

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

CONTRACTING PARTIES

Eleventh Session

BELGIAN IMPORT RESTRICTIONS

Report of the Working Party

1. The Working Party has examined the First Annual Report submitted by the Belgian Government under the Decision of 3 December 1955, taken under the terms of the hard-core waiver of 5 March 1955. A government which has been granted a concurrence under this waiver is required to submit an annual report showing, inter alia, the progress made in the relaxation of the restrictions authorized, the measures taken to assure the elimination of the restrictions, and the reasons for further maintenance of the restrictions. The Working Party first considered the statement by the Belgian Government on the steps taken to harmonize agricultural policies with the Netherlands. Thereafter, the question of the measures to be taken to ensure the further progressive relaxation of restrictions was made the subject of a general discussion, whereupon the Working Party proceeded to a more detailed examination of the Report.
2. Disappointment was expressed over the fact that the Belgian Government had not supplied more precise information about the measures to be developed for the elimination of those restrictions which remain in effect. The Working Party took note of the statement by the Belgian representative of the reasons why a programme of future measures was not yet ready. The framing of a programme calls for extensive studies in order to find out what exactly are the most appropriate measures to be taken. Such studies are under way. They are conducted on a product-by-product basis, which is also the system under which the further relaxation will generally proceed. The final decision on policy will, however, have to be taken at a meeting of the Benelux Ministers. Unfortunately, this meeting was not convened at the time originally planned, and this is the reason why there has been a delay with the submission of the programme to the CONTRACTING PARTIES.
3. The Working Party took note of the promise of the Belgian representative that the result of the meeting of Benelux Ministers will be communicated to the CONTRACTING PARTIES immediately after it has been held.
4. The Working Party noted that the progressive abolition of quantitative restrictions is essential to the terms of the waiver and it would therefore be important to have a clear idea of the programme for further action. The view was expressed that the next Report should contain such information as would be necessary to form an opinion of the programme at the Twelfth Session.

5. It was asked what measures had been taken by Belgium with regard to applying specific minima to the ad valorem duties for perishable foodstuffs. The Working Party was informed that the whole question of replacing restrictions by other measures consistent with the General Agreement was being studied. As such measures have to be justified before the Parliament, and as the GATT has not yet been ratified by Belgium, a switch over to such alternative measures would, at the present time, meet with difficulties.

6. It was recognized by several members that some progress had been made towards relaxation. The measures taken are detailed in the Report of the Belgian Government.

There has been a complete elimination of import restrictions on yearling bulls, oxen and a few vegetable products. Quotas have been increased on saddle horses, and facilities for importing breeding cattle have been extended. Some importations of beef, veal and horseflesh have been permitted, and the imports of fresh sprats, fresh sea fish, shrimps and hops have been more liberal. Owing to adverse seasonal conditions, freer importation was allowed of wheat, barley and oats for sowing, and the open period for a number of vegetable and fruit products was extended. The Belgian Government, however, can give no assurance that the latter relaxations can be maintained until the full elimination of the restrictions. They have also declared their inability at this stage to make any relaxation in respect of dairy products, pig products, eggs and chicory roots.

7. The hard-core waiver implies that traders should have a clear indication of the amounts of goods which would be allowed to enter the country during an ensuing period. The opinion was expressed that lack of such advance data may by itself have a restrictive effect on imports. The Belgian Government was asked to supply details of import quotas in advance of the licensing periods.

8. In reply to a question whether there are import quotas also in open periods, the Working Party was informed that imports of seasonally restricted products into Belgium were subject to no quantitative restrictions in the open periods, and that, consequently, no import quotas were fixed for those periods. Import licences are necessary for exchange-control reasons, but they are issued automatically. Difficulties may, however, arise when the exporter asks for advance payment at a time when the importer has not yet obtained his licence. The Belgian authorities have made arrangements to grant licences sufficiently in advance of the date when the open period starts, so as to make it possible for the importer to have the goods ready for clearance at that time. Moreover importers in Belgium are free to negotiate contracts with exporters at any time during the year for delivery at the beginning of the open period. After having taken note of these explanations, the Working Party concluded that it would be valuable for exporters to have access to details about the administrative regulations applicable to imports during the open periods. This would be particularly important for exporters in remote countries who, for lack of information, may often find themselves in a worse position than exporters in neighbouring countries. It was suggested that the Belgian Government should publish such information.

9. The Belgian Government was asked, as foreseen in the Report of the Working Party at the Tenth Session, to furnish details of bilateral commitments. The information is appended to this Report.
10. The representative of the United States expressed his country's wish to enter into bilateral discussions with Belgium, on the subject of the granting of a fair and reasonable share of the Belgian market, as provided for in the Report of the Working Party at the Tenth Session. The Working Party noted that this suggestion was acceptable to Belgium.
11. Members of the Working Party addressed questions to the Belgian representative relating to the trade statistics for 1954 and 1955, which had been supplied by the Belgian Government. As regards imports, it was noted from the statistics that beef and veal are imported exclusively from the Netherlands. The Belgian representative explained that these imports, which relate only to fresh meat, are a recent phenomenon, caused by a rise in domestic consumption in Belgium; so far authorization has been given only for imports from the Netherlands. The product, moreover, falls under the system of minimum prices.
12. The statistics show that exports from Belgium of products covered by the waiver have, in several cases fallen from 1954 to 1955. The Belgian representative stated that there was no intention to increase exports of goods covered by the waiver, and that in 1956 exports have shown a decline under the influence of falling prices. The Danish representative restated his view, that a combination of quantitative restrictions and internal price support measures implied an incentive to the domestic production and might even lead to the creation of export surpluses. He therefore suggested that the Belgian Government should give special consideration to the elimination of the restrictions for commodities of which Belgium is a net exporter.
13. The Working Party took note of the observations of the Belgian Government regarding the reasons for maintaining restrictions and the measures being taken to make Belgian agriculture more competitive.
14. The Working Party recommends that the CONTRACTING PARTIES take note of the First Annual Report submitted by the Belgian Government and that the Belgian Government be requested to include in future annual reports more detailed information on:
- (a) the future programme of progressive relaxation;
 - (b) the reasons for maintaining particular restrictions;
 - (c) commitments under bilateral agreements regarding the import into Belgium of products covered by the waiver;
 - (d) import quotas and relevant administrative regulations. In this connexion the necessity for giving advance information to importers is emphasized.

ANNEX

BILATERAL ARRANGEMENTS OF BELGIUM

regarding the import into Belgium of products to which the

Decision of 3 December 1955 applies

<u>Tariff item number</u>	<u>Products</u>	<u>Amount of quota</u>
<u>Agreement between the B.L.E.U. and the Federal Republic of Germany. Supplementary Protocol of 1 July 1956. Quotas established for the period 1.7.56 to 30.6.57.</u>		
3 and 6	Bovine cattle for breeding, according to conditions laid down by the Belgian Minister of Agriculture	Belg. frs. 7,500,000
50,59,60,61	Fruit and vegetables (import authorized under the Belgian general regulations)	Belg. frs. 2,500,000
68,69,72	Wheat, rye and oats for sowing (300 tons)	Belg. frs. 2,500,000
87	Hops	650 metric tons of which 100 tons for Luxemburg
<u>Agreement of 10 July 1954 between B.L.E.U. and Italy, valid for one year and subsequently renewed</u>		
18	Meat salted, dried or smoked	Belg. frs. 10,000,000
43 a	Cut flowers	Belg. frs. 5,000,000
47	Fresh tomatoes	Unrestricted during the import period fixed by the Belgian Government
50 b 1	Cauliflower	Imports unrestricted 1 December to 1 April

50 d 4	Salads	1250 tons to be imported 1 January to 1 March
ex 50 f	Fresh broad beans and peas	Unrestricted 1 January to 1 June
ex 50 f	French beans	Unrestricted 1 January to 15 June
50 h 2	Fresh vegetables, n.s.m.	Unrestricted during periods fixed by Belgian Government
59 to 61	Other fresh fruits:	
	Peaches	Imports unrestricted to 31 July
	Plums	Imports unrestricted to 15 July
	Apples and pears	Imports unrestricted 31 May to 15 July
	Cherries and strawberries	Imports unrestricted to 1 June
ex 48	Onions	Unrestricted 1 February to 1 June
ex 49 a, b	Early potatoes	Unrestricted 1 March to 1 June

Agreement of 8 November 1952 between Belgium and Norway, valid for one year and renewed from year to year by tacit consent

	Fresh sea fish	800 tons
21 a 2 C	Other crustaceans (shrimps)	50,000 Norwegian Kroner

Agreement of 29 April 1955 between
B.L.E.U. and Czechoslovakia, valid for one year

Hops 425 tons

Agreement of 20 October 1954 between B.L.E.U.
and Sweden, valid for one year and subsequently renewed

Fresh fish (principally salmon
and eels) 350,000 Swedish Kroner

Protocol annexed to the trade agreement between
B.L.E.U. and France, covering the period 1 April 1956
to 31 March 1957

Cauliflower	Imports unrestricted 1 December to 15 April
Spinach	Imports unrestricted 1 January to 1 March
New potatoes	Imports unrestricted to 1 June
Fresh peas	Imports unrestricted 1 October to 15 May
French beans	Imports unrestricted 16 October to 1 June
Tomatoes	Imports unrestricted 1 January to 15 May
Salads	Import quota of 1,300 tons for the period 1 December to 31 March
Peaches	Imports unrestricted to 15 July
Plums	Imports unrestricted to 15 July
Cut flowers	Quota of 450 tons
Hops	Quota of 40 tons

Third Supplementary Protocol to the trade agreement
of 1 March 1954 between B.L.E.U. and the People's
Federal Republic of Yugoslavia, extended by an
exchange of letters.

	<u>Annual Quotas</u>	
Hops		150 tons

Trade agreement of 7 August 1956
between B.L.E.U. and Spain, valid for one year

Cut flowers	Belg. frs. 2,000,000
Various salads	450 tons to be imported between 1 January and 31 March

Other fruits and vegetables:

to be imported during periods fixed
by the Belgian authorities

