

GENERAL AGREEMENT
ON TARIFFS AND TRADE

RESTRICTED
BOP/R/223
10 April 1995
Limited Distribution

(95-0867)

Committee on Balance-of-Payments Restrictions

REPORT ON THE SIMPLIFIED CONSULTATION WITH BANGLADESH

1. The Committee met on 14 March 1995, under the Chairmanship of Mr. P. Witt (Germany), to conduct a consultation with Bangladesh under the simplified procedures for regular consultations with developing countries (BISD 20S/47) and the 1979 Declaration on Trade Measures Taken for Balance-of-Payments Purposes (BISD 26S/205). This consultation was originally scheduled for 1994.

2. The Committee had the following documents before it:

BOP/323 and Corr.1 Statement by the Government of Bangladesh

BOP/W/160 Background Paper by the Secretariat

IMF Bangladesh, Background Information on Output and Investment Performance,
dated 20 January 1995

3. On the basis of the above-mentioned documents, the Committee reached the following conclusions:

4. The Committee welcomed the improvements in Bangladesh's economic performance, which were associated with the economic reform process underway. The Committee encouraged Bangladesh to continue with its liberalization efforts.

5. The Committee noted with satisfaction the marked improvements in the balance-of-payments situation of Bangladesh. It was recognized, however, that the balance of payments was financed to a substantial extent by workers' remittances and foreign assistance, debt service remained significant and Bangladesh continued to be prone to natural disasters.

6. The Committee decided to recommend to the Council that Bangladesh be deemed to have fulfilled its obligations under Article XVIII:12 (b) of the GATT 1947 for 1995. It noted that the next consultation with Bangladesh would be held in the WTO Committee on Balance-of-Payments Restrictions. The timing and applicable consultation procedures for the next consultation with Bangladesh would be decided by the WTO Committee in accordance with paragraph 8 of the Understanding on the Balance-of-Payments Provisions of the General Agreement on Tariffs and Trade 1994.