

**IMPLEMENTATION CONFERENCE
8 DECEMBER 1994**

TRANSITIONAL ARRANGEMENTS

COMMITTEE ON SUBSIDIES AND COUNTERVAILING MEASURES

Decision of 8 December 1994 adopted by the Preparatory Committee for the WTO and the CONTRACTING PARTIES to GATT 1947 and transmitted to the Signatories to the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade¹

The PREPARATORY COMMITTEE FOR THE WORLD TRADE ORGANIZATION

invites the Signatories to the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade to take the following decision:

The signatories to the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade (hereinafter "the Agreement"),

Recalling the Ministerial Decision of 15 April 1994 on the Application and Review of the Understanding on Rules and Procedures Governing the Settlement of Disputes,

Further recalling that signatories to the Agreement have the right to withdraw from the Agreement at any time, said withdrawal to take effect upon the expiration of sixty days from the day on which written notice is received by the Director-General to the CONTRACTING PARTIES to GATT 1947;

Agree that, in the event of withdrawal by any signatory from the Agreement taking effect on or after the date of entry into force for it of the Marrakesh Agreement Establishing the World Trade Organization (hereinafter "WTO Agreement"), or in case of termination of the Agreement while this Decision is in effect:

- (a) the Agreement shall continue to apply with respect to any countervailing duty investigation or review which is not subject to application of the WTO Agreement on Subsidies and Countervailing Measures pursuant to the terms of Article 32.3 of that Agreement.
- (b) Signatories that withdraw from the Agreement shall remain Members of the Committee on Subsidies and Countervailing Measures exclusively for the purpose of dealing with any dispute arising out of any countervailing duty investigation or review identified in paragraph (a).

./.

¹The Tokyo Round Committee on Subsidies and Countervailing Measures met on 8 December 1994 and adopted the Decision in document SCM/187.

- (c) In case of termination of the Agreement during the period of validity of this Decision the Committee on Subsidies and Countervailing Measures shall remain in operation for the purpose of dealing with any dispute arising out of any countervailing duty investigation or review identified in paragraph (a).
- (d) The rules and procedures for the settlement of disputes arising under the Agreement applicable immediately prior to the date of entry into force of the WTO Agreement shall apply to disputes arising out of any investigation or review identified in paragraph (a). With respect to such disputes for which consultations are requested after the date of this Decision, signatories and panels will be guided by Article 19 of the Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2 of the WTO Agreement.
- (e) Signatories will make their best efforts to expedite to the extent possible under their domestic legislation investigations and reviews referred to in paragraph (a), and to expedite procedures for the settlement of disputes so as to permit Committee consideration of such disputes within the period of validity of this Decision.

This Decision shall remain in effect for a period of two years after the date of entry into force of the WTO Agreement. Any signatory to the Agreement as of the date of this Decision may renounce this Decision. The renunciation shall take effect upon the expiration of sixty days from the day on which written notice of renunciation is received by the person who performs the depository function of the Director-General to the CONTRACTING PARTIES to GATT 1947.