GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
LIMITED C
GATT/CP.4/D/11
20 March 1950
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CONTRACTING PARTIES Fourth Session

WORKING PARTY "D" ON QUANTITATIVE RESTRICTIONS

Amendments to Paragraphs 18, 21 and 22 of the Draft Report contained in document GATT/CP.4/D/5

Proposal by the Delegation of Belgium

AMEND PARAGRAPH 18 as follows:

After the first sentence, which is retained, replace the present text by the following:

"The Working Party came to the following two conclusions:

- a) the simple fact that quantitative import restrictions are applied has inevitably the subsidiary effect of protecting a national industry and of stimulating its development;
- b) however, experience in the use of restrictive import measures, as well as those used in bilateral negotiations, have shown that in determining and administering quantitative import restrictions, certain countries were led to take as a criterion not only the reasons justified under Article XII, paragraph 3, but also to an increasing extent, criteria of a protective nature which are contrary to provisions of the General Agreement. Moreover, the permanence of quantitative restrictions has forced certain industries to exert a constant pressure on their governments to adapt their restrictive programme for the purpose of protecting the national industry rather than the monetary reserves."

<u>DELETE PARAGRAPHS 21 and 22</u> of the draft report and replace by the following:

Paragraph 21.

With regard to the conclusion mentioned in paragraph 18 b), the Working Party stresses that although each specific case must be examined in the light of accompanying facts, it is however possible to take note of a number of types of cases in which the determination and administration of quantitative restrictions are currently diverted from the spirit of the General Agreement for reasons of protection or for other reasons which are not foreseen in the Agreement.

The following three types have been noted:

Paragraph 22.

1st type	Insert the text which appears in pages 2. 3.
2nd type	Insert the text which appears in pages 2, 3, 4 and 5 of the note by the Belgian Delegation (GATT/CP.4/D/4), and delete the statistics
3rd type	(GATT/CP.4/D/4), and delete the statistics which appear in page 3.