

decision taken by the United States on 23 September 1991 to initiate a countervailing duty investigation on imports of pure and alloy magnesium from Canada. This matter had previously been referred to the Committee by Canada (in document SCM/130) for the purpose of conciliation under Article 17 of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade ("the Agreement"). It had, however, not been possible for the Committee to resolve this dispute under the conciliation procedures of the Agreement.

2. At its meeting on 5 March 1992, the Committee agreed to establish a Panel and authorized the Chairman to decide, in consultation with the parties concerned, the composition of the Panel (SCM/M/57, paragraphs 8 and 9).

3. The terms of reference of the Panel were as follows:

"To review the facts of the matter referred to the Committee by Canada in SCM/135 and, in the light of such facts, to present to the Committee its findings concerning the rights and obligations of the signatories party to the dispute under the General Agreement as interpreted and applied by the Agreement on the Interpretation and Application of

