

V. TRADE DISPUTES AND CONSULTATIONS(1) GATT Dispute Settlement(i) Articles XXII and XXIII

1. In the previous Trade Policy Review of Norway, it was reported that Norway had changed its import régime for apples and pears in response to a panel finding in June 1989. The United States expressed concern about the GATT-consistency of the new régime and requested Article XXIII consultations.¹ Norway said it had taken account of the provisions of Article XI:2(c), and indicated it would also review the new régime in the light of the outcome of the Uruguay Round.² In fact, no Article XXIII consultations were held. Norway and the United States agreed to solve the dispute within the Uruguay Round. Tariff rates for apples and pears were then set according to the tariffication process for agricultural products in general.

2. When the last Trade Policy Review of Norway was held, the United States and Norway had entered the conciliation phase (Article XXII:1) of a dispute, subsequent to anti-dumping and countervailing duty determinations by the United States Department of Commerce and an injury determination by the United States International Trade Commission on Norwegian exports of fresh and chilled Atlantic salmon.³ Norway subsequently requested Article XXIII:1 consultations⁴; these were later changed to consultations under the Tokyo Round Committees on Anti-dumping Practices and on Subsidies and Countervailing Measures (see below).

3. In 1992, Argentina requested Article XXII:1 consultations with Norway regarding a hydro-electric project in Costa Rica, claiming that Norwegian firms competing with a consortium of firms from Argentina, Colombia, Switzerland and the United States had made a donation which amounted to an implicit subsidy.⁵ Later in the year, Argentina said it had resolved its dispute with Norway.

(ii) Disputes under the Tokyo Round Agreements

4. In the previous Trade Policy Review of Norway, attention was drawn to a dispute raised in the Committee on Government Procurement by the United States against Norway concerning the award of a contract for the development of a toll-ring system around the city of Trondheim. A Panel subsequently recommended in favour of the United States and, at the meeting of the Committee on Government Procurement held on 13 May 1992, Norway said it would not stand in the way of adoption of the report, which was so decided by the Committee.⁶

¹DS16/1, 17 May 1990.

²C/M/251, 26 August 1991.

³DS24/1, 8 March 1991.

⁴DS24/2, 18 April 1991.

⁵C/M/259, 27 October 1992.

⁶GPR/DS2/R, 28 April 1992, GPR/M/46 of 26 June 1992.

5. Following the failure of consultations in March and May 1991 and an unsuccessful attempt at conciliation in July 1991, panels were established at the request of Norway on 26 September and 21 October under the Committee on Subsidies and Countervailing Measures and the Committee on Anti-dumping Practice, respectively, to consider its complaint against the imposition of countervailing measures and anti-dumping duties by the United States on fresh and chilled Atlantic salmon imported from Norway.⁷ Norway complained, *inter alia*, that the United States authorities had failed to satisfy themselves that the request for investigations had been filed on behalf of the domestic industry. In the anti-dumping case, the Panel concluded that the United States had acted inconsistently with provisions of the agreement; the Panel established by the Subsidies Committee concluded that the United States had not acted in a manner inconsistent with its obligations under the Subsidies Code. In both cases, Norway initially opposed the adoption of the panel reports, because it considered that the panels were in error on certain points, while the United States did not oppose their adoption. In the end, it was agreed that the purpose of a panel report was to resolve a dispute, it did not bind other parties nor did it set a legal precedent. On this basis, the reports were adopted in both Committees.⁸

(2) Other Consultations

6. As noted in Chapter II, Norway is party to the EEA Agreement, which entered into force on 1 January 1994. Compliance with the agreement by EFTA States to trade lies under the surveillance and enforcement of the EFTA Surveillance Authority (ESA) and the EFTA Court. In matters covered by the agreement, the EFTA Court and the ESA have similar competence to the European Court of Justice and the European Commission. Norway has neither been a complainant nor a defendant in any dispute settlement cases under the EEA Agreement. However, Norway has been party to consultations with regard to minimum prices on the importation on certain fish species to the European Union and certain measures regarding veterinary and hygiene checks concerning the importation of fish introduced by France. The first case, referred to the EEA Commission in February 1994, was regarding minimum prices on the importation of white fish and salmon to the European Union and certain measures regarding veterinary and hygiene checks concerning the importation of fish introduced by France. These measures expired in 1994. The second case, referred to the EEA Commission in December 1995, concerned minimum prices on the importation of fresh salmon to the European Union. This measure is still in force. Norway questions the legal basis for this measure.

⁷ADP/69, 6 November 1992.

⁸ADP/M/44, 5 September 1994; and SCM/M/69, 21 September 1994.

REFERENCES

European Free Trade Association (1994), European Economic Integration: Effects of "1992" on the Services Sector of the EFTA Countries, Geneva.

Focus Bank (1995), Annual Report, Oslo.

GATT (1991), Trade Policy Review - Norway, Geneva.

OECD (1993), Maritime Transport 1993, Paris.

OECD (1995), Reviews of Foreign Direct Investment - Norway, Paris.

Statistics Norway (1996), Economic Survey, quarterly (to 1/96).

Wilse, Hans-Petter (1995), "Management of the banking crisis and state ownership of commercial banks", Norges Bank Economic Bulletin, 2/95, Oslo.

