PROPOSAL OF THE UNITED STATES FOR CONCLUSIONS OF THE COMMITTEE ON SUBSIDIES AND COUNTERVAILING MEASURES REGARDING THE REPORT OF THE PANEL ON EEC SUBSIDIES ON EXPORTS OF WHEAT FLOUR (SCM/42)

In accordance with Article 13:4 of the Agreement, and as a result of its review of the report of the Panel on EEC Subsidies on the export of wheat flour (SCM/42), the Committee concludes:

1. that the EEC grants export subsidies on wheat flour in a manner which results in the EEC having more than an equitable share of world export trade in wheat flour, inconsistent with the provisions of Article 10 of the Agreement; and

2. that the use of such subsidies has caused nullification and impairment of benefits accruing to the United States under the General Agreement and serious prejudice to the interests of the United States within the meaning of Article 8 of the Agreement.