

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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7 December 1979

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AGREEMENT ON INTERPRETATION AND APPLICATION OF ARTICLES VI, XVI AND XXIII OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE

The Permanent Mission of Canada has requested the secretariat to circulate the attached letter, along with the text of the acknowledging letter from the United States Delegation, to those countries who have participated actively in the subsidies-countervailing negotiations.

It should be noted that the reference in paragraph one of the Canadian letter to "the second paragraph of footnote (2) to the Annex" refers to the fourth paragraph of footnote (2) in the certified copy of the Agreement.

April 12, 1979.

The Honourable Alonzo L. McDonald, Jr.,
Ambassador and Head of Delegation,
United States Delegation to the
Multilateral Trade Negotiations,
1-3, avenue de la Paix,
1202 Geneva.

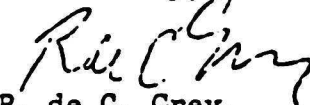
Dear Ambassador,

I refer to the proposed "Agreement on interpretation and application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade" and more specifically to the second paragraph of footnote (2) to the Annex.

It is a matter of regret to my authorities that the USA authorities do not consider it possible to terminate the DISC Program so that the United States could be in full conformity with paragraph (e) of the Annex to the above-mentioned Agreement. My authorities have noted the undertaking which your Government will be accepting in the Agreement, that is, "to examine methods of bringing these measures into conformity within a reasonable period of time."

This situation is a matter of serious concern to my authorities. They have instructed me to advise you that the Canadian Government reserves all its rights under the General Agreement in this matter and accordingly may wish to pursue it under the relevant provisions.

Yours truly,


R. de C. Grey,
Ambassador and
Head of Delegation.

April 12, 1979

Mr. Germain Denis
Canadian Delegation to the
Multilateral Trade Negotiations
17-19, chemin du Champ d'Anier
1209 Geneva

Dear Mr. Denis:

We have received the letter of April 12 from the Canadian Delegation containing Canadian views on the DISC. The letter has been transmitted to Washington and will be brought to the attention of the appropriate authorities.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Robert Hamerschlag", written in a cursive style.

Robert Hamerschlag
Chief, Canada Team
U.S. MTN Delegation