

THE COUNCIL

Having regard to article 5(a) of the Convention on the Organisation for Economic Co-operation and Development of 14th December 1960 ;

Having regard to the Decision of the Council of 20th February 1962 Establishing an O.E.C.D. Scheme for the Application of International Standards for Fruit and Vegetables (hereinafter called the « Scheme ») [Doc. No. C(62)1(Final)] ;

On the proposal of the Committee for Agriculture ;

I. DECIDES :

1. Notwithstanding the provisions of paragraph 3 of the Decision of the Council of 20th February 1962 referred to above, Canada and the United States of America may, in respect of all products listed in the Annex to the above Decision or in respect of some of them, notify their participation in the Scheme on the basis of the standards which they apply at present and the description of which they have notified in accordance with the conditions laid down in article 4 of the above Decision.

2. The derogation provided in paragraph 1 above is valid for a transitory period of two years as from the date of this Decision.

3. In the course of this transitory period, the small Advisory Group referred to in paragraph 3 of the Annex to the Decision of the Council of 20th February 1962 referred to above shall take the steps necessary for achieving, on a reciprocal basis, the harmonisation of the standards applied by Canada and the United States of America, in international trade with countries participating in the Scheme and the standards applicable in international trade under the Scheme to the products concerned, either by proposing amendments to these standards or by considering any action likely to facilitate their interpretation and control on a co-ordinated technical basis.

II. INSTRUCTS the Committee for Agriculture to report to the Council in due course and submit any proposals likely to ensure the implementation of this Decision.

In adopting this Decision, the Council NOTED that :

1. the present Decision and the measures which might be adopted for its implementation will apply only insofar as they are not prejudicial to the special measures which may be taken by these two countries or by the other countries participating in the Scheme as regards their trade relations .
2. the United States supports the procedure for a temporary derogation as outlined in AGR(64)6 and intends to participate under this procedure insofar as apples and pears are concerned when it comes into force, it being understood that, since the United States lacks legislative authority to participate fully in the Scheme, through the transitional period at least, compulsory inspection or regulation of imports, exports or domestic marketings with respect to grade can be imposed only under the provisions of the Agricultural Marketing Agreement Act of 1937, as amended, or the Export Apple and Pear Act of 10th June 1933, as amended. This action is taken without prejudice to special measures which might be required in trade relations as between, for example, the United States and Canada, and the United States and the European Economic Community . and it is understood that it does not apply to internal trade. The United States Department of Agriculture is responsible for implementation of the Scheme in the United States.