

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## NOTIFICATION AND SURVEILLANCE

### Proposal by the Director-General

1. At their thirty-fifth session, the CONTRACTING PARTIES adopted an Understanding regarding Notification, Consultation, Dispute Settlement and Surveillance (L/4907) drawn up in the Multilateral Trade Negotiations. An invitation to contracting parties to indicate at the beginning of every year to the Director-General the name of one or two persons who would be available to serve on panels has been issued in GATT/AIR/1607 in accordance with paragraph 13 of the Understanding. Some action is required with regard to the other parts of the Understanding and in paragraph 1.2.2 of the GATT Work Programme, also adopted at the thirty-fifth session (L/4884/Add.1, Annex VI), the CONTRACTING PARTIES specifically agreed that "the agreement relating to the conduct of the regular and systematic review of developments in the trading system as agreed in the Group "Framework" and in the Trade Negotiations Committee, should be referred to the Council, with the request that appropriate procedures be taken up at an early meeting of the Council".

2. This note makes a number of suggestions relating to action necessary to implement paragraphs 2, 3 and 24 of the Understanding which read as follows:

#### "Notification

"2. Contracting parties reaffirm their commitment to existing obligations under the General Agreement regarding publication and notification.

"3. Contracting parties moreover undertake, to the maximum extent possible, to notify the CONTRACTING PARTIES of their adoption of trade measures affecting the operation of the General Agreement, it being understood that such notification would of itself be without prejudice to views on the consistency of measures with or their relevance to rights and obligations under the General Agreement. Contracting parties should endeavour to notify such measures in advance of implementation. In other cases, where prior notification has not been possible, such measures should be notified promptly ex post facto. Contracting parties which have reason to believe that such trade measures have been adopted by another contracting party may seek information on such measures bilaterally, from the contracting party concerned.

"Surveillance

"24. The CONTRACTING PARTIES agree to conduct a regular and systematic review of developments in the trading system. Particular attention would be paid to developments which affect rights and obligations under the GATT, to matters affecting the interests of less-developed contracting parties, to trade measures notified in accordance with this understanding and to measures which have been subject to consultation, conciliation or dispute settlement procedures laid down in this understanding."

Action relating to paragraph 2

3. During the Multilateral Trade Negotiations the secretariat drew up a list of publication and notification requirements accepted by all contracting parties. The text of this document, originally circulated as MTN/FR/W/17, is reproduced in Annex I. As the introduction to Annex I makes clear, it deals only with requirements which apply to all governments to submit notifications to the CONTRACTING PARTIES. The secretariat has now completed the information contained in Annex I by drawing up a list of notification requirements which relate in each case only to some government or governments: this is contained in Annex II. The secretariat has also established a calendar of the dates on which regular notifications fall due: this is contained in Annex III.

4. It is suggested that the Council draw the attention of all contracting parties to paragraph 2 of the Understanding and to the notification requirements set out in Annexes I and II. It is also suggested that the Council invite contracting parties to submit notifications in accordance with the calendar set out in Annex III.

Action relating to paragraphs 3 and 24

5. Any arrangements which the Council might make at the present stage will necessarily be experimental and initially some amount of overlap may be unavoidable. This suggests that arrangements should be kept as simple as possible and that they should be reviewed, and if necessary modified, in the light of experience.

6. With these considerations in mind, the following suggestions are presented to the Council for discussion and adoption:

- (a) The attention of contracting parties should be drawn to paragraph 3 of the Understanding. Contracting parties should be invited to submit notifications under this paragraph, in particular when notifications covering the measures are not made under other GATT procedures.

- (b) The reviews referred to in paragraph 24 of the Understanding should be conducted by the Council at sessions specially held for that purpose.
- (c) Reviews should be held twice a year, the first taking place in autumn 1980.
- (d) The secretariat should prepare a factual note, drawing on the notifications made and other relevant information, on which the first review could be based.
- (e) These arrangements should be reviewed by the Council in the light of the experience gained with the first review.

ANNEX I

NOTIFICATIONS REQUIRED FROM CONTRACTING PARTIES<sup>1</sup>

Note by the Secretariat

Under the provisions of the General Agreement and under special procedures established by the CONTRACTING PARTIES for the implementation of these provisions, the contracting parties are requested to submit notifications on a periodic basis or in connexion with certain trade policy actions, including actions for which prior approval by the CONTRACTING PARTIES is required. Furthermore, notification procedures have been established under certain special arrangements drawn up within the framework of the GATT and applicable only to contracting parties participating in such arrangements. Finally, certain notification procedures apply to particular contracting parties in accordance with their terms of accession or pursuant to certain waiver conditions.

In connexion with discussions in the Group "Framework", regarding notification, consultation, dispute settlement and surveillance, the question of the notifications required from contracting parties under various provisions of the General Agreement was raised. The present note is being circulated to facilitate discussions on this subject. The note is intended to give a comprehensive summary of the various notification procedures in force, as applicable to contracting parties generally, leaving aside notifications required under special arrangements or applicable to particular contracting parties only.

Article II:6(a) - Adjustment of specific duties

A contracting party wishing to adjust its specific duties under the provisions of Article II:6(a) is required to seek the concurrence of the CONTRACTING PARTIES pursuant to these provisions. Under current procedures the communication of the contracting party concerned is submitted to the Council for consideration. Since 1948, these procedures have been invoked ten times.

Article VI - Anti-dumping and countervailing duties

Article VI does not provide for the notification of specific anti-dumping or countervailing duty cases, although certain annual reports are required from the parties to the Agreement on Implementation of Article VI.

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<sup>1</sup>This text was originally issued as MTN/FR/W/17.

However, a contracting party wishing to impose an anti-dumping or countervailing duty for the purpose referred to in sub-paragraph 6(b) is required to seek the prior approval of the CONTRACTING PARTIES.

Article VI:6(c) requires that if in exceptional circumstances a contracting party levies a countervailing duty for the purpose referred to in sub-paragraph 6(b) of this Article without the prior approval of the CONTRACTING PARTIES such action shall be reported immediately to the CONTRACTING PARTIES.

The provisions of paragraphs 6(b) and 6(c) have, so far, not been invoked.

#### Article X - Publication of trade regulations

Under the provisions of Article X:1 contracting parties are required to publish promptly their trade regulations and matters relating thereto. In March 1964 the CONTRACTING PARTIES adopted a recommendation that contracting parties should forward promptly to the secretariat copies of the laws, regulations, decisions, rulings and agreements of the kind described in paragraph 1 of Article X (BISD 12S/49).

The response to this recommendation has been limited. The secretariat, however, does receive from a number of contracting parties copies of the national tariffs and amendments thereto.

At a meeting of the Council in November 1974 a representative referred to the serious deterioration of the international market for certain products and the need for rapid dissemination of information on developments in these markets and on the measures taken by governments. He considered it appropriate for contracting parties to make more use of the procedures for notification and information provided by GATT, independently of whether or not there was a formal obligation to provide such information. He referred in this connexion to the above-mentioned recommendation of 20 March 1964 (C/M/102).

There was no further response to this matter.

#### Quantitative restrictions

##### (a) Residual restrictions

Quantitative restrictions applied by eighteen developed contracting parties were examined by a Joint Working Group set up by the Council in January 1970. In June 1971 the Council decided that the data assembled by the Joint Working Group should be kept up to date and contracting parties should be invited to notify annually by 30 September any changes which should be made concerning restrictions contained in the consolidated document.

Every year the secretariat issues an airgram inviting contracting parties to communicate any necessary changes to the basic documentation (see L/4604 and Notes on individual import restrictions contained in COM.IND/W/67/Add.1 and MTN/3E/DOC/7). About half of the eighteen developed contracting parties concerned regularly respond to this invitation.

(b) Licensing

At their twenty-eighth session in November 1972 the CONTRACTING PARTIES decided that the data assembled on licensing systems should be kept up to date and that contracting parties should be invited to notify annually by 30 September any changes which should be made concerning the information contained in the consolidated document.

Every year the secretariat issues an airgram inviting contracting parties to communicate any necessary changes to the basic documentation (see L/4598 and COM.IND/W/55 - COM.AG/W/72). Since 1971 responses have been received from fifty-six contracting parties.

(c) Import restrictions applied for balance-of-payments purposes

(i) Articles XII:4(a) and XVIII:12(a)

Introduction or substantial intensification of import restrictions

A contracting party applying new restrictions or raising the general level of its existing restrictions by a substantial intensification of the measures applied under Articles XII or XVIII:B is required, pursuant to the provisions of Article XII:4(a) or Article XVIII:12(a), to enter into consultations with the CONTRACTING PARTIES.

In November 1960 the CONTRACTING PARTIES established procedures for the implementation of these provisions under which the contracting party concerned is required to furnish detailed information promptly for circulation to the contracting parties, after which the consultation is conducted by the Council (BISD, 9S/18).

The number of notifications under this procedure has been limited.

(ii) Consultations under Articles XII:4(b) and XVIII:12(b)

In accordance with the provisions of Articles XII:4(b) and XVIII:12(b) the Committee on Balance-of-Payments Restrictions conducts consultations with contracting parties. The consulting countries submit a basic document or a statement to the Committee.

A series of consultations is held twice or three times a year in accordance with a programme established in consultation with the consulting contracting parties concerned and with the International Monetary Fund.

#### Article XVI - Subsidies

Article XVI requires that contracting parties which maintain subsidies having the effects described in paragraph 1 of the Article, are to notify in writing the nature and extent of the subsidization. The CONTRACTING PARTIES established procedures for such notifications and adopted a questionnaire with a view to achieving a standardized reporting system.

Under current procedures (BISD, 11S/59) the contracting parties are invited to submit by the end of January every third year, new and full responses to the questionnaire on subsidies (BISD, 9S/193) and to notify changes to the basic notifications in the intervening years.

Every year the secretariat circulates a document inviting contracting parties to submit such a notification (see L/4622).

The number of responses to the last full notification, in 1975, was seventeen (L/4141 and addenda).

#### Article XVII - State trading

Article XVII requires that contracting parties which maintain State-trading enterprises, in the sense of paragraph 1 of that Article, shall notify the CONTRACTING PARTIES of the products imported into or exported from their territories by such enterprises. The CONTRACTING PARTIES established procedures for such notifications and adopted a questionnaire designed to achieve a standardized reporting system.

Under current procedures (BISD, 11S/59) the contracting parties are invited to submit by the end of January every third year new and full responses to the questionnaire (BISD, 9S/184) and to notify changes to the basic notifications in the intervening years.

Every year the secretariat circulates a document inviting contracting parties to submit such a notification (see L/4623).

The number of responses to the last full notification, in 1975, was seventeen (L/4140 and addenda).

#### Article XVIII:A - Modification of concessions

A contracting party wishing to modify or withdraw a concession pursuant to the provisions of Article XVIII:7(a), in order to promote the establishment of a particular industry, is required to notify the CONTRACTING PARTIES and to enter into negotiations in this regard.

These provisions have been invoked eight times.

Article XVIII:C

A contracting party wishing to have recourse to the provisions of Section C of Article XVIII and to provide governmental assistance to promote the establishment of a particular industry is required to notify the special difficulties it meets and to indicate the specific measure which it proposes to introduce. A questionnaire for the guidance of contracting parties was approved in 1958 (BISD, 7S/85).

Since 1957 when the revised provisions of Article XVIII:C entered into force, the provisions have been invoked by two contracting parties. Since 1966 the provisions have not been invoked.

Article XVIII:D

A contracting party wishing to have recourse to the provisions of Section D of Article XVIII is required to seek the approval of the CONTRACTING PARTIES for the introduction of the measure it desires to take to promote the establishment of a particular industry.

These provisions have not been invoked.

Article XIX - Emergency action

Article XIX:2 requires any contracting party, before taking emergency action pursuant to the provisions of Article XIX:1, to give notice in writing to the CONTRACTING PARTIES as far in advance as may be practicable. However, in critical circumstances action may be taken provisionally without prior consultation. In virtually all cases it has been this latter provision which has been applied.

Article XXII - Consultation

Procedures under Article XXII on questions affecting the interests of a number of contracting parties were adopted in 1958 (BISD, 7S/24). Under these procedures any contracting party seeking a consultation under Article XXII is required to inform the Director-General for the information of all contracting parties, so as to enable any other contracting party to express its desire to be joined in the consultation.

Article XXIV - Customs unions and free-trade areas; regional agreements

(a) Notifications

Article XXIV:7(a) requires that any contracting party deciding to enter into a customs union or free-trade area, or an interim agreement leading to the formation of such a union or area, shall promptly notify the CONTRACTING PARTIES.



At its meeting in October 1972 the Council established procedures for the examination of such agreements. The Council decided, without prejudice to the legal obligation to notify in pursuance of Article XXIV, to invite contracting parties that sign an agreement falling within the terms of Article XXIV, paragraphs 5 to 8, to inscribe the item on the agenda for the first meeting of the Council following such signature. This should allow the Council to determine the procedures for examination of the agreement (BISD, 19S/13).

(b) Progress reports

At their twenty-seventh session the CONTRACTING PARTIES discussed the question of periodic reports on progress under customs unions and free-trade areas notified under Article XXIV. The CONTRACTING PARTIES instructed the Council to establish a calendar fixing dates for the examination, every two years, of reports on developments under regional agreements submitted by the parties to the agreements (see L/4445).

Biennial reports under these procedures are regularly provided.

Article XXVIII - Modification of schedules

(a) Article XXVIII:1

A contracting party wishing to have recourse to the provisions of Article XXVIII:1 for the renegotiation or withdrawal of certain concessions in its schedule is required to notify the CONTRACTING PARTIES. Such notification is to take place not earlier than six months, nor later than three months before the termination date of the three-year period referred to in Article XXVIII:1 (see Notes and Supplementary provisions ad Article XXVIII). The current three-year period will terminate on 31 December 1978.

These provisions were invoked in 1966 by five, in 1969 by seven and in 1972 by four contracting parties. These provisions were not invoked in 1975.

(b) Article XXVIII:4

A contracting party intending to seek authorization of the CONTRACTING PARTIES to enter into negotiations for the modification or withdrawal of a concession under the provisions of Article XXVIII:4 should submit its request for consideration by the Council.

Since 1953 these provisions have been invoked fifty-six times.

(c) Article XXVIII:5

Any contracting party wishing to reserve the right for the duration of the three-year period envisaged in paragraph 1, to modify its schedule is required to notify the CONTRACTING PARTIES before the termination of the current three-year period. The current three-year period will terminate on 31 December 1978.

In the three-year period 1970-72 these provisions were invoked by nine contracting parties of which eventually four carried out negotiations. The number of invocations for the three-year periods 1973-75 and 1976-79 was twelve in both cases, of which five in 1973-75 and four in 1976-79 eventually led to renegotiations.

Article XXXVII:2(a) - Non-fulfilment of Article XXXVII:1

The provisions of Article XXXVII:1 contain certain commitments of developed contracting parties. Under the provisions of paragraph 2(a) of Article XXXVII any contracting party not giving effect to any of the provisions of paragraph 1, or any other interested contracting party, is required to report the matter to the CONTRACTING PARTIES.

Review of implementation of Part IV

In order to enable the Committee on Trade and Development to keep under continuous review the application of the provisions of Part IV, the Committee agreed, in March 1965, on reporting procedures (BISD, 13S/79). Guidelines for the submission of notifications, the preparation of reports and the carrying out of reviews on the implementation of Part IV which provide that notifications made by governments should be as exhaustive and comprehensive as possible, and should relate both to measures specifically mentioned in paragraphs 1 and 3, or paragraph 4, as the case may be of Article XXXVII, as well as to all steps and measures of interest to the CONTRACTING PARTIES in relation to the objectives and provisions of Part IV, were adopted by the Committee on Trade and Development (COM.TD/24, paragraph 10).

Every year the secretariat issues an airgram inviting contracting parties to make the relevant information available.

In November 1977 the Committee on Trade and Development was of the view that the existing reporting procedures were not being complied with to the fullest extent possible (BISD, 24S/55, paragraph 24).

### Border tax adjustments

Based on the recommendations of the Working Party on Border Tax Adjustments, the Council, in December 1970, introduced a notification procedure, on a provisional basis, whereby contracting parties would report changes in their tax adjustments (BISD, 18S/108). The notifications are to relate to any major changes in tax adjustment legislation and practices involving international trade, and in particular at bringing periodically up to date the information contained in the consolidated document on contracting parties' practices (L/3389) on tax adjustments drawn up in the course of the Working Party's work.

Notifications under this procedure are currently distributed as addenda to document L/3518. Five contracting parties have submitted such notifications (see L/3518 and addenda 1-13).

### Liquidation of strategic stocks

Under the Resolution of 4 March 1955 a contracting party intending to liquidate a substantial quantity of strategic stocks should give at least forty-five days' prior notice of such intention (BISD, 3S/51).

Since 1970 one contracting party has submitted a number of notifications under this procedure.

### Marks of origin

In 1958 the CONTRACTING PARTIES adopted certain rules on marks of origin which elaborated the basic principles of Article IX in order to reduce the difficulties and inconveniences which marking regulations may cause to the commerce and industry of the exporting country (Recommendation of 21 November 1958, BISD 7S/30). The Recommendation also invites contracting parties to report, before 1 September each year, changes in their legislation, rules and regulations concerning marks of origin.

A number of contracting parties have complied with this invitation, but since 1961 no further submissions have been received (see L/478 and addenda 1-20).

ANNEX II

Information Required from Some Contracting Parties

(a) Accession Protocols

- Hungary: The Protocol for the Accession of Hungary states, in its paragraph 6(b):

"(b) Particular attention shall be paid, in the course of these consultations, to the operation of paragraph 3(b) of this Protocol. The parties shall consult on the evolution of imports by Hungary from contracting parties as well as regulations affecting Hungarian foreign trade. To this effect the Working Party will examine all aspects of the development of Hungarian imports on the basis of inter alia relevant information to be provided by Hungary." (BISD, 20S/5)

- Poland: The Protocol for the Accession of Poland states, in its paragraph 5:

"5. Nine months after the date of this Protocol and annually thereafter the Polish Government shall consult with the CONTRACTING PARTIES with a view to reaching agreement on Polish targets for imports from the territories of the contracting parties as a whole in the following year. These consultations on Polish trade with contracting parties would follow the lines laid down in Annex A to this Protocol." (BISD, 15S/49)

- Romania: The Protocol for the Accession of Romania states, in its paragraph 5:

"5. Early in the second year after the entry into force of this Protocol and in alternate years thereafter, or in any other year at the specific request of a contracting party or Romania, consultations shall be held between Romania and the CONTRACTING PARTIES in a working party to be established for this purpose to review the development of reciprocal trade and measures taken under the terms of this Protocol. These consultations shall follow the lines laid down in Annex A to this Protocol..." (BISD, 18S/7)

- Switzerland: The Protocol for the Accession of Switzerland states, in its paragraph 4:

"4... Switzerland shall furnish annually to the CONTRACTING PARTIES a report on the measures maintained consistently with this reservation, and upon request of the CONTRACTING PARTIES enter into consultation with them regarding such measures. Furthermore, the CONTRACTING PARTIES shall conduct a thorough review of the application of the provisions of this paragraph every three years." (BISD, 14S/8)

- Other contracting parties in relation to Poland, Romania and Hungary: The Protocols for the accession of these countries to the General Agreement state respectively:

Hungary, paragraph 4(c):

"4.(c) To this end, contracting parties shall notify, on entry into force of this Protocol, on 1 January 1975, and thereafter before the consultations provided for in paragraph 6 below, discriminatory prohibitions and quantitative restrictions still applied to imports from Hungary. Such notifications shall include a list of the products subject to these prohibitions and restrictions, specifying the type of restrictions applied (import quotas, licensing systems, embargoes, etc.) as well as the value of trade effected in the products concerned and the measures adopted with a view to eliminating these prohibitions and restrictions under the terms of the preceding sub-paragraphs." (BISD, 20S/4)

Poland, paragraph 3(b):

"3.(b) The CONTRACTING PARTIES shall in the course of the annual consultations provided for in paragraph 5 below review measures taken by contracting parties pursuant to the provisions of this paragraph, and make such recommendations as they consider appropriate." (BISD, 15S/48)

Romania, paragraph 3(b):

"3.(b) Contracting parties shall notify, on entry into force of this Protocol, and before the consultations provided for in paragraph 5 below, discriminatory prohibitions and quantitative restrictions still applied at that time to imports

from Romania. Such notifications shall include a list of the products subject to these prohibitions and restrictions, specifying the type of restrictions applied (import quotas, licensing systems, embargoes, etc.) as well as the value of trade effected in the products concerned and the measures adopted with a view to eliminating these prohibitions and restrictions under the terms of the preceding sub-paragraph." (BISD, 18S/6)

(b) Waivers

- Australia: Products of Papua New Guinea, paragraph 3:

"3. The Government of Australia shall report annually to the CONTRACTING PARTIES on the measures taken and on the effects of those measures on the trade of Papua New Guinea and on imports of the products affected from all sources into Australia." (BISD, 2S/19)<sup>1</sup>

- Turkey: Stamp duty paragraph 3:

"3. The Government of Turkey shall, on 15 September 1964 and, so long as the stamp duty is maintained on products included in Schedule XXXVII, annually thereafter, submit to the CONTRACTING PARTIES a report on the operation of the stamp duty in relation to the implementation of the Five-Year Plan and shall consult with the CONTRACTING PARTIES on the continued maintenance of the stamp duty taking into account any changes in the application of the stamp duty to individual products." (BISD, 12S/56)

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<sup>1</sup>The Report of the Working Party established to examine the provisions of the Agreement on Trade and Commercial Relations between Australia and Papua New Guinea adopted on 11 November 1977 states, in its paragraph 5: "It was anticipated that formal action to disinvoke the 1953 waiver would be taken shortly."

- United States: Agricultural Adjustment Act, paragraph 6:

"6. The CONTRACTING PARTIES will make an annual review of any action taken by the United States under this Decision. For each such review the United States will furnish a report to the CONTRACTING PARTIES showing any modification or removal of restrictions effected since the previous report, the restrictions in effect under Section 22 and the reasons why such restrictions (regardless of whether covered by this waiver) continue to be applied and any steps it has taken with a view to a solution of the problem of surpluses of agricultural commodities."  
(BISD, 3S/36)

- United States: imports of automotive products, paragraph 6:

"6. In addition to receiving an annual report as referred to in the procedures adopted by the CONTRACTING PARTIES on 1 November 1956, the CONTRACTING PARTIES will, two years from the date when this waiver comes into force and, if necessary, biennially thereafter, review its operation and consider how far, in the circumstances then prevailing, the United States would continue to need cover to implement the agreement with Canada, having regard to the provisions of paragraph 1 of Article 1 of the GATT." (BISD, 14S/39)

- Generalized System of Preferences, paragraph (c):

"(c) That any contracting party, which introduces a preferential tariff arrangement under the terms of the present Decision or later modifies such arrangement, shall notify the CONTRACTING PARTIES and furnish them with all useful information relating to the actions taken pursuant to the present Decision;"  
(BISD, 18S/25)

- Trade Negotiations among Developing Countries, paragraph (e):<sup>1</sup>

"(e) That the CONTRACTING PARTIES will review annually, on the basis of a report to be furnished by the participating countries, the operation of this Decision in the light of the aforementioned objectives and considerations and after five years of its operation carry out a major review in order to evaluate its effects. Before the end of the tenth year, the CONTRACTING PARTIES will undertake another major review of its operations with a view to deciding whether this Decision should be continued or modified. In connexion with such annual reviews and major reviews, the participating contracting parties shall make available to the CONTRACTING PARTIES relevant information regarding action taken under this Decision." (BISD, 18S/27)

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<sup>1</sup>The Committee on Trade and Development at its meeting of March 1980 agreed on arrangements which have a bearing on these notification requirements.

- (c) Differential and more favourable treatment reciprocity and fuller participation of developing countries, paragraph 4(a):<sup>1</sup>

"4.\* Any contracting party taking action to introduce an arrangement pursuant to paragraphs 1, 2 and 3 above or subsequently taking action to introduce modification or withdrawal of the differential and more favourable treatment so provided shall:

- (a) notify the CONTRACTING PARTIES and furnish them with all the information they may deem appropriate relating to such action;" (L/4903)

- (d) Trade arrangements between India, the United Arab Republic and Yugoslavia, operative paragraph:<sup>1</sup>

"The CONTRACTING PARTIES

Decide that, notwithstanding the provisions of Article I:1 of the General Agreement, the participating States may continue to implement the Agreement, as amended by the Protocol and with the inclusion of the additional products mentioned in document L/3933, subject to the relevant terms and conditions of the Decisions of 20 February 1970 and 13 November 1973, until 31 March 1983, it being understood, however, that this Decision shall be subject to review by the CONTRACTING PARTIES each two years as well as in the fifth year of the operation of the Decision on the basis of reports to be submitted by the participating States."  
(BISD, 25S/9)

- (e) Bangkok Agreement<sup>1</sup>, operative paragraph (c):

"(c) On the basis of a report by the participating States on developments under the Agreement, the operation of this Decision shall be reviewed biennially by the CONTRACTING PARTIES in the light of the provisions of the General Agreement and of the objectives stated above. The CONTRACTING PARTIES may, in the course of the reviews, make such recommendations to the participating contracting parties as may be appropriate, including any arising out of any consultations held in regard to the effects of the Agreement on the trade of contracting parties. The CONTRACTING PARTIES may also in the course of the reviews, take such decisions regarding the operation of this Decision as may be appropriate in the light of developments at that time." (BISD, 25S/8)

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<sup>1</sup>The Committee on Trade and Development at its meeting of March 1980 agreed on arrangements which have a bearing on these notification requirements.



- (f) Agreement on ASEAN Preferential Trading Arrangements<sup>1</sup>, operative paragraph (c):

"(c) on the basis of reports by the participating States on developments under the Agreement, the operation of this Decision shall be reviewed biennially by the CONTRACTING PARTIES in the light of the provisions of the General Agreement and of the objectives stated above. The CONTRACTING PARTIES may, in the course of the reviews, make such recommendations to the participating contracting parties as may be appropriate, including any arising out of any consultations held in regard to the effects of the Agreement on the trade of contracting parties. The CONTRACTING PARTIES may also in the course of the reviews, take such decisions regarding the operation of this Decision as may be appropriate in the light of developments at that time." (L/4768)

- (g) Committee on Trade and Development - Sub-Committee on Protective Measures

Developed contracting parties are expected to notify new protective measures affecting imports from developing countries having full regard to the provisions of Part IV and without prejudice to other GATT provisions.

- (h) Arrangement regarding International Trade in Textiles:

Article 10.4 of the Arrangement states:

"4. The Committee shall once a year review the operation of this Arrangement and report thereon to the GATT Council. To assist in this review, the Committee shall have before it a report from the Textiles Surveillance Body, a copy of which will also be transmitted to the Council. The review during the third year shall be a major review of this Arrangement in the light of its operation in the preceding years."

The report of the Textiles Surveillance Body contains a summary of notifications made under the Arrangement.

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<sup>1</sup>The Committee on Trade and Development at its meeting of March 1980 agreed on arrangements which have a bearing on these notification requirements.

(i) MTN Agreements and Arrangements

Each of the Agreements provides for regular reports to be made to the CONTRACTING PARTIES. At their thirty-fifth session, the CONTRACTING PARTIES decided that:

"1. The CONTRACTING PARTIES reaffirm their intention to ensure the unity and consistency of the GATT system, and to this end they shall oversee the operation of the system as a whole and take action as appropriate.

"2. The CONTRACTING PARTIES note that as a result of the Multilateral Trade Negotiations, a number of Agreements covering certain non-tariff measures and trade in Bovine Meat and Dairy Products have been drawn up. They further note that these Agreements will go into effect as between the parties to these Agreements as from 1 January 1980 or 1 January 1981 as may be the case and for other parties as they accede to these Agreements.

"3. The CONTRACTING PARTIES also note that existing rights and benefits under the GATT of contracting parties not being parties to these Agreements, including those derived from Article I, are not affected by these Agreements.

"4. In the context of 1 and 3 above, the CONTRACTING PARTIES would receive adequate information on developments relating to the operation of each Agreement and to this end there will be regular reports from the concerned Committees or Councils to the CONTRACTING PARTIES. The CONTRACTING PARTIES may request additional reports on any aspect of the various Committees' or Councils' work." (L/4905)

ANNEX III

Calendar of Notifications Required under  
Regular Reporting Procedures

Draft

The time-table below was established on the basis of agreed procedures or in the light of past practice.

(a) Requirements accepted by all contracting parties:

- |       |   |              |
|-------|---|--------------|
| (i)   | Subsidies (BISD,11S/59)                 | 30 January   |
| (ii)  | State trading (BISD,11S/59)             | 30 January   |
| (iii) | Marks of origin (BISD,7S/30)            | 1 September  |
| (iv)  | Licensing (SR.28/6 and L/3756)          | 30 September |
| (v)   | Implementation of Part IV (BISD,13S/79) | 30 September |

(b) Requirements accepted by some contracting parties:

- |     |   |              |
|-----|---|--------------|
| (i) | Joint Working Group on Import Restrictions (C/M/70) | 30 September |
|-----|---|--------------|

- (ii) At its meeting of 14 November 1978 the Council agreed on the following biennial time-table for reporting by regional agreements (L/4725):

- |   |              |
|---|--------------|
| Arab Common Market  | April 1979   |
| Caribbean Community and Common Market   | April 1979   |
| Agreement Australia-Papua New Guinea  | October 1979 |
| Agreements EEC-Algeria, Morocco, Tunisia  | October 1979 |
| Agreements EEC-Austria, Finland, Iceland, Norway, Portugal, Sweden, Switzerland and Liechtenstein | October 1979 |
| EFTA-FINEFTA  | October 1979 |
| Agreement Finland-Hungary   | October 1979 |
| New Zealand-Australia Free-Trade Area   | October 1979 |
| Agreement EEC-Cyprus  | April 1980   |
| Agreements EEC-Egypt, Jordan, Lebanon, Syria  | April 1980   |

Agreement EEC-Israel	April 1980
Agreement EEC-Malta	April 1980
Agreement EEC-Spain	April 1980
Agreement Finland-Czechoslovakia	April 1980
Central American Common Market	October 1980
ACP-EEC Convention of Lomé	October 1980
Agreement EEC-Greece	October 1980
Agreement EEC-Turkey	October 1980
LAFTA	October 1980

(iii) Accession Protocols:

Hungary (every two years)	September 1981
Poland	September 1980
Romania (every two years)	January 1982
Switzerland	October

(iv) Waivers:

Australia (products of Papua-New Guinea)	October
Turkey (stamp duty)	February
United States (Agricultural Adjustment Act)	November
United States (imports of automotive products)	October
Trade Negotiations among Developing Countries	October

(v) Other:

Trade Arrangements between India, the United Arab Republic and Yugoslavia	November
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