

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/110

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COUNCIL

## DOCUMENTATION ON NON-TARIFF MEASURES

### Proposal by the Director-General

1. At the thirty-fifth session of the CONTRACTING PARTIES in November 1979 it was agreed, as part of the future work programme of the GATT, that in the context of the continuation of the process of trade liberalization the secretariat should be requested to update the relevant information (SR.35/5, page 77 and Annex VI of L/4884/Add.1).
2. Under the provisions of the General Agreement and under special procedures established by the CONTRACTING PARTIES for the implementation of these provisions, contracting parties are required to submit notifications on a periodic basis or in connexion with certain trade policy actions. A separate proposal by the Director-General on notification and surveillance (C/111) deals with these notifications, some of which, e.g. State-trading notifications and notifications made to the Joint Working Group on Import Restrictions, are particularly relevant in this context. The updating of the tariff data base is being dealt with presently in the Committee on Tariff Concessions and proposals in this area will no doubt be presented to the Council by the Committee.
3. Important sources of information in the area of non-tariff measures are the Inventories of Non-Tariff Measures relating to trade in both agricultural and industrial goods (MTN/3E/DOC/5-10 and 12 series and MTN/3B/1-5 and Addenda, respectively). These Inventories have served a very useful purpose in the Multilateral Trade Negotiations, both in the search for multilateral solutions as well as in the bilateral and plurilateral negotiations on individual barriers. However, as the very result of the MTN, the Inventories have become unreliable and out of date and require a major revision. Many notifications have become moot either through lapse of time since their insertion into the Inventories some ten-twelve years ago or through the elimination of the underlying measures resulting from bilateral or plurilateral negotiations. An even greater number of measures representing in some cases entire sections of the Inventories are now covered by the different MTN Codes; these measures have been or will be brought into line by the signatories with the respective Code provisions.

4. In order to obtain as clear a picture of the situation on non-tariff measures in the post-MTN era as possible and for the reasons outlined in the preceding paragraph, it is proposed that the Council agree on an updating of the Inventories of Non-Tariff Measures according to the following procedure:

- (a) The Inventories will maintain their basic structure but the aim of the updating process will be to arrive at a full revision.
- (b) To this end, all contracting parties will be invited to confirm (in writing) within a period of four months<sup>1</sup> which of the notifications they had earlier made they wish to maintain. If no such confirmation were received within the time-period indicated, it would be assumed that the contracting party in question is no longer interested in maintaining the notifications and the latter would consequently be deleted from the Inventories.
- (c) It would be understood that contracting parties will at the same time also be free to amend existing or submit new notifications for inclusion into the Inventories.
- (d) Notifications should contain sufficient detail to make the nature of the problem clear.
- (e) It will be for each contracting party to decide whether it wishes to maintain or include notifications relating to measures covered by the different MTN Codes.
- (f) Before a notification is included in the Inventories, the contracting party maintaining the underlying measure will be asked for comments to be provided within eight weeks<sup>1</sup>, and these will be included in the Inventories together with the notification.
- (g) In cases where the inclusion or the contents of the notification is challenged, further information will be sought from the notifying contracting party. In these cases the contracting parties concerned might hold bilateral consultations with the aim of verifying the existence of the measure and its precise and complete description. The result of these consultations will be transmitted to the secretariat for appropriate action.

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<sup>1</sup>It would be understood that a limited extension of the time-period indicated could be requested in writing.

- (h) Notifications against non-contracting parties having participated in the MTN will be deleted from the Inventories.
- (i) General notes presently included in the Inventories and relating to various parts or sections of the Inventories will equally be deleted as outdated unless a contracting party expressly requests their maintenance.
- (j) As in the past, the Inventories will be open-ended, i.e. contracting parties will also at a later stage be free to request the inclusion of new notifications or the amendment or deletion of existing notifications, in order to make the Inventories as useful as possible for any future purpose.
- (k) The revised Inventories will be issued by the secretariat as early as possible and, as in the past, in loose-leaf format.