## **GENERAL AGREEMENT ON**

## TARIFFS AND TRADE

RESTRICTED

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## EEC - EXPORTS OF CANADIAN GRAINS

## Request for Consultations under Article XXIII:1 by Canada

The following letter, dated 10 January 1990, from the Permanent Mission of Canada to the United Nations to the Permanent Delegation of the Commission of European Communities, is circulated in accordance with paragraph C.3 of the CONTRACTING PARTIES' 1989 Decision on Improvements to the GATT Dispute Settlement Rules and Procedures (L/6489).

I am writing to request consultations under the provisions of Article XXIII:1 of the General Agreement regarding Canada's rights related to the export of grains to the Community which arise out of the introduction of the common agricultural policy and the expansion of the Community to include the United Kingdom, Ireland and Denmark.

As you are aware, the bilateral agreements of 1962 and of 1975 served to extend Canadian rights under Article XXVIII and Canadian and European Community representatives have engaged in negotiations on these rights on a number of occasions since 1962, the most recent set of negotiations having been undertaken since November 1988. In the continuing absence of a settlement, the benefits which accrue to Canada under the provisions of the General Agreement are being nullified and impaired and exports of Canadian grains to the Community have suffered a steady and significant decline.

As the most recent negotiating meeting, in November 1989, has not resulted in a satisfactory resolution of the matter, Canada requests consultations under the GATT Dispute Settlement System.

I propose that consultations be scheduled for late in the week of February 5 in Brussels.