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GATT/CP.3/5.Add.2
4 March 1949

ORIGINAL: FRENCH

GENERAL AGREEMENT ON TARIFFS AND TRADE
Contracting Parties
Third Session

NON-DISCRIMINATORY MEASURES NOTIFIED BY
CONTRACTING PARTIES UNDER PARAGRAPH 6 /117
OF ARTICLE XVIII OF THE GENERAL AGREEMENT

ADDENDUM

Letter from the Belgian Government
regarding the measures notified by the
Government of the United Kingdom

The Chairman of the Contracting Parties has received the following letter dated 25 February from the Belgian Government; the text of this letter is circulated herewith to the contracting parties for their examination in accordance with the provisions of paragraph 4 of Annex E of document GATT/CP.2/38/Rev.1.

I have the honour to refer to document GATT/CP.3/1, dated 9 December 1948, communicating the information supplied to you by the United Kingdom Government in support of the maintenance of certain non-discriminatory measures notified under Article XVIII of the General Agreement.

With regard to the measures taken in Northern Rhodesia restricting the import of "filled" soap from the Belgian Congo, and in virtue of paragraph (a)(3) of Annex E to document GATT/CP.2/38/Rev.1, I have the honour to inform you that the Belgian Government intends to request the withdrawal of the restriction in question.

With regard to heads (a) (b) of the information transmitted by the United Kingdom Government, I would like to point out that palm oil, the raw material used by the soap factories, which the Belgian Congo supplies to Northern Rhodesia, has always been sold at world market prices.

The argument put forward in the United Kingdom's note to the effect that a considerable differential existed between the price at which this palm oil was made available to local manufacturers in the Belgian Congo and for export is devoid of any real foundation. In point of fact, no differential is applied between the prices of the raw material supplied to soap manufacturers in Northern Rhodesia and the prices of palm oil supplied to Congo manufacturers of soap for export. It is only to Belgian Congo industries which produce soap for local requirements that palm oil is sold at lower prices.

It emerges from the United Kingdom Government's communication that if Northern Rhodesia did not take restrictive measures, it would be dependent on the Belgian Congo for its common soap requirements. That proves how expensive was the market for Congo soap in Rhodesia, and how profoundly Congo producers have been injured: it is inconceivable that a producer of raw materials who also owns factories for processing those materials should have a normal and natural market for the product of his industry closed to him. The Belgian Congo's flow of exports is seriously affected in so far as it is deprived of the normal and natural market for its industry constituted by Northern Rhodesia.

I shall shortly be sending you a detailed statement containing all the data necessary to enable the Contracting Parties to appreciate the cogency of the Belgian Government's objections to the measure applied in Northern Rhodesia.