from the World Customs Organization and requested the Secretariat to pursue its consultations with interested delegations and with the ICC and the IFIA on the legal status of the Independent Entity.

At the meeting of 29 May 1995, the Chairman informed the Council for Trade in Goods that a solution had been elaborated that met with the approval of most of the delegations participating in the consultations, as well as with the agreement of the ICC and the IFIA.

The Council for Trade in Goods requested the Secretariat, if and when it received a positive response from Japan, to prepare a working document outlining the proposed solution and to circulate it to all Members for comment before it was put before the Council for action.

At the meeting of 3 July 1995, the Chairman informed the Council for Trade in Goods that agreement had emerged on the proposed solution concerning the questions of the status of the Independent Entity and the legal liabilities of the Independent Entity, its staff and panellists.

The Council for Trade in Goods requested the Secretariat to issue a working document outlining the proposed solution, and to circulate it to all Members for comment before it was put before the Council for action.

7. Agreement on Rules of Origin

- Use of Spanish as a working language in the Technical Committee on Rules of Origin (G/C/M/1)

At the meeting of 20 February 1995, the representative of Chile requested that the Council for Trade in Goods make a recommendation to the Committee on Rules of Origin to request the World Customs Organization to ensure that the technical work on rules of origin be carried out in English, French and Spanish.

The Council for Trade in Goods recommended to the Committee on Rules of Origin to request the World Customs Organization to ensure that work in the Technical Committee on Rules of Origin be carried out in English, French and Spanish.

8. Agreement on Subsidies and Countervailing Measures

- Approval of questionnaire format for subsidy notifications under Article 25 of the Agreement on Subsidies and Countervailing Measures and under Article XVI of GATT 1994 (G/C/M/6)

At its meeting of 26 September 1995, the Council for Trade in Goods considered the questionnaire format for subsidy notifications under Article 25 of the Agreement on Subsidies and Countervailing Measures and Article XVI of GATT 1994 (G/SCM/6) which had been developed by the Working Party on Subsidy Notifications, and adopted by the Committee on Subsidies and Countervailing Measures at its special meeting of 21 July 1995.

The Chairman noted that the approval of this questionnaire format at this meeting, in no respect, intended to prejudge the outcome of the work of the Working Group on Notification Obligations. He expressed concern regarding the status of notifications in the subsidies area, and urged all Members who had not made such notifications to do so promptly.

The Council for Trade in Goods took note of the statement and approved the questionnaire format contained in document G/SCM/6.

9. Agreement on Safeguards

- Membership of the Committee on Safeguards (G/C/M/1)

At the meeting of 20 February 1995, the Chairman proposed that the Council for Trade in Goods consider all WTO Members to be members of the Committee on Safeguards unless they indicate otherwise by 22 February 1995.

The Council for Trade in Goods so agreed.

10. Notification by Malaysia in pursuance of Article XVIII:C of GATT 1994 and the 1979 Decision on Safeguard Action for Development Purposes (G/C/M/1, 2 and 3)

At its meeting of 20 February 1995, the Council for Trade in Goods considered a communication from Singapore (G/L/2) which was in response to Malaysia's notification made in pursuance of Article XVIII:C and the 1979 Decision on Safeguard Action for Development Purposes (WT/L/32), and a communication from Malaysia circulated in document G/L/3.

The Council for Trade in Goods authorized the Chairman to undertake consultations on the notification by Malaysia, as requested in the communication from Singapore.

At the meeting of 3 April 1995, the Chairman reported that the consultations that he had carried out on Malaysia's Notification of Measures under Article XVIII:C and the 1979 Decision on "Safeguard Action for Development Purposes" had proven to be inconclusive. However, he had been recently informed that Malaysia had proposed the introduction of an alternative measure to deal with its specific problem, which could have important implications on the consultation process.

The Council for Trade in Goods took note of this report.

At the meeting of 29 May 1995, the Chairman reported that in light of the introduction by Malaysia of an alternative measure to deal with its specific problem, it was no longer necessary for consultations to be pursued on Malaysia's recourse to Article XVIII:C of GATT 1994.

The Council for Trade in Goods took note of this report.

11. Customs Unions and Free Trade Areas; regional agreements

(a) Free Trade Agreements between the Czech Republic and Slovenia, and between the Slovak Republic and Slovenia (G/C/M/1)

In June 1994, the GATT 1947 Council had established the Working Party on the Free Trade Agreements between the Czech Republic and Slovenia and between the Slovak Republic and Slovenia.

At the meeting of 20 February 1995, the Chairman informed the Council for Trade in Goods that Mr. Manhusen (Sweden) had agreed to serve as Chairman of the Working Party.

The Council for Trade in Goods took note of this information.

(b) Interim Agreement between Bulgaria and the European Communities (G/C/M/1)

At its meeting of 20 February 1995, the Council for Trade in Goods considered a communication from the European Communities (WT/REG1/1) in which it indicated that the notification of the Interim Agreement between the European Communities and the Republic of Bulgaria which was originally notified to the GATT 1947 contracting parties in document L/7617 should be considered to be a notification also under the GATT 1994.

The Council for Trade in Goods took note of this information, established a working party, and authorized the Chairman to designate the Chairperson of the Working Party in consultations with the delegations principally concerned.

(c) Interim Agreement between Romania and the European Communities (G/C/M/1)

At its meeting of 20 February 1995, the Council for Trade in Goods considered a communication from the European Communities (WT/REG2/1) in which it indicated that the notification of the Interim Agreement between the European Communities and Romania which was originally notified to the GATT 1947 contracting parties in document L/7618 should be considered to be a notification also under the GATT 1994.

The Council for Trade in Goods took note of this information, established a working party and authorized the Chairman to designate the Chairperson of the Working Party in consultations with the delegations principally concerned.

(d) Enlargement of the European Union: Accession of Austria, Finland and Sweden to the European Communities (G/C/M/1 and 2)

At the meeting of 20 February 1995, the Chairman informed the Council for Trade in Goods that informal consultations held by the Chairman of the General Council had resulted in agreement on the establishment of a working party under Article XXIV of GATT 1994 and on its terms of reference as well as on the understanding on the basis of which the terms of reference would be adopted.

The Council for Trade in Goods took note of this information, established a working party, and authorized the Chairman to designate the Chairperson of the Working Party in consultation with the delegations principally concerned.

At the meeting of 3 April 1995, the Chairman informed the Council for Trade in Goods that Mr. Armstrong (New Zealand) had agreed to serve as Chairman of the Working Party.

The Council for Trade in Goods took note of this information.

At the meeting of 29 May 1995, the representative of the European Communities informed the Council for Trade in Goods of its communication of 19 May 1995 (WT/L/67) concerning the extension to 31 December 1995 of the rights held by WTO Members under GATT 1994 for negotiations concerning enlargement of the EC under Article XXIV:6.

The Council for Trade in Goods took note of this information.

- (e) Free Trade Agreements between the Czech Republic and Romania and between the Slovak Republic and Romania respectively (G/C/M/2)

At the meeting of 3 April 1995, the representative of the Czech Republic, also on behalf of the Slovak Republic and Romania, informed the Council for Trade in Goods of the recent signature of Free Trade Agreements between the Czech Republic and Romania and between the Slovak Republic and Romania, respectively. The Free Trade Agreements were being applied provisionally since 1 January 1995 and would enter into force definitively when the respective ratification processes had been completed.

The Council for Trade in Goods took note of this information.

- (f) Free trade agreements between Estonia, Latvia and Lithuania, and the European Communities (G/C/M/3)

At the meeting of 29 May 1995, the representative of the European Community informed the Council for Trade in Goods that the Community had recently concluded free trade agreements with Estonia, Latvia and Lithuania and would soon be notifying these agreements under Article XXIV of GATT 1994.

The Council for Trade in Goods took note of this information.

- (g) Terms of reference of working parties on agreements notified under Article XXIV of GATT 1947 (G/C/M/4)

At the meeting of 3 July 1995, the Chairman informed the Council for Trade in Goods that he had consulted on whether these Working Parties would examine the regional trading agreements in the light of GATT 1947 or GATT 1994 and to which body they would submit their report. Contacts had been made with the countries involved in the Working Parties established prior to the entry into force of the WTO and other interested Members to ascertain how the terms of reference should read. It was his feeling that more time was needed to reach a common understanding on the matter.

The Council for Trade in Goods agreed that the matter be put on the agenda of the General Council meeting of 11 July 1995, and authorized the Chairman to hold informal consultations.

- (h) Signature of a Free Trade Agreement between EFTA and Slovenia (G/C/M/4)

At the meeting of 3 July 1995, the representative of Switzerland, on behalf of the EFTA countries, namely Iceland, Liechtenstein, Norway and Switzerland, and also on behalf of Slovenia

informed the Council for Trade in Goods that the EFTA countries and Slovenia had signed a free trade agreement on 13 June 1995, which would be duly notified under the relevant GATT 1994 provisions.

The Council for Trade in Goods took note of this information.

(i) Free-Trade Agreement between Latvia and the European Communities (G/C/M/6)

At its meeting of 26 September 1995, the Council for Trade in Goods considered a communication from the European Communities (WT/REG7/N/1), indicating the entry into force on 1 January 1995 of the Free Trade Agreement (WT/REG7/1) between the EC and Latvia.

The Council for Trade in Goods took note of this information, established a working party, and authorized the Chairman to designate the Chairperson of the Working Party in consultations with delegations principally concerned.

(j) Free-Trade Agreement between Estonia and the European Communities (G/C/M/6)

At its meeting of 26 September 1995, the Council for Trade in Goods considered a communication from the European Communities (WT/REG8/N/1), which indicated the entry into force on 1 January 1995 of the Free Trade Agreement (WT/REG8/1) between the EC and Estonia.

The Council for Trade in Goods took note of this information, established a working party, and authorized the Chairman to designate the Chairperson of the Working Party in consultations with delegations principally concerned.

(k) Free-Trade Agreement between Lithuania and the European Communities (G/C/M/6)

At its meeting of 26 September 1995, the Council for Trade in Goods considered a communication from the European Communities (WT/REG9/N/1), which indicated the entry into force on 1 January 1995 of the Free Trade Agreement (WT/REG9/1) between the EC and Lithuania.

The Council for Trade in Goods took note of this information, established a working party, and authorized the Chairman to designate the Chairperson of the Working Party in consultations with delegations principally concerned.

(l) Cooperation Agreement between the European Communities and the Republic of Slovenia (G/C/M/6)

At its meeting of 26 September 1995, the Council for Trade in Goods considered a notification from the European Communities and the Republic of Slovenia (WT/REG10/N/1), in which they indicated the entry into force on 19 July 1993 of the Cooperation Agreement (WT/REG10/1) concluded between them.

The Council for Trade in Goods took note of this information.

(m) Free-Trade Agreement between the Republic of Hungary and the Republic of Slovenia (G/C/M/6)

At its meeting of 26 September 1995, the Council for Trade in Goods considered a notification from Hungary and Slovenia (WT/REG19/N/1), in which they indicated the signature on 6 April 1994 of a Free Trade Agreement (WT/REG19/1) between them.

The Council for Trade in Goods took note of this information, established a working party, and authorized the Chairman to designate the Chairperson of the Working Party in consultations with delegations principally concerned.

(n) Chairmanship of the Working Parties (G/C/M/6)

At the meeting of 26 September 1995, the Chairman noted that it was becoming increasingly difficult to find a sufficient number of officials to chair the large number of committees and working parties established under the WTO Agreements. This problem was compounded as few potential Chairpersons were available for the full duration of the working party process required to examine the regional trading arrangements. He informed the Council for Trade in Goods that he would be holding consultations with a view to finding how best to deal with this situation.

The Council for Trade in Goods so agreed.

12. Marrakesh Ministerial Decision on Notification Procedures

- Establishment of a Working Group on Notification Obligations and Procedures (G/C/M/1)

At its meeting of 20 February 1995, the Council for Trade in Goods, pursuant to the Decision on Notification Procedures, established a Working Group on Notification Obligations and Procedures to carry out the tasks set out in Part III of the aforementioned Decision.

13. Canada - import regime for pasta (G/C/M/3)

At the meeting of 29 May 1995, the representative of the European Communities expressed concern about the revocation by the Canadian Wheat Board as from 27 April 1995 of the "special blanket import licences" for pasta products.

The representative of Canada spoke.

The Council for Trade in Goods took note of the statements.

14. Hungarian agricultural export subsidies (G/C/M/4)

At the meeting of 3 July 1995, the representative of the United States expressed concern about Hungary's agricultural export subsidy plans, and urged that they be revised so that they conform with Hungary's WTO commitments.

The representative of Hungary spoke.

The Council for Trade in Goods took note of the statements.

15. Taxation of certain alcoholic beverages in Japan (G/C/M/4)

At the meeting of 3 July 1995, the representative of the European Communities expressed concern about Japan's internal taxation system for alcoholic beverages, and informed the Council for Trade in Goods that consultations had been requested with Japan under paragraph 1 of Article XXII of GATT 1994 and Article 4 of the Dispute Settlement Understanding (DSU).

The representative of Japan spoke.

The Council for Trade in Goods took note of the statements.

16. US/Japan: auto and auto parts issues

(a) Japan-United States: auto and auto parts issues; United States unilateral measures (G/C/M/3)

At the meeting of 29 May 1995, the representative of Japan informed the Council for Trade in Goods that the framework discussions which had begun in July 1993 between Japan and the United States about automotive issues had not reached a conclusion. He expressed concern at the announcement by the US on 16 May 1995 of unilateral measures based on Section 301, and was seeking consultations under Article XX:1 of GATT 1994.

The representatives of the United States, the European Communities, Australia, India and Indonesia on behalf of ASEAN countries spoke.

The Council for Trade in Goods took note of the statements.

(b) Japan's automotive barriers and restrictive practices (G/C/M/3)

At the meeting of 29 May 1995, the representative of the United States informed the Council for Trade in Goods that the United States had communicated to the Director-General its intention to invoke the WTO's dispute settlement mechanism as part of the efforts to obtain effective market access for US and other countries' products into Japan's automobile and auto-parts market (WT/INF/1).

The representative of Japan spoke.

The Council for Trade in Goods took note of the statements.

(c) Agreement between US/Japan on auto and auto parts (G/C/M/4)

At the meeting of 3 July 1995, the representative of Japan reported that a successful conclusion to this matter was reached on 28 June 1995 as a result of a series of negotiations between the governments of Japan and the United States.

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

The Council for Trade in Goods took note of the statements.

17. Tariff quota of the European Communities (G/C/M/4)

At the meeting of 3 July 1995, the representative of Hungary informed the Council for Trade in Goods of a problem related to the unbinding by the European Communities of a tariff quota of 20,000 heads of heifers and cows of certain mountain breeds. Hungary reserved all its rights under the WTO and GATT 1947.

The representatives of Switzerland and the European Communities spoke.

The Council for Trade in Goods took note of the statements.

18. Brazil - provisional measure No. 1024 (automobiles) (G/C/M/4)

At the meeting of 3 July 1994, the representative of Brazil stated that on 13 June 1995, the Government of Brazil had adopted Provisional Measure N 1024, that dealt with the trade régime for the automotive sector and contained also other provisions. An English version of the full text of the Provisional Measure had been notified to WTO in compliance with the transparency obligations embodied in the 1979 Decision and the Uruguay Round Decision on Notification Procedures (WT/L/73).

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

The Council for Trade in Goods took note of the statements.

19. Information on the Cairns Group Ministerial Meeting in Manila on 26-27 May 1995 (G/C/M/3)

At the meeting of 29 May 1995, the representative of Australia reported on the Cairns Group Ministerial Meeting in Manila on 26-27 May 1995.

The Council for Trade in Goods took note of this report.

20. Rules of procedure of the Council for Trade in Goods (G/C/M/1,2,4 and 5)

At the meeting of 20 February 1995, the Chairman proposed to start informal consultations for establishing the rules of procedure pursuant to Article IV:5 of the WTO Agreement, and that business of the Council for Trade in Goods be conducted on the basis of established GATT practice until its next meeting.

The Council for Trade in Goods so agreed.

At the meeting of 3 April 1995, the Chairman proposed that the Council for Trade in Goods adopt its rules of procedure (G/C/W/2), and that those subsidiary bodies of the Council for Trade in Goods which decided they needed rules of procedures for their own purposes, might consider using the rules of procedures of the Council for Trade in Goods with the necessary adaptations.

The Council for Trade in Goods so agreed.

At the meeting of 3 July 1995, the Chairman informed the Council for Trade in Goods that a question had arisen regarding Rule 33 of the Rules of Procedure of the sectoral Councils. Consultations on this matter were being held under the Chairmanship of Ambassador Kesavapany. Pending the outcome of those consultations, the Rules of Procedure for the Council for Trade in Goods circulated in document G/C/W/2 would be put before the General Council for approval.

The Council for Trade in Goods took note of this information.

At the meeting of 31 July 1995, the Chairman informed the Council for Trade in Goods that consultations which were held by Ambassador Kesavapany on this matter had resulted in the footnote contained in document G/C/W/2/Add.1. He proposed that the Council adopt this addition to the Council's rules of procedure and submit the rules of procedure as contained in document G/C/W/2 and its addendum to the General Council for approval, pursuant to paragraph 5 of Article IV of the WTO Agreement.

The Council for Trade in Goods adopted the addition to the Council's rules of procedure contained in document G/C/W/2/Add.1, and submitted the Council's rules of procedure contained in document G/C/W/2 and its addendum to the General Council for approval.

21. Ad hoc arrangements for the participation of international intergovernmental organizations in the work of the subsidiary bodies of the Council for Trade in Goods (G/C/M/1 and 2)

At the meeting of 20 February 1995, the Chairman proposed a list of those international intergovernmental organizations which might be invited to the first meetings of the Committees which were subsidiary bodies of the Council for Trade in Goods. This was without prejudice to what may be the final results of discussions on observer status for international intergovernmental organizations.

The Council for Trade in Goods approved the list of international intergovernmental organizations which would qualify for invitation to the first meeting of its subsidiary bodies.

At the meeting of 3 April 1995, the Chairman proposed that in accordance with the ad hoc arrangements agreed to at the informal meeting of Heads of Delegations on 16 March 1995, and pending the adoption of criteria and conditions for observer status for international intergovernmental organizations in the WTO, the subsidiary bodies of the Council for Trade in Goods should decide which international intergovernmental organization should be invited to their next meeting.

The Council for Trade in Goods so agreed.

22. Ad hoc arrangements for the participation of international intergovernmental organizations in meetings of the Council for Trade in Goods (G/C/M/1, 2, 3, 4, 5 and 6)

At its meeting of 20 February 1995, the Chairman informed the Council for Trade in Goods that in accordance with the "Ad hoc procedures on participation of certain international organizations in the work of the WTO Bodies" (WT/GC/COM/2) which were accepted at an informal meeting of Heads of Delegations to the General Council on 9 February 1995, the United Nations, UNCTAD, IMF and the World Bank had been invited to the first meeting of the Council for Trade in Goods.

The Council for Trade in Goods took note of this information.

At its meeting of 3 April 1995, the Council for Trade in Goods agreed that pending the adoption of criteria and conditions for observer status for international intergovernmental organizations in the WTO and unless a delegation raised an objection, those organizations invited to the current meeting of the Council for Trade in Goods be invited to its next meeting. The organizations concerned were: the UN, UNCTAD, IMF, World Bank, FAO, OECD, International Textiles and Clothing Bureau and the World Customs Organization.

At its meetings of 29 May 1995, 3 July 1995, 31 July 1995, and 26 September 1995, the Council for Trade in Goods agreed to invite the same organizations to its next respective meeting.

23. Observer governments (G/C/M/1 and 2)

At its meeting of 20 February 1995, the Council for Trade in Goods took note that governments which had been granted observer status in the General Council and its subsidiary bodies, through the decision taken at the meeting of the General Council on 31 January 1995, had been invited as observers to this meeting of the Council for Trade in Goods.

At its meeting of 3 April 1995, the Council for Trade in Goods noted that a number of working parties on accession of certain countries to the GATT 1947 had been transformed into WTO accession working parties. In accordance with customary practice, governments whose accession process had formally begun were invited to attend WTO meetings as observers. In this connection, the Council for Trade in Goods welcomed Albania, Algeria, Armenia, Estonia and Latvia as observers to its meetings.

24. Appointment of officers for the Committee on Agriculture, Committee on Market Access, Committee on Safeguards, Committee on Sanitary and Phytosanitary Measures, Working Group on Notification Obligations and Procedures, and Working Party on State Trading Enterprises (G/C/M/1)

At its meeting of 20 February 1995, the Council for Trade in Goods approved the following appointments:

Committee on Agriculture: Mr. D. Tulalamba (Thailand); Committee on Market Access: Mr. J. Saint-Jacques (Canada); Committee on Safeguards: Mr. J. Ruiz (Argentina); Committee on Sanitary and Phytosanitary Measures (SPS): Mr. K. Bergholm (Finland); Working Group on Notification Obligations and Procedures: Mr. A. Shoyer; (U.S.); Working Party on State Trading Enterprises: Mr. P. May (Australia)

The Chairman also informed the Council for Trade in Goods of the results of consultations regarding the chairpersons of other subsidiary bodies.

The Council for Trade in Goods took note of this information.