The following draft decision was submitted by the representative of Nicaragua at the Council meeting on 29 May 1985.

The CONTRACTING PARTIES

Having noted with serious concern that the Government of the United States of America decreed on 1 May 1985 a total trade embargo and other restrictive economic measures against Nicaragua,

Considering that the Security Council of the United Nations held an emergency meeting on 8, 9 and 10 May 1985 to deal with this matter and adopted, unanimously, Resolution 562,

Recognizing that the adoption of restrictive trade measures, for non-economic reasons, is contrary to commitments undertaken by the Ministers of contracting parties to the GATT as stated in the Ministerial Declaration of November 1982,

Considering that the adoption of such measures constitutes an element of disruption and uncertainty for international trade and weakens the institutional framework multilaterally agreed for its functioning,

Considering that the trade embargo and other economic measures adopted by the United States against Nicaragua affect benefits accruing to a developing country under the General Agreement and have very serious and far-reaching consequences for its economy, trade and development,

Decide:

To disapprove the recent trade embargo and other economic measures unilaterally adopted by the United States against Nicaragua, which endanger the multilateral trading system of the GATT,

To urge the Governments of the United States and Nicaragua to initiate, without delay, the process of dispute settlement established under the General Agreement so as rapidly to arrive at a satisfactory solution of the matter.