CONTRACTING PARTIES
Thirty-Seventh Session

SUMMARY RECORD OF THE FIRST MEETING

Held in the Geneva Conference Centre,
on Monday, 23 November 1981, at 3 p.m.

Chairman: Mr. GABRIEL O. MARTÍNEZ (Argentina)

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Opening address by the Chairman 1

The CHAIRMAN, in opening the thirty-seventh session, said that all contracting parties were called upon to play an important part in furtherance of the expansion and liberalization of international trade, as a vehicle of progress and development and a suitable instrument for securing closer relations of harmony and solidarity between nations.

He said that in addition to the usual questions for consideration at their present session, the CONTRACTING PARTIES would have to decide on whether to hold all or part of the next session at ministerial level.

He noted that if anything characterized and distinguished this forum from others operating in the intricate world of multilateral bodies, it was the importance of ensuring the "will" of the parties. In his view, the operation of the General Agreement, quite apart from the contributions and technical efforts of the secretariat, reflected the will of the contracting parties. That was why GATT could not be otherwise than the negotiated synthesis of the contracting parties' will to act.

He said that within this conceptual framework, the CONTRACTING PARTIES had to review the record of the past twelve months of GATT's activities and consider whether co-operation under the General Agreement had proved adequate to meet the situation caused by the grave economic and financial difficulties being encountered

1The full text of the Chairman's address is contained in Press Release GATT/1301.
by nearly all GATT member countries. The CONTRACTING PARTIES were also called upon to decide what further steps were needed to ensure that the multilateral trading system responded adequately to the economic, social and political challenges of the years ahead.

Recalling what had been said about the depressed state of the world economy twelve months earlier, he considered that this could be repeated, perhaps even in gloomier tones. There were, however, some signs of a positive trend. The first was that, in spite of the worst economic difficulties in its thirty-three years of existence, and the accompanying protectionist pressures, GATT had not arrested its activity in the preceding twelve months. The second round of tariff cuts agreed in the Multilateral Trade Negotiations had been put into effect; and all the instruments negotiated in the Tokyo Round were now in operation. Furthermore, it was encouraging to note the good start made by the recently established Sub-Committee on Protective Measures and by the Working Party on Structural Adjustment, as well as the quality of the discussions in the Consultative Group of Eighteen. He also noted some items to be entered on the credit side in the area of dispute settlement. Although a large number of cases was evidence of the strains put on trade relations, this also showed the readiness of governments to bring their trade problems to GATT for solution. In his view the Council's exhaustive report demonstrated, moreover, that solutions had been found during the preceding year for a large proportion of the specific trade problems raised within the framework of GATT's responsibilities.

He gave as a second positive sign the fact that there had been an improvement of the situation during the past twelve months, which seemed to indicate that economic relations were in a phase of transition which held out new opportunities for fruitful international co-operation. He recalled that eight years had passed since the post-war monetary system based on fixed exchange rates had begun to break down. Economic activity in most countries had reached a peak in the mid-1970s, from which time dated the resurgence of protectionist pressures. What was new, in his opinion, was that during 1981 contracting parties had largely refrained from blaming one another for the difficulties resulting from these developments, and had concentrated their attention on exploring the possibilities of facing these developments and this challenge constructively together, preferring dialogue to confrontation. He believed that while countries differed greatly in many ways, they shared a dependence on international trade and, in consequence, a mutual need for a stable basis of multilateral rules and co-operation that the GATT provided. He said that this shared concern had been repeatedly shown in the settlement of the various bilateral disputes in the Council, where there had been a genuine identity of interest in protecting the integrity of the GATT rules by all countries.
In referring to certain difficulties in sectors such as textiles and agriculture, he pointed out that a firm commitment was required to maintain the strength of GATT, and a willingness to seek, through co-operation and dialogue, better answers than those resulting from dialectics and confrontation. Since events in recent months had pointed to the existence of such a commitment to GATT and of a clear desire for dialogue, he was inclined to view the future with cautious optimism. In this context he drew attention to the proposal by the Consultative Group of Eighteen that next year’s session be held at ministerial level. He emphasized that this unanimous recommendation provided further evidence of the awareness among contracting parties of shared interests and responsibilities, and ought to be at the centre of reflections during the present session.

He then pointed out that the Consultative Group of Eighteen had reminded contracting parties of some major recent trends in trade. In his view much was still to be done in respect of these trends. He said that many countries were still unable to participate fully in the international trading system, and that large sectors of trade remained outside the major flows. He said that it was in the common interest that these countries and sectors should contribute to the strengthening of GATT, and to the integration and growth of the international economy. He believed that efforts in this direction would require that the CONTRACTING PARTIES give much more prominence to objectives which the Tokyo Round negotiations had only partially fulfilled. A central aim should be to bring about the full participation of developing countries in the system of rules by which international trade was now regulated.

He referred to the degree to which developing countries were participating in the GATT itself and in the MTN Agreements, recalling that in recent years a large number of developing countries had acceded to the General Agreement. He was pleased to welcome to this session the delegation of Colombia, which had recently acceded. He also expressed the hope that Tunisia, which had just initiated negotiations for accession, would soon become a full contracting party. He said, however, that it was obvious that fewer developing countries had as yet acceded than one would wish. He similarly considered it important for the universal character of GATT, and for the transparency of international trade relations, that developing countries be encouraged to accede to the Tokyo Round Codes. He, therefore, welcomed the efforts made by the secretariat to clarify and explain all the implications of these Codes to developing countries.

He believed that one reason why developing countries were not yet participating fully in GATT had been their perception that there were important gaps in the system which needed to be filled by the definition of appropriate and permanent rules. He mentioned in particular the unjustified uncertainty surrounding the safeguard rules, residual restrictions, and the whole range of agricultural trade problems.
Similarly, there seemed in his view to be a discouraging perception among the developing countries that, in spite of the great efforts made in the Multilateral Trade Negotiations, the GATT system still did not fully meet the particular situation and needs of those countries. Moreover, he considered it important to continue efforts to stimulate and increase trade among developing countries. He said that these and other tasks had been left unfinished at the end of the Tokyo Round. Overall, he considered that the time seemed to have come to take stock at political level of co-operation in GATT, and to reaffirm the will of the contracting parties to maintain the rules that underpin the multilateral trade system.

Finally, he emphasized that what distinguished GATT from most of the other international institutions was that it was based on binding commitments. He said that the purpose of the permanent dialogue carried on by the CONTRACTING PARTIES was to establish legal commitments. The constant aim should therefore be to translate the progress achieved in that dialogue into legal and binding provisions that would establish rights and obligations consistent with the letter and spirit of the General Agreement.

1. Adoption of agenda

The CHAIRMAN said that the Provisional Agenda was contained in document L/5199.

The agenda was adopted.

2. Order of business

The CHAIRMAN drew attention to the Proposed Order of Business circulated in document W.37/1. He said that introductory statements would be made by the Chairman of the Council and on behalf of the Chairman of the Committee on Trade and Development, in presenting the respective reports to the CONTRACTING PARTIES.

He also drew attention to the Reports of the Committees charged with the implementation of the MTN Agreements.

The CONTRACTING PARTIES approved the Order of Business as proposed in document W.37/1.

3. Presentation of Reports

Mr. McPhail (Canada) introduced the Report of the Council (L/5245). He said that the Council had held nine meetings since the last session of the CONTRACTING PARTIES, dealing with a wide range of subjects. He said that important new ground had been broken by the Council, in two special
meetings at which Notification and Surveillance had been reviewed. While these meetings had been productive, there was not yet a firmly established procedure for the conduct of such reviews, and delegations had agreed to reflect further on how to proceed in this matter.

He stated that a second aspect of the Council's work was the treatment of matters brought to its attention under Articles XXII and XXIII of the General Agreement. One particular problem to which the Council had given careful consideration had been the procedure for disposing of panel findings once they had been reported. Another was the question of follow-up to panel reports once adopted. He drew attention to the possible need for continuing consideration of these matters.

Third, he said that, bearing in mind the summing-up of the Chairman of the CONTRACTING PARTIES at the thirty-sixth session, the Council's report did not contain any record of further progress with respect to the question of Safeguards, nor did it mention such phenomena as voluntary export restraints.

He raised as a final question, which the Council's report left for further consideration and determination by CONTRACTING PARTIES, the decision of the Council in November 1981 to forward to the CONTRACTING PARTIES at the present session a proposal formulated by the Consultative Group of Eighteen that the 1982 session of the CONTRACTING PARTIES be held at ministerial level.

Mr. JARAMILLO (Colombia), speaking on behalf of Mr. Adeniji (Nigeria), Chairman of the Committee on Trade and Development, presented the Report of the Committee (L/5253). He said that over the last year members of the Committee had given particular attention to the manner in which the commitment provisions of Part IV and the provisions of the Enabling Clause had been utilized in the interests of the trade of developing countries, as well as to trade liberalization in areas of particular interest to developing countries as provided for in the post-Tokyo Round work programme. Many members of the Committee had also been concerned with the relevance of the Committee's activities on trade liberalization to the preparatory work for the proposed 1982 annual session of the CONTRACTING PARTIES at ministerial level.

Referring to the Committee's review of Part IV and the operation of the Enabling Clause, he said that some delegations had welcomed certain positive actions taken by developed countries in the field of trade policy, such as the further extension of GSP schemes. However, there had been widespread concern among developing country delegations over growing protectionist pressures in areas of particular concern to their countries and the uncertainty this was producing in the fields of trade and investment. Of concern to many developing countries was also the action taken by a number
of developed countries to differentiate in the application of their GSP schemes. In particular, they had referred to questions relating to non-discrimination and the importance of objective criteria and transparency in the operation of the GSP. Representatives of some developed countries had felt, however, that the application of the differentiation referred to was not inconsistent with the Enabling Clause and that GSP schemes were unilateral, non-reciprocal and non-contractual. Certain developing countries had reserved their rights under the provisions of the Enabling Clause with respect to this matter.

With regard to the work of the Sub-Committee on Protective Measures, he said that this body had carried forward its work on the basis of certain notifications by delegations and background material provided by the secretariat. The view had been expressed that if this mechanism was to continue to work effectively, both the countries applying measures and those affected by them should remain conscious of their responsibility for notifying them.

In its review of developments in international trade having a bearing on the trade and payments situation of developing countries as well as developments in commodity prices, the Committee had briefly examined the situation with respect to the expansion of trade among developing countries. In the course of this review, representatives of developing countries had underlined the importance of the Committee's work on trade liberalization in areas of interest to developing countries in the light of the large and increasing current account deficits facing many developing countries. They had suggested that the Committee in the future should attempt to identify persistent problems affecting the trade of developing countries and analyse the factors underlying them with a view to recommending ways in which the international community could attempt to solve such problems.

In respect of further work on trade liberalization, he said that members of the Committee had exchanged views on the manner in which they could undertake a more systematic identification and analysis of trade problems with a view to making further progress towards trade liberalization in the areas of tropical products and quantitative restrictions. For this purpose, "A Programme of Consultations on Trade Liberalization" had been established by the Committee. It had also been agreed that the secretariat should prepare a programme for plurilateral consultations to be held in the first quarter of 1982 so that the Committee could review the progress made in the consultations at its next meeting.

On the question of tariff escalation, he said that the Committee had welcomed the decision of the Committee on Tariff Concessions to request the secretariat to proceed with work in this area by way of pilot studies on one or two selected chains of production or product areas in order to
assess the feasibility of the suggested approach. The Committee would be kept informed of developments in this work and would have an opportunity to offer comments and observations on points of interest to it.

With regard to advance implementation of Tokyo Round tariff concessions, he said that the Committee had noted that certain opportunities continued to exist for consultations between interested delegations.

He also said that the Committee had reviewed the technical assistance activities of the secretariat in connexion with requests for such assistance by developing countries. The work had been commended by many delegations who had emphasized its importance and the need for its continuation and strengthening.

In referring to the work of the Sub-Committee on Trade of Least-Developed Countries he noted also the resolution adopted at the conclusion of the United Nations Conference on the Least-Developed Countries held in Paris in September 1981, which, inter alia, had proposed that GATT should consider extending the life of the Sub-Committee. He said that there had been unanimous support at the Conference for the prolongation of the life of the Sub-Committee on Trade of Least-Developed Countries with its existing terms of reference.

In connexion with the expansion of trade among developing countries, he stated that the Committee had taken note of the eighth Annual Report of the Committee of Participating Countries on the operation of the Protocol Relating to Trade Negotiations Among Developing Countries (L/5213 and addenda). A number of delegations had drawn attention to the growing importance of intra-developing country trade, and had suggested that it would be useful to consider in GATT how the potential for the further expansion of this trade could be utilized, having regard to existing institutional mechanisms.

The CHAIRMAN then drew attention to the following Reports relating to the Agreements resulting from the Multilateral Trade Negotiations:

- Committee on Technical Barriers to Trade (L/5218)
- Committee on Government Procurement (L/5209)
- Committee on Subsidies and Countervailing Measures (L/5231)
- International Meat Council (L/5241)
- International Dairy Products Council (L/5226)
- Committee on Customs Valuation (L/5240)
- Committee on Import Licensing (L/5248)
- Committee on Trade in Civil Aircraft (L/5225)
- Committee on Anti-Dumping Practices (L/5229)
He said that these Reports summarized the extensive and intensive work conducted by the Committees and Councils established under the MTN Agreements. A more complete account of their activities was contained in the Minutes of their meetings and in the documentation cited in these Reports and in the Minutes. He stated that these documents, including Minutes of the meetings, had been circulated to observers as well as to members of these Committees and were available to any interested contracting party. He said that the Reports, as amplified by the Minutes of the meetings and related documentation, were intended to give a reasonably clear picture of the activities of all of these groups.

4. Report of the Council (L/5245)

The Chairman referred to the Report of the Council of Representatives on its work since the thirty-sixth session of the CONTRACTING PARTIES. The following statements were made in connexion with the items dealt with in the Report:

Point 1 - Notification and Surveillance

Mr. DONOVAN (Australia) said that Australia was generally satisfied with the notification procedures. However, in relation to document L/5090 his delegation had noted that the list of restrictions stated therein covered member States of the European Economic Community as separate entities. His delegation asked the secretariat to prepare an addendum to this document which would list the measures taken by the EEC as Community measures.

Mr. JACOBI (Switzerland) underlined the following points which in the view of his delegation had not yet been brought out clearly enough. It would be essential for the level of notification to have been made uniform and updated, i.e. that all contracting parties should have fulfilled their obligations in that regard, before attempting to modify the latter in any way. For whereas during the period of multilateral negotiations, when each import régime was on the table, notifications required under various provisions might have been left somewhat in the background, they were now of the utmost importance. Furthermore, it would be illogical to consider modifying the system in the abstract without first being able to evaluate real needs with full knowledge of the facts, in other words, in the light of the comprehensive notifications required at the current juncture.

His second remark concerned follow-up on notifications in the broadest sense. His delegation was convinced that however detailed notifications might be, they would only contribute very little to the solution of concrete problems unless there was on the one hand a surveillance system, including dispute settlement guaranteeing objective and equitable treatment for each case, and on the other hand a firm resolve by each contracting party to comply with recommendations and conclusions resulting from the relevant procedures, so as fully to carry out their commitments under the General Agreement or the various Codes. Those commitments constituted the partners' rights. In addition, scrupulous observation of those commitments by each contracting party was essential if the others were to observe their own.
Point 2(a) - Extension of time-limit for acceptance of the Geneva (1979) Protocol and the Supplementary Protocol

The CHAIRMAN drew attention to the recommendation of the Council that the draft decision reproduced in Annex I be adopted by the CONTRACTING PARTIES. Since all contracting parties having a schedule attached to the Geneva (1979) Protocol had fully accepted that instrument, it was only in respect of the Supplementary Protocol that action was required to extend the time-limit.

The decision was adopted.

Point 3 - Safeguards

Mr. DAS (India) said that the MTN results were inadequate and unbalanced, one main reason for this being the failure to conclude an agreement on safeguards. The need for a multilateral safeguards system was further heightened by the present crisis in the world economy with its deep-rooted structural imbalances, which led to pressures on governments for short-term measures. All this created an adverse situation, particularly for the developing countries who suffered not only from safeguards measures but also from uncertainties and, at times, from inequity in this area. He noted that efforts had been made towards establishing an objective, effective and transparent safeguard mechanism with multilateral disciplines in the two years since the MTN had been concluded, but without success. There was thus a need for greater efforts by entering into serious negotiations and also a need for greater political will in concluding these negotiations. He said that it was also important that unilateral actions not be taken in the meantime to alter prescribed GATT procedures.

Mr. SMITH (United States) recalled that his delegation had expressed concern earlier in 1981 in the Committee on Safeguards and in the Council that satisfactory progress was not being achieved in respect of the safeguard problem. He stressed that the time had come for a demonstration of political will so that a solution would be found by the next session of the CONTRACTING PARTIES.

Mr. DUNKEL (Director-General) recalled that in June 1981 he had asked delegations to make concrete proposals regarding safeguards. He had also indicated his intention of maintaining contact with them in order to explore possibilities for progress in that regard. Since then, there had been informal consultations between various delegations, in particular on the basis of suggestions which one of them had put forward informally, regarding institutional arrangements that could confer a more concrete character on the discussions. In talks at the level of permanent delegations or in national capitals, he had mentioned various possibilities conducive to bringing together the positions still remaining.
It was to be regretted that while a great many contracting parties were still showing keen interest in seeking a more satisfactory settlement to the question of safeguards, the situation was nevertheless deadlocked.

For that reason, it was his intention to initiate more systematic and in-depth consultations with delegations in the coming weeks in the hope of encouraging a real compromise effort. Such an effort was all the more needed and appropriate in the perspective of the ministerial session of the CONTRACTING PARTIES.

Point 4 - Consultative Group of Eighteen

Mr. DUNKEL (Director-General), Chairman of the Consultative Group of Eighteen, stated in respect to the Group's Report to the Council (L/5210) that from the number and importance of the subjects discussed at the Group's three meetings during the year, it could be concluded that the Group had had a busy period.

As concerned agricultural trade, he recalled that at their last session, the CONTRACTING PARTIES had requested the CG.18 to provide adequate additional time in its meetings for discussion of questions relating to agriculture. At each meeting since then a substantial part of the time available had been devoted to this subject and the secretariat had produced a number of papers dealing with the state of agricultural markets, with recent developments in agricultural policy and with the application of the rules of the General Agreement and of the Codes to agricultural trade. He expressed the belief that these discussions had gotten off to a good start and that they would provide a valuable basis for the further development of co-operation in this sector.

He said that the reasons which led the Group to make the proposal of convening the next session of the CONTRACTING PARTIES at ministerial level and the background issues underlying the proposal were set out in more detail in the Report. He noted three essential points:

(a) With the conclusion of the Tokyo Round and two years' experience of the implementation of its results, the GATT had reached a turning point in its history; the CONTRACTING PARTIES now needed to consider the directions in which they wished to move over the next ten years.

(b) The condition of the world economy continued to be disturbing, with recession, inflation and high unemployment creating serious problems in some of the world's largest economies. Developing countries in their turn were affected by the recession which exacerbated the balance-of-payments and debt problems with which many of them had been struggling for several years.
(c) These economic conditions gave rise to tensions between trading partners and to increasing pressure for protectionist action. Though in general governments had managed to hold the line against protectionism, there had been a disturbing increase in bilateralism and other forms of action outside the GATT system.

There was, therefore, in the view of the Group a need for ministers to consider seriously the state of the economic trading system and the prospects for future co-operation in GATT. It had emerged clearly from the Group's Report, and particularly from the proposal, that the meeting should take the form of a session of the CONTRACTING PARTIES at ministerial level, and that the Group envisaged a meeting devoted to the specific concerns of the GATT. These included the implementation of the results of the Tokyo Round, the health of the trading system and the observance of the rules which sustained it, and the work programme of the organization.

He added that the Group had emphasized that for the meeting to be effective and useful, it should be prepared with great thoroughness, and that the work of preparation should begin as soon as possible after a decision to convene the meeting had been taken.

Point 5 - Structural adjustment and trade policy

Mr. DAS (India) said that the work on structural adjustment was particularly important as for a number of years it had been observed that trends were appearing in the world trading system which needed long-term rather than short-term solutions. He said that his authorities had observed rigidities in the system whose removal was difficult, but very important and unavoidable. Attention should be paid that the short-term measures arising out of these rigidities did not assume permanence or semi-permanence. This was relevant to the GATT system, in particular Part IV, since these rigidities constricted the expansion of world trade and especially the opportunities for the expansion of the trade of the developing countries. He expressed the hope that the Council, the Committee on Trade and Development and the Working Party would proceed with the work in this field with greater speed so that meaningful results would be reached before the next session.

Point 7 - Recourse to Articles XXII and XXIII

7(a)(ii) - European Economic Community - Imports of beef from Canada

Mr. NYERGES (Hungary) said that the report of the Panel (L/5099), as adopted by the Council in March 1981, provided a clear and unchallenged interpretation on the administration of the levy-free high-quality beef quota of the EEC. The Panel, on the basis of the relevant GATT articles
concluded that access to the EEC markets should be given to all contracting parties that could supply the specified bovine meat.

He recalled that the Hungarian representative had already stated upon the adoption of the Panel report in the Council, that Hungary could export the quality required under the quota and had requested his country's inclusion in this quota. At the beginning of April 1981 Hungary had made a written representation to the competent EEC authorities, specifying this request. He stated with regret that these efforts had remained totally unsuccessful and that Hungary still did not have access to the EEC market. He expressed the hope that the EEC authorities would urgently take the measures necessary for the full implementation of the recommendation of the CONTRACTING PARTIES embodied in the Panel report.

Mr. LUYTEN (European Communities) said that this complex question was being discussed by the EEC authorities in order to determine the types of products to be dealt with in this tariff quota negotiation on a reciprocal basis.

Mr. NYERGES (Hungary) stated that he could not agree with the EEC viewpoint, as the question related to the provisions of Articles I and XIII of the General Agreement.

Mr. LUYTEN (European Communities) said that he had merely recalled the history of this case and the framework in which a decision had been taken.

Point 7(a)(iii) - European Economic Community - Refunds on exports of sugar

Mr. DONOVAN (Australia) noted that the complaints Australia and Brazil had lodged in 1979 were maintained and that Australia hoped that the EEC would take account of the criticism of its continuing system of export subsidies for sugar which had been made at the Working Party convened earlier in 1981 to discuss with the EEC the possibility of limiting its subsidization, at the meetings of the Council in March, June and July, and at the special Council meeting convened in September to examine the new EEC sugar régime. He drew attention to the view of most participants in the discussions on this dispute, that the EEC had not taken steps which would remove or limit the serious prejudice and threat of prejudice that its subsidies had been found to cause and that the EEC system was again operating in a manner to depress world sugar prices and thereby to cause further serious prejudices to the trade of other sugar-exporting countries. He expressed the hope that the EEC would be in a position to advise the Working Party established by the Council in September 1981 that it had taken steps to introduce effective limits on its subsidy system so as to resolve this long-standing dispute.

Mr. MACIEL (Brazil) supported this statement.
Point 7(a)(iv) - European Economic Community - Production subsidies on canned fruit

Mr. DONOVAN (Australia) said that consultation had been held with the EEC and that the matter was proceeding in the normal GATT manner.

Point 7(a)(v) - European Economic Community - Imports of frozen cod fillets from Canada

Mr. McNEIL (Canada) said, with reference to the suspension by the EEC of imports of certain frozen cod fillets from Canada below reference prices (L/5193), that the EEC had informed Canada that the action was taken under Article XIX. He said that the EEC had agreed to bilateral consultations with Canada under that Article.

Mr. LUYTEN (European Economic Community) confirmed the statement made by the representative of Canada and said that this measure would come to end in the following week.

Point 7(c)(i) - Spain - Denial of import licences for fish and fish products from Canada

Mr. McNEIL (Canada) said that Article XXII:1 consultations had been held with Spain in July 1981. Canada continued to monitor the administration of the Spanish import licensing scheme for fish.

Point 7(c)(ii) - Spain - Tariff treatment of unroasted coffee

Mr. JARAMILLO (Colombia) referred to the measures Spain expected to take before 31 December 1981, in order to accord equal tariff treatment to unwashed Arabica and other unroasted coffees. His delegation had taken note that there would be no further discrimination with respect to treatment of coffee, and expressed the hope that this equal tariff treatment would take into consideration the fact that exporters of coffees other than unwashed Arabica would not be deterred in their trade with Spain.

Mr. CASTILLO URRUTIA (Spain) said that his authorities would take all necessary steps to fulfil before 1 January 1982 the recommendations of the Council. His authorities were concerned and would take the necessary steps in order to cause the least prejudice possible and avoid discrimination with respect to other exporters of coffee among the contracting parties.

Mr. MACIEL (Brazil) expressed his appreciation for the statement made by the representative of Spain.
Point 7(c)(iii) - Spain - Measures concerning domestic sale of soyabean oil

Mr. VALDEPENAS, Jr. (Philippines) said that his Government had been of the view that the Panel Report on the Spanish measures concerning domestic sale of soyabean oil (L/5142 and Corr.1) contained conclusions and interpretations of GATT provisions which, if given due course, would have constituted bad legal precedents opening the way to a proliferation of protective measures. The Philippines, therefore, could not share those conclusions and erroneous interpretations in particular in respect of the relevant paragraphs of Article 3. His Government fully supported the action taken by the Council on 3 November 1981: to take note of the Panel Report, of the points raised in documents L/5161 and L/5188 and of the statements of representatives at that meeting.

Point 7(d)(iii) - United States - Imports of certain automotive spring assemblies

Mr. McNEIL (Canada) said that his delegation was still discussing with United States representatives in order to arrive at the terms of reference for the Panel.

Turning to a broader issue, he referred to the need in general to proceed promptly with the dispute settlement procedures whenever a complaint was brought before the CONTRACTING PARTIES. In this context he drew attention to the Panel which had been established in March 1980 to examine a dispute between Canada and the United States in respect of a United States embargo on imports of tuna from Canada. He said that the Panel had not yet presented its report and that his delegation was aware of the difficulties involved. His delegation expressed confidence in the work of the Panel hoping that the particular conditions which had arisen in that case would prove to have been unique, and looked forward to receiving the Panel's conclusions at an early date.

The meeting adjourned at 6 p.m.