

14. The Prime Minister and the President publicly endorsed the report on May 7, 1998, and set in motion yet another round of negotiations to try to resolve the dispute by the end of June 1998. Unfortunately, these negotiations did not achieve a mutually satisfactory resolution.

15. On July 23, 1998, the Dispute Settlement Body (DSB) established a Panel under Article 4 of the SCM Agreement.

16. The terms of reference of the Panel are:

“To examine, in the light of the relevant provisions of the SCM Agreement, the matter referred to the DSB by Canada in document WT/DS46/5 and to make such findings as will assist the DSB in making the recommendations or in giving the rulings provided for in that agreement.”