

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
LIMITED C
GATT/CP.5/5
3 October 1950
ORIGINAL: ENGLISH

CONTRACTING PARTIES
Fifth Session

DRAFT OF QUESTIONNAIRE
for
THE REVIEW OF IMPORT RESTRICTIONS APPLIED UNDER ARTICLE XII
and
THE SECOND REPORT ON THE DISCRIMINATORY APPLICATION OF RESTRICTIONS
UNDER THE TRANSITIONAL PERIOD ARRANGEMENTS OF ARTICLE XIV

General Notes

1. This questionnaire need be answered only by contracting parties which are applying import restrictions under the provisions of Article XII. Those contracting parties which are not applying such restrictions need only notify that fact.
2. In answering this questionnaire, contracting parties need not repeat information furnished in response to the questionnaire of October 1949 (GATT/CP/39).
3. The term "import restrictions" is meant to include restrictions made effective, either directly or indirectly, through state-trading operations; and the expression "state-trading operations" is meant to include the operations of enterprises wherever located to which the contracting party has granted, formally or in effect, exclusive or special privileges.
4. [The term "import restrictions" is meant to include restrictions operated by means of exchange controls if these controls are used as a substitute for, or a supplement to, import restrictions.]
5. In answering this questionnaire, contracting parties should furnish information and data in respect of restrictions applied to merchandise imported into their non-metropolitan territories to which the General Agreement applies.
6. The replies to this questionnaire should be accompanied by copies of all laws, decrees, etc. which have provided for the establishment, maintenance and administration of the restrictions (including samples of public notices issued in compliance with paragraphs 3(b) and 3(c) of Article XIII) and copies of all bilateral agreements affecting the importation of restricted products in 1950 and 1951. (The term "bilateral agreements" is meant to include any arrangement effected pursuant to a formal agreement; it includes also any informal arrangement not committed to writing, and for this a statement of the understanding should be provided). For contracting parties which answered the questionnaire of October 1949 (GATT/CP/39), this applies only to laws, decrees, agreements, etc., copies of which were not furnished at that time.
7. The answers to this questionnaire should reach the Executive Secretary not later than, 1951.

QUESTIONNAIRESection I: The Need For the Maintenance of Restrictions to Safeguard the Balance of Payments

- Question 1 - What are the circumstances which necessitate the maintenance of special measures in the form of import restrictions to safeguard the balance of payments? In answering this question, describe the external financial position and the balance-of-payment difficulties which necessitated the initial application of the restrictions.
- Question 2 - Has the balance-of-payment position improved, or has it grown worse, during the years 1948 to 1950? If the position has improved, describe the character and the extent of the improvement and give details of the consequent relaxation of restrictions. If there has been a worsening of the position, describe any intensification which may have been introduced in the application of the restrictions and the manner in which this was expected to relieve or overcome the difficulties; also, if possible, give an appraisal of the results so far achieved. (Ref. - XIII: 2(b)).

Section II: The Technique of Restriction

- Question 3 - Describe the methods employed in applying the restrictions (including those made effective either directly or indirectly through state-trading operations) and the groups of products subject to each method, using, if convenient, the following classification: (Ref. - XIII: 2)
- (i) import licences without the fixing of quotas;
 - (ii) the fixing of global quotas;
 - (iii) the allotment of shares in quotas to countries of supply, either by unilateral action, special arrangement or negotiation;
 - (iv) other techniques, including barter and compensation arrangements.
- Question 4 - Where the allotment of shares in a quota is based upon a "previous representative period" give the reasons for the choice of period and describe any special factors affecting the trade concerned which were taken into account, including changes in relative productive efficiency between domestic and foreign producers and between different foreign producers. (Ref. - XIII: 2(d) and Interpretative Note ad XI: 2).
- Question 5 - Describe the procedure for the distribution of licences among importers and other administrative arrangements which might directly or indirectly affect the interests of supplying countries.
- Question 6 - If special procedures are enforced in connection with restrictions made effective through the activities of the state or of enterprises to which exclusive or special

privileges have been granted, indicate the manner of restriction and the administrative procedures (Ref.- XI: 3 and XVII: 1(a)).

Section III - Action to Mitigate the Harmful Effects of the Restrictions on the Trade of other Contracting Parties

- Question 7 - (a) Describe any action taken to avoid damage to the trade of other contracting parties by allowing
- (i) the importation of goods in minimum commercial quantities where their exclusion would impair regular channels of trade;
 - (ii) the importation of commercial samples;
 - (iii) compliance with patent, trademark, copyright and similar procedures; and
 - (iv) by other special measures.
- (b) Describe any action designed to avoid unnecessary damage to the commercial or economic interests of other contracting parties (Ref.- XII: 3(c)).

Section IV: The Practice of Discrimination among Contracting Parties in the Administration of Restrictions

- Question 8 - If restrictions are not administered strictly in accordance with the rule of non-discrimination in Article XIII, describe the circumstances which first led to the adoption of a discriminatory policy and give, if possible, an appraisal of the results achieved to date indicating the increase in total trade brought about by departure from the non-discrimination rule. Describe also the policy pursued at the present time, with relevant references to categories of products and groups of supplying countries, and the manner in which the balance-of-payment position is expected to be improved by discriminatory action. (The description of discriminatory practices should be related to the various methods of restriction described in answer to Question 3).
- Question 9 - (a) Contracting parties governed by the provisions of Annex J are asked to describe the manner in which they have departed from the rule of non-discrimination by relaxing restrictions in order to obtain additional imports. Also describe the implementation of the requirements of Annex J, in particular those concerning price levels (Ref.- Annex J, para.1).

(The reply to this question should include statements on:

- (i) facilities offered for the switching of purchases from one source to another in accordance with considerations of price;
- (ii) safeguards to ensure that trading arrangements do not appreciably reduce earnings of gold or convertible currencies, and
- (iii) steps to ensure that the discriminatory action does not cause unnecessary damage to the commercial or other interests of other contracting parties).

(b) Contracting parties which are governed by Article XIV: 1(b) or (c) are invited to describe the role played by price and other commercial considerations in determining the source from which goods are purchased.

Question 10 - Describe any element of discrimination that may be exercised through the application of restrictions to the purchases of state and monopoly enterprises, and the role of price and other commercial considerations in determining the source from which such imports are obtained.

Question 11 - Show how the measures taken are designed to promote the maximum development of multilateral trade and to expedite the attainment of a balance-of-payment position which will no longer require resort to restrictions under Article XIII (Ref.- XIV: 1(c)).

Section V - Bilateral and Group Arrangements

Question 12 - Describe any commitments in respect of imports assumed in bilateral agreements with other countries, whether or not contracting parties, and include a statement of the aims of bilateral negotiations, the benefits expected, the nature of concessions and the effect of bilateral agreements on the balance-of-payment position. Also indicate whether any changes are expected in the near future in this bilateral policy, with special reference to the possibility of restricting its scope and eventually abandoning bilateral agreements in favour of the administrative methods envisaged in Article XIII.

Question 13 - Describe any arrangements with other countries, whether or not contracting parties, which involve more liberal treatment in the administration of restrictions for members of the group than for other countries, and explain the objectives of this discriminatory policy. This statement should include a description of the operation of the group as a whole as well as the part played therein by the country answering the questionnaire. Estimate the progress made to date, the benefits derived from group membership, and the plans for the future. Indicate if and when the same favourable treatment may be extended to non-members, i.e. to other soft-currency countries and eventually to all contracting parties.

Section VI - Plans for the Removal of the Restrictions

Question 14 - Contracting parties answering this questionnaire are invited to describe their policy and programme for 1951, stating any anticipated improvement in the balance-of-payment position and increase in the monetary reserves by the end of the year, and indicating the longer-term programme leading to the eventual removal of all remaining restrictions. (This might include a description of (i) future policy in relation to the main currency areas and the various methods of restriction, and (ii) steps taken to minimize the undesirable incidental protective effects of the restrictions and to warn domestic producers that the restrictions are temporary. Ref.-XII: 2(b) and GATT/CP.4/55, paragraphs 18 and 19).

Section VII: Information Relating to Certain Products

Question 15 - Select a number of items representing a cross-section of the products subject to import restriction, which together comprise a substantial part of import trade, and for each item give as much as possible of the following information:

- (i) Describe the method of restriction;
- (ii) If discrimination between countries of supply is practised explain the necessity therefor, and state whether the discrimination is pursuant to paragraph 1(b) or 1(c) of Article XIV or to Annex J;
- (iii) Give details of any agreements or undertakings with other countries which are in effect or which were in effect in 1950;
- (iv) Give details of the import plan or programme, if any, to which the restriction is subject;
- (v) If import licences are used, give their significant provisions including their geographical scope; and
- (vi) If governed by Annex J state, if possible, the quantities admitted as "additional imports", and supply data showing the delivered prices and the price of comparable goods available from other sources.

(It is suggested that the items selected will not be adequately representative unless they account for at least 50 per cent of the imports of raw materials, food-stuffs and manufactured products, calculating each category separately. Contracting Parties which replied to the 1949 questionnaire (GATT/CP/39) should, as far as possible, select the same items as on that occasion).

Section VIII: Statistical Data

Question 16 - Supply statistical and other data for the three years 1948 to 1950 to indicate as clearly as possible:

- (i) the percentage of total imports which is free of restriction or subject to open general licence, and the percentages imported under the various methods of restriction described in answer to Questions 5 and 6; and
- (ii) the effects of the restrictions on total trade and on imports from various countries and from various currency areas.

NOTE: If the Contracting Parties decide to make a request for statistics on the lines of the proposal put forward by the Belgian Delegation at the Fourth Session (GATT/CP.4/D/7), the countries answering this questionnaire might be asked to furnish the data indicated in the following tables for the items dealt with in the answer to Question 15, giving details by currency areas and by countries of supply:

TABLE 1

Items restricted by Licence without the Fixing of Quotas

1	2	3	4	5	6	7
Stat. No.	Description of Products	Imports (by value and volume)			Licences issued in 1950	Licences issued in 1951
		1938	1949	1950	1950	in 1951
		:	:	:	:	:
		:	:	:	:	:

TABLE 2

Items for which global Quotas are fixed

1	2	3	4	5	6	7	8
Stat. No.	Description of Products	Imports (by value and volume)			Licences issued	Quotas	
		1938	1949	1950		1950	1951
		:	:	:	:	:	:
		:	:	:	:	:	:

TABLE 3

Items for which Quotas are allocated among countries of supply

Allocation fixed unilaterally

1	2	3	4	5	6	7	8
Stat. No.	Description of Products	Imports (by value and volume)			Licences issued in 1950	Total of Quotas	
		1938	1949	1950		1950	1951
		:	:	:	:	:	:
		:	:	:	:	:	:

TABLE 4

Items for which Quotas are allocated among countries of supply

Allocation fixed by bilateral agreements

1	2	3	4	5	6	7	8
Stat. No.	Description of Products	Imports (by value and volume)			Licences issued in 1950	Total of Quotas	
		1938	1949	1950		1950	1951
		:	:	:	:	:	:
		:	:	:	:	:	: