EUROPEAN COMMUNITIES - REFUNDS ON EXPORTS OF SUGAR

Article XVI:1 Discussions

Report to the Council

(Draft)

Addendum

AMENDMENTS PROPOSED BY BRAZIL

* English only/anglais seulement/ingles solamente
The Brazilian Delegation has presented the following additional suggestions/comments:

(a) para 10(C), as suggested by Australia, is acceptable, with the following additions:

- the fifth line should read as follows:
  "... the prejudice and threat thereof found to exist by the Panels. In order to provide..."

- the eleventh line should read as follows:
  "... fundamental issues. The representative of Brazil also submitted examples of concrete measures that could be taken by the EEC, in order to limit the subsidization of sugar exports in terms of Article XVI:1. This combined list of questions and examples of concrete measures that could be taken by the EEC is in Annex ... ."

(proposed additions underlined)

ALTERNATIVELY, the text of para 10 of the DG’s draft report is also acceptable, if the following sentences were inserted at the end of the para:

"... to exist. The representative of Brazil also submitted examples of concrete measures that could be taken by the EEC, in order to limit the subsidization of sugar exports in terms of Article XVI:1. The combined list of specific points, questions and examples of concrete measures that could be taken by the EEC to limit the subsidization of exports of sugar appears in Annex ...... to this report."

(proposed addition underlined)

(b) in the text of para 12(B), as suggested by Australia, the mention to Brazil should be deleted.
(c) para 15 as suggested by Australia is acceptable, with the following additions:

- the sixth line should read as follows:
  "... nothing to eliminate the prejudice and/or threat thereof caused by the EEC subsidization ..."
- the seventh line should read as follows:
  "... to the trade of other sugar exporters, as the proposed scheme contained no built-in mechanism to limit the subsidization. In other words, they..."
- lines 12 and 13 should read as follows:
  "... was important, but rather its nature and extent. In the assessment of the representative of Australia, the proposed..."

(proposed additions and changes underlined)

(d) the text of the DG's draft report for para 16 should be maintained as it is.

(e) the texts of paras 20 and 22 could be further improved if, in the light of the comments and suggestions made by Brazil and Australia, such texts were modified to read as follows:

"20. A number of delegations expressed an interest in pursuing further the EEC offer to cooperate on price data in order to seek ways of making the world market more transparent and determining offer prices more objectively. No specific proposals as to the modalities for this cooperation were presented by the EEC, though requested to do so by the representatives of Brazil and Cuba. The representatives of Brazil and Cuba further stressed that such an offer would have no real meaning in GATT unless this eventual exercise were to be closely connected to measures to be taken by the EEC to limit its
subsidization of sugar, as it was clear that the whole purpose of these discussions of the EEC with the CONTRACTING PARTIES was the limitation of the subsidization that caused prejudice and/or threat of prejudice to other sugar exporting Contracting Parties."

"22. The representatives of Australia, Argentina, Brazil Colombia, Cuba, Dominican Republic and Nicaragua expressed the view that in the discussions, the EEC representative had not produced any meaningful possibilities of limiting the EEC subsidization of sugar, which had been found to cause prejudice and/or threat thereof. The Community régime for both production and subsidies available remained an open-ended one and thus continued to constitute a threat of prejudice in terms of Article XVI:1."

(proposed additions to DG's draft of paras 20 and 22 underlined)

(f) additional para could be inserted, mentioning that, in the course of the debates during the sessions of the WP, support was expressed by most members of the WP to the general positions expressed by Australia and Brazil.

(g) para 24 of DG's draft should be kept unchanged.