BACKGROUND INFORMATION FOR ANNUAL REVIEW
OF THE OPERATION OF THE AGREEMENT

Note by the Secretariat

In order to facilitate the conduct of the annual review the secretariat has prepared a short report setting out all information available on actions taken by signatories under the items listed in paragraph 3 of document SCM/W/5.

I. Organization of the work of the Committee

1. The Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade entered into force on 1 January 1980. There are seventeen signatories including the EEC. Twenty-five contracting parties, four non-contracting parties and two international organizations have observer status.

2. The Committee established under the Agreement has held four meetings:

   23 January 1980 - SCM/M/1 and L/4946
   28 March 1980 - SCM/M/2 and L/4965
   8 May 1980 - SCM/M/3 and L/4983
   23 October 1980 -

   Procedural questions have been settled in the same way as in other Committees. These include:

   (a) procedures for the participation of observers - L/4965, Annex I and SCM/M/2, paragraph 2;
   (b) observers from international organizations (UNCTAD and IMF) - SCM/M/3, paragraphs 3-4.
   (c) circulation of documents - SCM/M/3, paragraphs 7-8.

3. The Committee established two groups of experts (SCM/M/3, paragraphs 33-45):

   (a) in conjunction with the Committee on Anti-Dumping Practices to identify and examine problems involved in the definition of the word "related";
   (b) to identify and examine problems involved in the calculation of the amount of a subsidy.
II. National legislation and implementing regulations (Article 19:5)

4. The Committee has before it notifications from the following signatories:

- European Communities
- Sweden
- United States
- Norway
- Finland
- Switzerland
- Japan
- Austria

III. Semi-annual reports on all countervailing duty actions

5. Article 2:16 of the Agreement provides that the signatories shall submit, on a semi-annual basis, reports of any countervailing duty actions taken within the preceding six months. In this relation a standard form for such reports has been worked out (SCM/2).

6. The following reports have been submitted and circulated to the Committee:

- Austria
- European Communities
- Finland
- United States
- Norway
- Sweden
- Switzerland
- Canada

IV. Notifications of subsidies (Article 7)

7. In accordance with the Decision of the CONTRACTING PARTIES at their twentieth session (BISD, Eleventh Supplement, page 58), contracting parties should submit every third year, new and full responses to the questionnaire on subsidies (BISD, Ninth Supplement, pages 193-194) and bring these notifications up to date in the intervening years.

8. Full notifications were submitted in 1978 (L/4622 and adenda) by the following contracting parties: Finland, Fed. Rep. of Germany, Tunisia, Czechoslovakia, Denmark, Austria, Australia, Switzerland, EEC, Belgium, Luxembourg, United Kingdom and South Africa.
9. The following contracting parties have brought their notifications up to
date in 1980 (L/4932 and addenda): Czechoslovakia, Malawi, South Africa,
Switzerland, United Kingdom, Austria, Sweden and Yugoslavia.

10. Full notifications will again be due in 1981.

11. There have been neither requests under Article 7:1 of the Agreement for
additional notifications of subsidies nor have there been notifications under
Article 7:3 of the Agreement.

V. Dispute settlement and "second track" actions

12. No procedures have been notified under Articles 12 and 13 or 17 and 18
of the Agreement.

13. The following persons have been notified as available for serving on
panels:

**Austria**

Mr. Peter Feith  
Federal Ministry of Commerce, Trade and Industry  
Vienna

Mr. Ernst Kurmayer  
Federal Ministry of Finance  
Vienna

**Brazil**

Mr. Antonino Marques Porto e Santos  
Delegation of Brazil  
Geneva

**Canada**

Mr. R. Hines  
International Economic Relations  
Department of Finance  
Ottawa

Mr. J. Weekes  
Economic and Commercial Policy Division  
Department of External Affairs  
Ottawa
Chile
Mr. Alejandro Jara
Delegation of Chile
Geneva

EEC

France
Mr. J.C. Prevel
DREE

Mr. M. Guyot
Contrôleur d'Etat

Germany, Fed. Rep. of
Mr. T. Menk
Ministry of Finance

Mr. M. Kohler
Ministry of Finance

Italy
Mr. G. Baronci
Ministry for External Trade

Mr. E. del Gizzo
Ministry of Finance

Mr. G. Barulli
Ministry of Finance

United Kingdom
Mr. M. Hunt
Permanent Mission
Geneva

Mr. A.W. Dell
Department of Industry
Finland

Mr. Raimo Peltonen
Ministerial Counsellor
Ministry of Finance
Helsinki

Mr. Antti Kuosmanen
Attaché
Permanent Mission of Finland
Geneva

Japan

Mr. Tomoya Kawamura
Minister
Permanent Mission of Japan
Geneva

Mr. Katsuro Shinzeki
First Secretary
Permanent Mission of Japan
Geneva

Norway

Mr. Erik Selmer
Deputy Director General
Ministry of Foreign Affairs

Mr. Harald Bøyum
Head of Division
Ministry of Commerce and Shipping

Mr. Knut Berger
Minister-Counsellor
Permanent Mission of Norway
Geneva

Sweden

Ambassador Bengt Dennis
Ministry for Foreign Affairs
Stockholm

Mr. Tore Gabrielsson
Counsellor
Swedish Delegation to the European Communities
Brussels
United States

Mr. S. Bruce Wilson
Trade Attaché
Office of United States Trade Representative
Geneva

Mr. Ted Hume
Assistant General Counsel
Office of United States Trade Representative
Washington, D.C.

VI. Actions under Article 14 of the Agreement (developing countries)

14. The Committee agreed on the following procedure regarding Article 14:5:

"In accordance with footnote 32 to Article 14:5, countries intending to enter into a commitment under Article 14:5 shall notify the Committee in good time. For this purpose they are invited to notify the Chairman of the Committee of the proposed commitment at least forty-five days before the matter is taken up by the Committee."

15. The following signatories have notified their commitments under Article 14:5:

   Brazil         L/4922
   Uruguay        L/4924
   Korea          SCM/3

16. No action has been taken nor initiated under Articles 14:8 or 14:9 of the Agreement.