

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED  
LIMITED C

GATT/CP.4/35  
30 March, 1950.

ORIGINAL: ENGLISH

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CONTRACTING PARTIES  
Fourth Session

WORKING PARTY "E" ON BALANCE OF PAYMENTS QUESTIONS

Report to the Contracting Parties  
on paragraph 2 of the terms of reference

1. In the second paragraph of its terms of reference the Working Party was asked:  
"to recommend arrangements for contracting parties taking action under paragraph 1 of Annex J to keep Contracting Parties regularly informed regarding such action".
2. In connection with the requirement of paragraph 2 of Annex J, that contracting parties which have elected to be governed by the provisions of the Annex are to keep the Contracting Parties "regularly informed", the Working Party took into consideration the fact that under Article XIV: 1 (g) the Contracting Parties are required to make an annual report on any action still being taken by contracting parties under paragraphs 1 (b) and 1 (c) of that Article or under Annex J. Thus it may be expected that the contracting parties taking action under the Annex will, in any case, be asked to furnish an annual statement on the action taken. Also the Working Party was informed that Working Party "D" on Quantitative Restrictions had decided to recommend to the Contracting Parties that the Secretariat be instructed to prepare, for consideration at the Fifth Session, a questionnaire to obtain the information which they will require in the preparation of their second report under Article XIV: 1 (g) and their review, in January, 1951, of the restrictions applied by contracting parties under Article XII.
3. It appeared evident to the Working Party that the questionnaire to be prepared by the Secretariat in terms of the recommendation of Working Party "D", would include questions on action taken under Annex J and that, consequently, no additional arrangements for reporting need be made at this stage. It was agreed, how-

ever, to recommend to the Contracting Parties that the Secretariat be instructed to bear in mind, when preparing the questionnaire, the requirements of paragraph 2 of Annex J. Further, the Working Party proposes that the Secretariat should bear in mind, when preparing the questionnaire, the discussions which have taken place in this Working Party on the restrictions applied by the contracting parties which elected to be governed by the provisions of the Annex:

4. While considering that the questionnaires to be issued to Contracting Parties annually, in connection with the reports required under Article XIV: 1 (g), will serve to obtain detailed statements on the action taken under Annex J, the Working Party recommends that the Contracting Parties should, in addition, request the contracting parties which are governed by the provisions of the Annex to transmit statements to the Secretariat for circulation to the Contracting Parties describing any substantial changes that may be made in their policy and application of restrictions between the submissions of annual reports:

5. The Working Party submits the above recommendations as an interim report as it appears probable that the Contracting Parties will wish to deal with these recommendations at the same time that they consider the recommendations on related subjects by Working Party "D".