

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
LIMITED C
GATT/CP.6/19
13 September 1951
ORIGINAL: ENGLISH

CONTRACTING PARTIES
Sixth Session

DISCRIMINATORY APPLICATION OF IMPORT RESTRICTIONS

Proposals for the Conduct of the Consultations in March 1952,
required by paragraph 1 (g) of Article XIV

Note by the Executive Secretary

Article XIV:1 (g) requires that in March 1952, and in each year thereafter, any contracting party still entitled to take action under the provisions of paragraph 1 (c) or of Annex J shall consult the Contracting Parties "as to any deviations from Article XIII still in force pursuant to such provisions and as to its continued resort to such provisions". In order to carry out this provision it will be necessary for the Contracting Parties to decide during the Sixth Session upon the procedures to be followed. The procedural arrangements to be adopted appear to depend upon whether or not the Contracting Parties decide to appoint a standing committee to carry on the administration of the Agreement between sessions.

On the assumption that a standing committee is appointed:

The Contracting Parties could entrust to the standing committee the task of initiating consultations with the contracting parties concerned. Presumably the committee would be instructed to arrange its timetable in order to submit its report not later than _____ for consideration by the Contracting Parties at the Seventh Session.

On the assumption that no standing committee is appointed:

If the Contracting Parties do not appoint a standing committee there will remain two alternatives, either:

to conduct the consultations at a regular or special session of the Contracting Parties to be held in March 1952,

or

to entrust the initiation of the consultations to the intersessional selected committee established at the Third Session to deal with analogous cases arising under the provisions of Articles XII and XIV (GATT/CP.3/50/Rev.1 and SR.31).

Whichever of the foregoing procedures is adopted it would appear necessary that the Contracting Parties should take the following steps at the Sixth Session:

- (i) To determine those contracting parties which deviate from the rule of non-discrimination in Article XIII under paragraph 1 (c) of Article XIV and under Annex J and which therefore are required to consult with the Contracting Parties under the provisions of Article XIV:1 (g); according to the replies received to the questionnaire in GATT/CP/89, Ceylon, Southern Rhodesia, the Union of South Africa and the United Kingdom discriminate under the provisions of Annex J, while Australia, Denmark, Finland, France, Germany, India, Italy, Netherlands, New Zealand and Norway deviate from the non-discrimination rule under article XIV:1 (c).
- (ii) To invite the contracting parties so determined to submit to the Secretariat, not later than January 31, 1952, a list of the measures involving deviations from Article XIII which they wish to maintain beyond March 1952 together with a statement of the circumstances which they consider necessitate such retention.
- (iii) To consider procedural arrangements for the participation of the International Monetary Fund in the consultations.