

GENERAL AGREEMENT ON
TARIFFS AND TRADE

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WORKING PARTY "D" ON QUANTITATIVE RESTRICTIONS

Information regarding Export Restrictions
and their Administration

Memorandum submitted by the Canadian Delegation

This note refers to the Working Party's discussion of steps to be taken to implement Article XII:4(b). The applicable portion of this Article reads as follows: "Not later than January 1, 1951, the CONTRACTING PARTIES shall review all restrictions existing on that day and still applied under this Article at the time of the review". The restrictions in question which are permitted by Article XII are in the field of imports, not exports.

The Canadian Delegation believes, however, that the review called for under Article XII:4 (b) could profitably apply also to export restrictions as well as import restrictions. Article XI, 1, prohibits export restrictions as well as import restrictions, and Article XII sets forth exceptions to the general rule which are permissible for countries in balance of payments difficulties. If the review called for in Article XII:4(b) covers the whole field of quantitative restrictions on exports as well as imports it will help ensure that legitimate use is being made of the relevant provisions of the Agreement. It will provide information of great usefulness to the CONTRACTING PARTIES in the study of common problems.

Following its terms of reference the Working Party has, among other things, explored the application of the provisions of the Agreement to quantitative export restrictions which are being applied for protective, promotional or other commercial purposes. Useful discussions have taken place and a number of conclusions have been stated regarding various types of export controls which are in existence.

The discussion of export restrictions has been seriously limited, however, by the paucity of information available on this important subject. It is therefore proposed that the Secretariat be instructed by the CONTRACTING PARTIES to collect, assemble and summarize information on the subject of export restrictions and their administration. This may be undertaken in connection with the questionnaire to be used on the corresponding subject of import restrictions under Article XII:4 (b).

It is also proposed that the Secretariat make enquiries at the same time to discover to what extent individual contracting parties are complying with the provisions of the Agreement which read as follows:-

Article X:1. "Laws, regulations, judicial decisions and administrative rulings of general application, made effective by any contracting party, pertaining to ... requirements, restrictions or prohibitions on ... exports or on the transfer of payments therefor, or affecting their sale, distribution, transportation, insurance, warehousing, inspection, exhibition, processing, mixing or other use, shall be published promptly in such a manner as to enable governments and traders to become acquainted with them. Agreements affecting international trade policy which are in force between the government or a governmental agency of any contracting party and the government or governmental agency of any other contracting party shall also be published".

Article XIII:3(a) should also be noted in this connection, in conjunction with paragraph 5 of the same Article:-

Article XIII,
3(a)

"In cases in which import licences are issued in connection with import restrictions, the contracting party applying the restrictions shall provide, upon the request of any contracting party having an interest in the trade in the product concerned, all relevant information concerning the administration of the restrictions, the import licences granted over a recent period and the distribution of such licences among supplying countries; Provided that there shall be no obligation to supply information as to the names of importing or supplying enterprises".

5. "The provisions of this Article shall apply to any tariff quota instituted or maintained by any contracting party, and, insofar as applicable, the principles of this Article shall also extend to export restrictions".