

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED
LIMITED C

GATT/CP.4/D/5/Rev.1/Add.1
23 March, 1950.

ORIGINAL: ENGLISH

CONTRACTING PARTIES
Fourth Session

WORKING PARTY "D" ON QUANTITATIVE RESTRICTIONS
ADDENDUM TO DRAFT REPORT TO THE
CONTRACTING PARTIES

Revised text submitted by the United Kingdom:

19. (v) Avoiding, as far as balance of payments and technical considerations permit, the allocation of quotas among supplying countries, in favour of general licences unrestricted in amount, or unallocated quotas, applying non-discriminatorily to a number of countries.

Revised texts incorporating New Zealand proposals:

21. It appeared to the Working Party that insofar as these types of practice were in fact carried on for the purposes indicated above and were not justified under the provisions of Articles XII to XIV relating to the use of import restrictions to protect the balance of payments or under other provisions of the Agreement specifically permitting the use of import restrictions, they were inconsistent with the provisions of the Agreement, and might appropriately provide a basis for recourse to the procedure laid down in the Agreement for the settlement of disputes.

22. Several instances and several hypothetical cases of the application of restrictions were put forward, but the discussion led the Working Party to conclude that, although the general view of the problem had served a useful purpose, future progress would come from consideration of such actual cases as may be brought before the Contracting Parties in accordance with procedures laid down in the Agreement.

Additional paragraph proposed by New Zealand:

23. The Working Party agreed that there did not appear to be any provision in the Agreement which would justify the imposition by a contracting party of quantitative restrictions on imports of a particular product for the purpose of avoiding an increase in the cost to the importing country of maintaining a price support programme for the like product of domestic origin and not for other purposes provided for in the Agreement.

Draft submitted by Belgium and United States:

III. RECOMMENDATIONS

24. The Working Party recommends that the CONTRACTING PARTIES:

- (1) Approve Parts I and II of the report and endorse their conclusions;
- (2) Express their recognition of the facts that these conclusions will be of the greatest utility if officials

responsible for the imposition or the administration of quantitative restrictions, as well as those engaged in the negotiation of trade agreements, are made thoroughly familiar with these conclusions and with the necessity for administering such restrictions and negotiating such agreements in a manner consistent with the provisions of the Agreement;

- (3) Recommend to the contracting parties to take all reasonable measures to accomplish the objectives set forth in (2) above; and
- (4) Recommend further that the contracting parties review their present system of quantitative import and export restrictions for their consistency with the conclusions of the Report.

