

## REVIEW OF CHAPTER 19 PANEL PROCESS

The Commission recommended to their respective governments the implementation of proposed amendments to the rules procedures for the Chapter 19 binational panel review. These changes will improve the effectiveness and efficiency of the Chapter 19 dispute settlement process.

### CHAPTER 19 WORKING GROUP

The Commission noted the initial report of the Working Group. The Commission also endorsed the program of activities for the first half of 1990 recently agreed to by the Working Group. This program included consulting domestically and gathering information necessary to the negotiations; monitoring progress in the Uruguay Round; reviewing the bi-national panel process; and as appropriate, making recommendations to the Commission.

### REPORT OF THE AUTO PANEL

The Commission reviewed the draft report of the Auto Panel and agreed with its work plan to study the international competitiveness of the North American auto industry and the potential for new export opportunities and to examine automotive rules of origin. In a move that will further improve the climate of cross-border automotive trade, the Commission agreed to use the existing mechanism of the FTA to address the three recommendations of the Automotive Select Panel. These recommendations concern automotive customs procedures, statistics and standards/regulations.

### TOURISM WORKING GROUP

In an effort to enhance cooperation between the two countries in the area of tourism, the Commission welcomed the establishment of a Tourism Working Group under Chapter 14 of the Agreement, and accepted the report of its first meeting.

## REVIEW OF MACHINERY AND EQUIPMENT LISTS

Canada presented to the U.S., in the context of the Commission, the Canadian lists of exemptions from customs duties of additional machinery and equipment as required by Article 401.6.3.