Subsequent to the completion of the background document prepared for the special session of the Council on developments in the trading system (C/W/502), the following supplementary or additional information or corrections have been provided to the secretariat or came to its knowledge otherwise.

Page 7, paragraph 21:
Third line: replace "1 July 1986" by "15 June 1986".

Page 7, paragraph 23:
First line: replace "15 August" by "13 August".

Add to end of paragraph: "Also on 13 August, the United States removed its prohibition on the importation of tuna and tuna products from Mexico. The prohibition had been imposed in July 1980 after a finding by the Secretary of State that US fishing vessels had been seized by Mexican authorities while fishing in waters beyond any foreign national territorial sea, to the extent that such sea is recognized by the United States."

Page 10, continuation of paragraph 34:
Fifth line: replace "the offer has yet to be taken up by the Soviet authorities" by "the US offer was not taken up by the Soviet authorities and expired on 30 September 1986".

Page 10, paragraph 38:
First line: replace "ordered the Administration to expand its" by "passed a bill to expand the"
Add to final sentence: "if the provision is to become law".

Page 14, replace first three sentences of paragraph 62 by:
"Thus, in order to improve monitoring of carbon steel imports, permits are required effective 1 September 1986 for entry of such imports to Canada. This measure has been adopted following investigation by the Canadian Import Tribunal which noted greatly increased potential for diversion into Canada of carbon steel imports arising from unsettled world market conditions including widespread excess capacity, declining demand and import restraints in other countries. Improved monitoring would provide more timely and accurate information for investigating complaints under Canadian laws dealing with unfair trade practices (i.e. dumping and subsidization) concerning carbon steel."
Page 14, add new paragraph 62bis:

In the United States there is reportedly continued pressure to add Canada to the network of voluntary restraint agreements between the United States and major steel supplying countries. United States imports of steel from Canada for the first eight months of 1986 accounted for 3.4 per cent of United States consumption as compared to a 3.1 per cent share for the same period in 1985. The United States has not, however, requested a voluntary restraint arrangement for Canada.

Page 14, paragraph 63:

In the third line, replace "countries" by "exporters".

Page 17, paragraph 80:

Add after first sentence: "There is no formal restraint agreement between Canada and the Republic of Korea for marketing of cars in Canada, but the Republic of Korea has undertaken to practice prudence."

Page 18, paragraph 90:

Add to end of paragraph "In October, the EEC had recourse to the General Agreement (see final sub-paragraph of paragraph 281.)"

Page 20, add new paragraph 106bis:

According to a report by the US Department of Commerce, the Administration has requested consultations with China, Japan, Macao, Malaysia and Yugoslavia to discuss setting quota levels for textiles and apparel imports not previously controlled. The products in question are certain cotton handbags and sweaters of ramie and silk blend from China; women's, girls' and infant's wool suits, wool sweaters, handknitting yarns, and man-made fibre coveralls from Japan; sweaters of ramie and silk blends from Macao; man-made fibre sewing thread from Malaysia; and man-made fibre sweaters from Yugoslavia.

Page 23, add new paragraph 125bis:

Brazil recently eliminated import duties on all steel imports considered essential to help meet domestic demand next year. Furthermore, the existing financial operations tax on these imports is to be cut from 37 to 20 per cent.

Page 25, add new paragraph 141bis:

In early October Japan agreed to suspend its 20 per cent tariff on cigarettes and end the deferral of excise tax payments to the monopoly Japan Tobacco Inc. Trade barriers to the Japanese tobacco market had previously led the US Administration to self-initiate its first Section 301 case.

Page 25, paragraph 142:

Add to paragraph: "Malaysia also increased the export duty on ground and unground white pepper from 1,627.64 to 2,034.23 and from 1,477.64 to 1,844.23 ringgit respectively. The export duty on black pepper has been raised from 715 to 751.92 ringgit/tonne."
Page 25, paragraph 143:
Second sentence: delete "with".

Page 26, replace paragraph 149 by:
"On 1 July 1986 the Philippine authorities abolished export duties on all export products except logs (Executive Order No.265)."

Page 26, add new paragraph 153bis:
"On 20 August 1986 Uruguay introduced an across-the-board reduction of 5 per cent of its Global Tariff Rates (Tasa Global Arancelaria)."

Page 26, paragraph 154:
End of first sentence: replace "what" by "wheat".

Page 29: add new paragraphs 163bis and 163 ter:
"Egypt has abolished the two Import Rationalization Committees which were responsible for receiving and approving import applications (Ministry of Economy Decree No.333 of 1986). The clearance procedure for imports thus ceases to exist (see L/5640/Add.37).

As of 1 July, the Federal Republic of Germany has abolished the import licensing requirement for wooden articles, jute products, shoes with wooden soles, ceramic products, ferromolybdane and aluminium products from state trading countries (see L/5640/Add.21/Rev.1/Suppl.2)."

Page 29, add new paragraph 165bis:
"Imports into the United Kingdom of aluminium products from Romania and stoneware articles from the Republic of Korea no longer require individual import licences. These products can now be imported on the authority of an Open General Import Licence when originating from the sources indicated (see L/5640/Add.21/Rev.1/Suppl.2)."

Page 30, add new paragraph 170bis:
"The Philippines removed import licensing requirements on 140 products. The sectors concerned are iron and steel, pulp and paper, chemicals, food processing and tyres. Furthermore, requirements for prior approval by the Board of Investments and other government agencies were eliminated in respect of the importation of 143 regulated items. The liberalization was subsequently rescinded on three items of polyester staple fibre and filament yarn (Central Bank Circular Nos.1100 and 1103 of 30 April and 8 May 1986). On 6 June the requirement of prior approval by the Board of Investments was eliminated in respect of the importation of 357 items, and by the Central Bank in respect of 80 items (Central Bank Circular No.1105). Prior approval requirements were lifted on 18 July for the importation of 272 products (Central Bank Circular No.1109). The liberalization of 134 products, foreseen under the IMF programme of trade reforms but postponed by request, was partially effected with the lifting of the import licensing requirements on 80 items effective
30 September 1986 (Central Bank Circular No.1117 of 26 September 1986). Another 54 products were to be liberalized at the end of October 1986. As of 30 September 1986, 929 products or 75 per cent of the 1,232 items scheduled for liberalization in 1986 and 1987 had been liberalized. (Information received from the Philippine Mission. See also paragraph 202.)

Page 30, paragraph 173:
First line: delete "as of 1 February"; replace "added several items to" by "re-notified".

Page 32, replace paragraph 181 by:
"The arrangement of 11 December 1985 between the US Government and the EC amended the arrangement of 21 October 1982 relating to trade in certain steel products and extended it until 30 September 1989. On 5 September, the two parties supplemented the above with an arrangement concerning semi-finished steel products which involves restraints by the Communities (as they were in 1985 and hence not including Spain and Portugal) with regard to exports of such products to the US market during the period from 15 September 1986 to 30 September 1989 (see L/5413/Add.2 and L/6025, paragraph 278)."

Page 33, add new paragraph 191bis:
Greece removed as of 10 October 1986 the import deposit requirement on imports of goods contained in import tariff chapters 53, 70, 84 and 87 (Trade Ministry decree No.E 6'9146'). The goods concerned are yarns, wool, furniture, refrigerator equipment, refrigeration machines, ventilators, industrial ovens, drying ovens, lifting machines, weaving machines, sanitary articles, automobile chassis, special vehicles, and various goods made of glass.

Page 33, paragraph 195:
At the end of paragraph add: "(Notified in L/5855/Add.2; see also paragraph 173.)"

Page 33, add new paragraph 197bis:
"Mexico removed goods contained in 300 tariff positions from the list of import prohibitions. These goods are, however, still subject to import permits. The goods affected by the measure include various foodstuffs, candles, leather goods, furs, wooden products, carpets, clothing, glassware, household goods, washing machines, dryers, beverage automats, vacuum cleaners, radiators, record players, toys and others."

Page 33, paragraph 198:
Second line: replace "of" by "after".

Page 34, paragraph 200:
Add to end of first sentence: "(this action, which is subject to review, was first put into operation in 1983)."
Insert in second sentence after "pork": "and pork-based products" and after "prohibited", "subject to review".

Page 34, replace paragraph 202 by:

"On 1 August 1986, the Philippines rescinded the foreign audit financing requirement for importation of machinery and equipment, aircraft and vessels, irrespective of their value. The requirement of prior favourable endorsement by the government agencies involved for the importation of machinery and equipment for agriculture and export-oriented enterprises registered with the Central Bank, Board of Investments, Garments and Textile Export Board and Export Processing Zone Authority was also eliminated (Central Bank Circular No.1110 of 1 August 1986) (See also paragraph 170bis above.)"

Page 34, add new paragraph 203bis:

"Senegal liberalized imports contained in a large number of tariff items ranging from Chapters 02 to 97 (Circular No.21/86 of 29 August 1986). These imports were previously subject to import authorizations."

Page 34, add new paragraph 205bis:

"On 17 September Turkey removed the export ban on hazelnuts from certain areas of the Black Sea coast. The export ban was imposed as a result of the Chernobyl accident."

Page 35, paragraph 207:

First line: replace "Eight" by "Ten".
Second line: add "Australia" before "Finland".
Fifth line: add "Egypt" before "Uruguay".

Page 38, paragraph 231:

First line: after "provision" insert "in the".

Page 40, add new paragraph 243bis:

On 30 January 1986 the Consumer Products Safety Association of Japan (CPSA) introduced a new safety standard for skis ("SG") the certification of which it will administer. The new SG-mark certificate for ski equipment which was stated to have been introduced to take into account the specific skiing conditions in Japan has caused concern in a number of countries. The GATT's Committee on Technical Barriers to Trade was informed that informal consultations on the subject were being held between some of these countries and Japan. According to reports the CPSA has said that it would review the SG-mark in consultation with the International Standards Organization (ISO) by the spring of 1987.

Page 40, paragraph 245:

Add at end: "On 27 October the US Administration was due to decide on whether or not to set in motion a Section 301 unfair trade investigation after receiving a complaint by the American Rice Millers' Association that the Japanese market system discriminates against imports".
Page 40, add new paragraph 245bis:

"On 14 October, the American Peanut Butter and Nut Processors Association requested the International Trade Commission (ITC) to launch an investigation under Section 22(d) of the US Agricultural Adjustment Act of 1934 with a view to raising the limit on US imports of groundnuts. The US consumes about 1.4 billion pounds of peanuts annually; imports are limited to about 1.7 million pounds."

Page 40, paragraph 248:

Add at end: "Under the omnibus Budget Reconciliation Act 1986 a customs user fee of 0.22 per cent ad valorem will be imposed on all imports as of 1 December 1986; the fee would be reduced to 0.17 per cent after 30 September 1987. It was stated that the fee was not intended for fiscal purposes but only for covering the costs of cargo processing. The matter was brought to the attention of the GATT Council where questions were raised as to the conformity of the measure with the General Agreement."

Page 40, paragraph 249:

First line: replace "will shortly begin" by "have begun" and add to end of first sentence "in the interest of national security".

Fourth line: replace "will be" by "have been" and after the bracket on next line insert "also".

Page 41, add new paragraph 250bis:

"On 17 October a new Congressional Appropriations and Deficits Bill was signed into law. Among its provisions was a toxic waste disposal programme which requires, starting January 1987, that crude oil produced in the United States will carry a $0.082 per barrel tax while imported oil will be taxed $0.117 per barrel. A number of oil exporting and other countries have expressed serious concern at the tax which they consider discriminating and not in conformity with the GATT or the Punta del Este standstill provision. The matter was brought to the attention of the GATT Council."

Page 46, paragraph 265:

At end of paragraph, add "(see also L/5413/Add.2)."

Page 46, add new paragraph 267bis:

"A group of US specialty steel companies filed, in October, an anti-dumping petition with the US Department of Commerce against two Swedish specialty steel producers. This is the fifth action in the last ten months directed by this group of American companies on the same products against the same Swedish companies."

Page 48, add new sub-paragraph at end of paragraph 281:

Recourse by EEC to Article XXII:1 of the General Agreement: In October 1986 the EEC initiated consultations under Article XXII:1 of the General Agreement with Japan and the United States of America in respect of the implications for Community exports and imports of semi-conductors
created by the bilateral US-Japan arrangement on semi-conductors. The Community's concerns related in particular to those aspects of the arrangement which deal with market access in Japan for semi-conductors and to its provisions regarding third country markets (see L/6057).

Page 53, paragraph (b) Licensing:

Add to list of countries: "the EEC, Egypt and Pakistan".

Page 54, Appendix I, Article XXII - Consultations, second paragraph:

At end, add: "Canada notified its wish to be joined in the consultations (see L/6031/Add.1)".

Page 54, Article XXIII, add new paragraph:

"In August 1986 the United States, having recourse to Article XXIII:2 of the General Agreement, requested the Council to establish a panel to review the restrictions maintained by Japan on imports of certain agricultural products. The United States believes that, as administered, the restrictions contravene, inter alia, the prohibition in Article XI against quantitative restrictions (see L/6037)."

Page 57, Annex I to Appendix I:

Add to tabulation "Egypt" after "EEC" in the country column and an "X" for Australia and Egypt in the "1986" column.

Page 69, Appendix IV - Bilateral Trade Agreements, insert:

Canada - Soviet Union: In September Canada and the Soviet Union signed a new wheat trade agreement for a period of five years. The Soviet Union agreed to buy during that period a minimum volume of 25 million tonnes annually.

Canada - Czechoslovakia: On 5 September 1986 Canada and Czechoslovakia signed a ten-year Agreement on Trade, Economic and Production Co-operation.

Page 11, paragraph 41: after "authorities" insert "were reported to have"; at end of paragraph add: "According to the latest information received from the Argentinian delegation, the previous rates are still in force."

Page 19, paragraph 96: delete paragraph. (Request by Brazil.)

Page 19, paragraph 97: delete "and Brazil". (Request by Brazil.)

Page 39, paragraph 240: delete paragraph. (Request by Brazil.)

Page 48, add new paragraph 281bis: "On 21 October the Japanese Mission transmitted to the GATT secretariat a statement by the Japanese Government regarding the above arrangement."