

GENERAL AGREEMENT ON TARIFFS AND TRADE

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CANADA - ARTICLE XXIV:6 NEGOTIATIONS WITH THE EUROPEAN COMMUNITIES

Text of Joint Declaration

The text of a Joint Declaration by the delegations of Canada and the European Communities relating to the conclusion of their negotiations under Article XXIV:6, is herewith circulated for the information of the contracting parties.

Canada and the European Communities have been able to reach an agreement in their Article XXIV:6 negotiations except on cereals (items 10.01, 10.03 in Schedule XIX of Britain and item 10.01 in Schedule XXII of Denmark).

Notwithstanding the above exception, and taking into account the complexity of the problems concerning cereals, Canada and the European Communities agree to continue discussions with a view to finding through international negotiations agreed solutions to problems of international trade in cereals.

In addition it is agreed that the European Communities will insert in their new Schedules (LXXII and LXXII bis) the initial negotiating rights of Canada on those items for which Canada had such rights in the schedules of the Community of Six (XL and XL bis).

In view of the absence of a complete agreement in all their Article XXIV:6 negotiations, the European Communities have inserted in their schedules a General Note which reads as follows:

- "1. The European Communities reserve the right of modifying the present schedule of concessions to restore the balance of concessions if a contracting party, invoking the provisions of Article XXVIII:3, were to withdraw concessions following the Article XXIV:6 renegotiations in connection with the enlargement of the Communities. If such modifications should take place, the Communities, acting in conformity with the provisions of Article XXVIII:2, and in the framework of the procedures and modalities

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of negotiations followed in the course of renegotiations, shall endeavour to maintain the concessions granted to each of the third parties to the renegotiations at a level no less favourable than that provided by the current schedule, each of them preserving vis-à-vis the Communities the rights arising from the provisions of Article XXVIII."

Canada's adherence to this joint statement in no way implies acceptance by Canada of General Note 1 in the draft new Schedules LXXII and LXXII bis, nor limits Canada's right to request the CONTRACTING PARTIES to examine whether the reservation of rights envisaged in this General Note is consistent with the European Communities' obligations under the provisions of the General Agreement.

Canada and the European Communities jointly request the GATT Council to extend the time-limit in Article XXVIII:3 insofar as the cereal items mentioned above are concerned.