

THE GOVERNMENT OF CANADA AND

THE EUROPEAN ECONOMIC COMMUNITY

(hereinafter referred to as the "Parties"),

TAKING INTO ACCOUNT their respective rights and obligations under the General Agreement on Tariffs and Trade with respect to the treatment of goods, and particularly alcoholic beverages, originating in the territory of the other party;

RECALLING the findings and conclusions of the GATT Panel on Import, Distribution and Sale of Alcoholic Drinks by Canadian Provincial Marketing Agencies;

DESIRING to resolve their differences over trade in the alcoholic beverage sector and to ensure respect for international legal obligations while acknowledging the temporary need for structural adjustment;

ENDEAVOURING to ensure that measures that are currently benefiting the sale of alcoholic beverages originating in the European Economic Community are not made more restrictive,