

GENERAL AGREEMENT ON
TARIFFS AND TRADE

L/3757
24 October 1972
Limited Distribution

URUGUAY IMPORT SURCHARGES

Decision of 24 October 1972¹

Considering the Decision taken by the CONTRACTING PARTIES under paragraph 5 of Article XXV on 8 May 1961² to waive the obligation imposed by Article II of the General Agreement to the extent necessary to allow the Government of Uruguay to apply surcharges on imports of specified products not exceeding specified rates and incidence;

Considering that the above-mentioned Decision, as amended, has been successively extended and is valid until 30 September 1972;³

Considering that the Government of Uruguay has requested a further extension of the Decision on the grounds that the surcharge is still needed as a means of safeguarding the balance of payments and the monetary reserves;

Having consulted fully with the International Monetary Fund under Article XV:2 and taken into account the assessment provided by the Fund; and

While urging the Government of Uruguay to develop a programme for adjusting its import régime so that a waiver of GATT obligations will no longer be needed;

the CONTRACTING PARTIES, acting pursuant to the provisions of paragraph 5 of Article XXV of the General Agreement and in accordance with the procedures adopted by them on 1 November 1956,

Decide to waive, subject to the terms and conditions laid down hereunder, the provisions of paragraph 1 of Article II of the General Agreement to the extent necessary to allow the Government of Uruguay to apply the import surcharges which were being effectively applied on 31 May 1972 under the relevant laws and decrees in force on that date, as a temporary measure taken as part of and in conjunction with its stabilization and development programme, to items specified in Schedule XXXI, it being understood that the surcharges shall be levied in a manner consistent with the provisions of Article I of the General Agreement.

¹The Decision was adopted by postal ballot. There were fifty-one votes in favour and none against.

²BISD 10S/51

³L/3728

Terms and Conditions

1. The import surcharges authorized by the present Decision shall be those existing on 31 May 1972 and neither the rates of the surcharges nor the basis for levying them shall be such as to exceed in incidence those being effectively applied on that date under relevant laws and decrees then in force. The Government of Uruguay shall transmit to the CONTRACTING PARTIES not later than 30 October 1972 a certified copy of all such laws and decrees and a certified list showing the products, by customs tariff number and commodity description, which are subject to the surcharges and the surcharge rates applying to them.
2. The import surcharges authorized under this Decision shall be applied only to the extent that the circumstances giving rise to their introduction shall justify their application and shall be progressively reduced or eliminated whenever possible.
3. In levying the surcharges authorized under this Decision, the Government of Uruguay shall take appropriate measures to avoid unnecessary damage to the commercial or economic interests of other contracting parties, and the impairment of regular channels of trade.
4. The surcharges authorized under this Decision will be applied exclusively for solving balance-of-payments problems and may not be applied for protectionist purposes or for purposes implying discriminatory treatment in favour of ships flying the Uruguayan flag.
5. The Government of Uruguay shall submit before 30 June 1973 a report on actions taken or planned to reduce or eliminate the surcharges authorized under this Decision.
6. If any contracting party considers that the effect of the surcharges maintained under this Decision is unduly restrictive and that damage to its trade is caused or threatened thereby, it may make representations to the Government of Uruguay, which shall accord sympathetic consideration to such representations and afford that contracting party adequate opportunity for consultation.
7. If such consultation does not lead to satisfactory results, the contracting party concerned may request the CONTRACTING PARTIES to invite Uruguay to enter into consultations with them. If, as a result of these consultations with the CONTRACTING PARTIES, no agreement is reached and if they determine that the effect of the surcharges is unduly restrictive and that serious damage to the trade of the contracting party initiating the procedure is threatened or caused thereby, the latter will be released from its obligations to apply to the trade of Uruguay concessions initially negotiated with Uruguay to the extent that the CONTRACTING PARTIES determine to be appropriate in the circumstances.

8. When the CONTRACTING PARTIES are called upon to enter into consultation with the Government of Uruguay under this Decision they shall consult fully with the International Monetary Fund to the extent provided for in paragraph 2 of Article XV of the General Agreement.

9. This Decision shall cease to have effect on the date on which all surcharges maintained under this Decision shall be eliminated, or on 30 June 1974, whichever date is the earlier.

10. Upon entry into force of the present Decision the Decision of 8 May 1961, as amended, whose validity has been extended until 30 September 1972, shall cease to have effect.