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GENERAL AGREEMENT ON TARIFFS AND TRADE

COUNCIL
26 May 1983

MINUTES OF MEETING

Held in the Centre William Rappard on 26 May 1983

Corrigendum

Item 4, page 6

The first paragraph on page 6 should be replaced by the following text:

"The representative of the European Communities noted that, while he understood the United States' concern about the time taken, this particular affair was rather out of the ordinary. He recalled the spirit of pragmatism and conciliation which the Community had shown repeatedly in this case, where it was not in fact taking care of its own interests but those of its partners. When the Director-General's good offices had not produced satisfactory results for all concerned, the Community had asked that the matter not be pressed further. The United States had insisted however and, although the Community and a number of other contracting parties had thought it wiser to set up a working party, he had in the end not opposed the establishment of a panel. This was further proof of the Community's conciliatory attitude. He still wondered, however, whether the U.S. request for a panel did not in fact represent a much wider offensive against Article XXIV agreements as a whole. A very large share of world trade was now carried out on the basis of such agreements; they had become part of the "acquis" of the GATT. It would be unwise to attempt to meddle with the principles underpinning such an important area of world trade. It was one thing to raise a specific problem, which it might be possible to resolve; it was quite another to attack the very foundations of the system itself. His delegation hoped that the Panel would work calmly and skillfully, showing pragmatism and impartiality. It would have to resist pressures from all sides in this rather unusual affair."

Item 15, page 20

The second paragraph on page 20 should be replaced by the following text:

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"The representative of the European Communities said that his delegation was concerned by press reports that, in the legislation under preparation, the United States was considering transforming the tax deferrals under the DISC into definitive exemptions. This would render the situation even worse than at present. The Community might wish to return at a future meeting to the question of the establishment of a working party in connection with the past injury. The Community had the impression, also gleaned from press reports, that measures relating to the United States territorial fiscal system might not be in line with GATT or with the 1981 Understanding (L/5271). He recalled that the two EEC proposals (C/M/157, page 16 and C/W/392) were maintained and reserved the right to return to these at a future Council meeting."