

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/3891
20 July 1973

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UNITED KINGDOM - DOLLAR AREA QUOTAS

Report of the Panel

1. The Panel was appointed by the Council on 19 December 1972¹, with the following terms of reference:

"To examine the matter referred by the Government of the United States to the CONTRACTING PARTIES pursuant to paragraph 2 of Article XXIII relating to import restrictions maintained by the United Kingdom and to make such findings as will assist the CONTRACTING PARTIES in making the recommendations or rulings provided for in paragraph 2 of Article XXIII."

2. The following was the composition of the Panel:

Chairman: Mr. K.A. Sahlgren (Finland)
Members: Mr. A. Dunkel (Switzerland)
Mr. G.O. Niyi (Nigeria)
Mr. P. Tomic (Yugoslavia)

3. The Panel, on 19 April 1973, submitted an Interim Report² to the Council. This Interim Report of the Panel was discussed and noted by the Council on 30 April 1973.³ The Panel, in its present report, wishes to refer to the contents of the Interim Report, particularly to Chapter II (Factual situation regarding products subject to Dollar Area Quotas), including the annexed statistical data, and Chapter III (Considerations of the Panel).

4. Since the submission of the Interim Report to the Council, the Panel has continued to hear representations from and consulted with the delegations of the United States, the United Kingdom and, as envisaged in the Council's discussion of 19 December 1972, also delegations of Commonwealth Caribbean countries and territories, as well as the delegation of Cuba. The Panel also had the benefit of a brief presented by the delegation of Israel.

¹C/M/83

²L/3843

³C/M/86

5. On 9 July 1973, the Director-General of the GATT was informed in writing by the United States of the withdrawal, following the settlement between the United States and the United Kingdom, of the complaint brought under Article XXIII:2.¹ Details of the settlement were subsequently communicated to the Panel in separate letters from the United States and the United Kingdom.

6. The Panel welcomes the fact that agreement has been reached between the parties to the dispute. The Panel understands, however, that the Commonwealth Caribbean countries do not consider the settlement reached between the United States and the United Kingdom as giving full satisfaction to their interests, especially in view of the importance of the products concerned to their export interests and to their economies in general, and bearing in mind Part IV of the General Agreement - as well as the repeated assurances given by both parties to the dispute that it was not their intention to harm the export interests of Caribbean countries in the products included in the settlement.

7. The Panel welcomes the assurances given by the Governments of the United Kingdom and the United States to continue to safeguard, as far as possible, the interests of the Caribbean countries.

¹L/3890