This survey reviews developments in EC and international trade law between 1 July 1997 and 30 June 1998.

At the international level, the GATS Protocol on Financial Services (the Fifth Protocol) was finally agreed under the WTO. This Protocol covers, inter alia, banking and insurance-related matters, trading in foreign exchange, derivatives and all kinds of securities. Furthermore, the Fourth GATS Protocol (Telecommunications Agreement) came into force during the period under review. However, not all was positive news on the WTO front: the conclusion of the second ITA and the harmonization programme of non-preferential rules of origin provided for in the WTO Agreement on Rules of Origin could not be concluded by their respective deadlines due to the complexity of the negotiations. Differences on labour and environment standards, on the scope of exceptions and on the extraterritorial application of laws meant that the Parties in the negotiations on the Multilateral Agreement on Investment, conducted under the OECD auspices, could not reach an agreement either.

In 1997, electronic commerce emerged as a major trade issue. Notably, the period under reference was marked by the transfer of the administration of internet domain names to an international agency; discussions on the need to enact legislation in areas affected by e-commerce; and, disruption of electronic commerce due to different levels of data protection in different jurisdictions.

At EC level, the main event was the initiation of enlargement negotiations with 11
Central European and Mediterranean countries: Latvia, Lithuania, Estonia, Poland, the Czech and Slovak Republics, Bulgaria, Hungary, Slovenia, Romania and Cyprus. These countries were divided into two groups, which then separately initiated the screening process. Negotiations in a few chapters have already taken place with the countries belonging to the first group. Additional developments of relevance in the European Union were:

- Mutual recognition agreements were concluded with the United States, New Zealand, Canada and Australia covering, *inter alia*, medical devices, telecommunications terminal equipment and electromagnetic compatibility;
- The preferential origin rules in the Agreements with the Swiss Confederation, Iceland and Norway were amended;
- The Europe Agreements with Estonia, Lithuania and Latvia entered into force and those with Poland, Bulgaria and the Slovak Republic were amended;
- Several agreements with CIS Republics were signed and came into force;
- New initiatives for increased economic cooperation between the EC and the United States were taken with the aim of reducing or eliminating existing trade barriers and improving regulatory cooperation in areas such as customs duties on industrial products, global electronic trade, intellectual property rights, investment and competition within the framework of the so-called Transatlantic Economic Partnership;
- Negotiations with Mercosur and Chile were proposed, with the aim of concluding a free-trade agreement between them and the EC;
- The first Euro-Mediterranean Agreement (with Tunisia) entered into force. Negotiations with Syria were initiated and negotiations with Egypt continued;
- The EC concluded customs cooperation agreements with the United States and Canada.

In the field of the Generalized Scheme of Preferences (GSP), two major developments occurred. First, Hong Kong, South Korea and Singapore were excluded from the GSP scheme. Second, the social and environmental clauses referred to in Articles 7 and 8 of the industrial and agricultural GSP Regulations were implemented. The countries fulfilling the conditions mentioned therein will receive additional tariff preferences depending on the degree of sensitivity and nature of the product (agricultural or industrial). These tariff preferences will lead to a 40 per cent reduction of the tariff duty in the case of very sensitive products and 75 per cent in sensitive products. In the case of semi-sensitive products, the tariff duty will be eliminated.

With regard to EC commercial defence measures, the period under review is marked by the publication and entry into force of the new basic anti-subsidy Regulation, which corrects errors in the text of the former Regulation. More substantially, the basic anti-dumping Regulation was amended to exclude Russia and China from the list of non-market economy countries. However, this will only take place if the exporters from these countries show to the satisfaction of the Commission that they operate under market-economy principles. Finally, it is worthwhile to note the increase of anti-dumping and anti-subsidy actions compared with the previous year.
In the field of anti-dumping, the Community Institutions have adopted determinations in the following proceedings: monosodium glutamate from Indonesia, Taiwan and South Korea (interim review), synthetic fibre ropes from India (initiation), luggage and travel goods from China (termination), ferro-silicon from Poland and Egypt (expiry review), monosodium glutamate from Brazil, the United States and Vietnam (initiation), unbleached cotton fabrics from China, Egypt, India, Indonesia, Pakistan and Turkey II (initiation), flat rolled narrow strips of iron or non-alloy steel from Russia into Italy (regional proceeding) (initiation), synthetic fibres of polyester from India and South Korea (impending expiry), bicycle parts from China (notice updating list of parties under examination), bicycle parts from China (Commission Decision exempting imports), car radios from South Korea (expiry), sheets and plates of iron or steel from Slovenia, FYROM and Yugoslavia (Serbia and Montenegro) (expiry), synthetic fibre rope from South Korea (initiation), gas-fuelled, non-refillable pocket flint lighters from Thailand, the Philippines and Mexico (amendment), leather handbags from China (definitive), unbleached cotton fabrics from China, Egypt, India, Indonesia, Pakistan and Turkey II (corrigendum), ferro-silicon from Brazil (expiry review), flat wooden pallets from Poland (amendment of provisional duties; undertakings), unwrought unalloyed magnesium from China (initiation), polyester yarn from Taiwan and Turkey (corrigendum), stainless steel bright bars from India (initiation), flat wooden pallets from Poland (corrigendum), glyphosate from China (provisional), stainless steel fasteners from China, India, Malaysia, South Korea, Taiwan and Thailand (provisional), ferro-silico-manganese from China (provisional), silicon carbide from Ukraine (amendment), farmed Atlantic salmon from Norway ( definitive) and (undertakings), plain paper photo copiers from Japan (expiry), unwrought, unalloyed zinc from Poland and Russia (definitive) and (undertakings), television camera systems from Japan (amendment), polyethylene or polypropylene sacks and bags from India, Indonesia and Thailand (definitive), artificial corundum from China (amendment), synthetic polyester fibres from Romania, Turkey, Yugoslavia (Serbia and Montenegro) and FYROM (expiry), advertising matches from Japan (definitive), disodium carbonate from the United States (termination), woven polyolefin sacks and bags from China (definitive), synthetic polyester fibres from Taiwan and South Korea (expiry review), thiourea dioxide from China (initiation), car laser optical reading systems or the main constituent elements thereof from China, Japan, South Korea, Malaysia and Taiwan (initiation), personal fax machines from China, Japan, South Korea, Malaysia, Singapore, Taiwan and Thailand (provisional), electronic weighing scales from Japan (impending expiry), footwear with textile uppers from China and Indonesia (definitive), video tapes in cassettes from China (termination), hardboard from Brazil, Bulgaria, Estonia, Latvia, Lithuania, Poland and Russia (initiation), seamless pipes and tubes of iron or non-alloy steel from Croatia, the Czech Republic, Hungary, Poland, Romania, Russia and Slovakia (definitive: the Czech Republic, Hungary, Poland, Romania, Russia and Slovakia; termination Croatia) (undertakings: Czech Republic, Hungary, Poland, Romania, Slovakia), bicycles from Taiwan (initiation), dynamic random-access memories (DRAMs) from South Korea (termination), dynamic random-access memories (DRAMs) from Japan (termination), flat
wooden pallets from Poland (definitive) and (undertakings), large electrolytic aluminium capacitors from the United States and Thailand (initiation), large electrolytic aluminium capacitors from Japan (expiry and interim review), woven glass fibre fabric from Taiwan (initiation), bed linen from Egypt, India and Pakistan (definitive), bicycle parts from China (lifting of suspension of payment of anti-circumvention duty), farmed Atlantic salmon from Norway (corrigendum), leather handbags from China (interim review), silicon metal from China (definitive), farmed Atlantic salmon from Norway (imposition of provisional duties on companies which breached the undertaking), polyester staple fibre from Belarus (anti-circumvention duty), magnesium oxide from China (impending expiry), polyester textured filament yarn from Indonesia (newcomer review), large electrolytic aluminium capacitors from Japan (initiation), polypropylene binder or baler twine from Poland (initiation), synthetic fibres of polyester from India (expiry), synthetic fibre ropes from India (provisional), synthetic fibre ropes from India (corrigendum), video tapes from Hong Kong and South Korea (termination), dihydrostreptomycin from China (termination), potassium permanganate from India and Ukraine (provisional), bed linen from Egypt, India and Pakistan (corrigendum), bicycles from China (exemption from anti-circumvention duty), narrow cold-rolled strips of iron or non-alloy steel from Russia (termination), bicycle parts from China (corrigendum), ferro-silicon from Brazil (amendment), glyphosate from China (definitive), stainless steel fasteners from China, India, South Korea, Malaysia, Taiwan and Thailand (definitive), potassium chloride from Belarus, Russia and Ukraine (amendment), silicon metal from Brazil (termination), polypropylene binder or baler twine from the Czech Republic, Hungary and Saudi Arabia (initiation), footwear with leather or plastic uppers from China, Indonesia and Thailand (definitive), ferro-silico-manganese from China, Ukraine, Brazil, South Africa and Russia (definitive China; amendment Ukraine; termination Brazil, South Africa and Russia), 3.5° microdisks from Indonesia (provisional), 3.5° microdisks from Canada, Macao, Thailand (termination), bicycles from China (impending expiry), polysulphide polymers from the United States (provisional), microwave ovens from Korea (termination of absorption review), tungsten ores and concentrates from China (termination), tungstic oxide and tungstic acid from China (termination), farmed Atlantic salmon from Norway (imposition of provisional duties on companies which breached the undertaking), ammonium nitrate from Russia (amendment), low carbon ferro-chrome from Kazakhstan, Russia and Ukraine (impending expiry), large aluminium electrolytic capacitors from South Korea and Taiwan (interim review), tungsten carbide and fused tungsten carbide from China (definitive), farmed Atlantic salmon from Norway (imposition of definitive duties on companies which breached the undertaking), unbleached cotton fabrics from China, Egypt, India, Indonesia, Pakistan and Turkey (provisional), binder and baler twine from Brazil (impending expiry), footwear with leather or plastic uppers from China, Indonesia and Thailand (corrigendum), 3.5° microdisks from Japan, Taiwan and China (impending expiry), electronic weighing scales from Singapore and South Korea (impending expiry), electronic weighing scales from Japan (expiry review), personal fax machines from China, Japan, South Korea, Malaysia, Singapore, Taiwan
and Thailand (definitive), bicycle parts from China (Commission Decision not exempting imports), hematite pig iron from Brazil, the Czech Republic, Poland, Russia and Ukraine (termination), gas-fuelled, non-refillable pocket flint lighters from China (anti-circumvention proceeding), bicycle parts from China (Commission Decision not exempting imports), unwrought unalloyed magnesium from China (provisional), bicycle parts from China (Commission Decision not exempting imports), stainless steel fasteners from China, India, Malaysia, South Korea, Taiwan and Thailand (corrigendum), unbleached cotton fabrics from China, Egypt, India, Indonesia, Pakistan and Turkey (corrigendum), steel stranded ropes and cables from China, India, South Korea, South Africa and Ukraine (initiation), stainless steel bars from India (provisional), silk type-writer ribbon fabrics from China (termination), farmed Atlantic salmon from Norway (imposition of provisional duties on companies breaching the undertaking), ball bearings >30 mm from Japan (notice), television camera systems from Japan (anti-circumvention proceeding), bicycle parts from China (Commission Decision exempting imports), ferro-silicon from Russia, Kazakhstan, Ukraine, Iceland, Norway, Venezuela, Brazil, South Africa and China (impending expiry), dead-burned (sintered) magnesia from China (impending expiry), magnesium oxide from China (expiry review), stainless steel wire having a diameter of 1 mm or more from India and South Korea (initiation), stainless steel wire having a diameter of less than 1 mm from South Korea (initiation), and synthetic fibre ropes from India (definitive).

As far as anti-subsidy actions is concerned, there were 17 determinations during this period: certain broad spectrum antibiotics from India (initiation), farmed Atlantic salmon from Norway (definitive) and (undertakings), stainless steel bright bars from India (initiation), cochineal carmine from Peru (initiation), woven glass fibre fabric from Taiwan (initiation), farmed Atlantic salmon from Norway (corrigendum), woven glass fibre fabric from Taiwan (corrigendum), farmed Atlantic salmon from Norway (imposition of provisional duties on companies which breached the undertaking), ball bearings having a diameter not exceeding 30 mm from Thailand (impending expiry), farmed Atlantic salmon from Norway (imposition of provisional duties on companies which breached the undertaking), farmed Atlantic salmon from Norway (imposition of definitive duties on companies which breached the undertaking), farmed Atlantic salmon from Norway (imposition of provisional duties on companies which breached the undertaking), certain broad spectrum antibiotics from India (provisional), stainless steel wire having a diameter of 1 mm or more from India and Korea (initiation), stainless steel wire having a diameter of less than 1 mm from Korea (initiation), polyester fibres and polyester yarns from Turkey (termination), and ball bearings having a diameter not exceeding 30 mm from Thailand (expiry).

The electronic version of this survey finishes with the summary of the following trade judgments of the Court of First Instance and Court of Justice:

The full text of this survey is available on the EJIL’s web site <www.ejil.org>.