

**GENERAL AGREEMENT ON  
TARIFFS AND TRADE**

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CONSULTATION WITH HUNGARY

SIXTH REVIEW UNDER THE PROTOCOL OF ACCESSION

Addendum

Bilateral Consultations EC/Hungary

The following communication, dated 26 March 1986, addressed to the Chairman of the Working Party on Trade in Hungary, H.E. Mr. R.F. Nottage (New Zealand), has been received by the secretariat.

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Following your recommendation to conduct bilateral consultations to clarify the factual situation referred to in paragraph 4(a) of the Hungarian Protocol of Accession, we are pleased to inform you that these consultations took place on 4 March 1986 in Brussels.

Herewith you will find a copy of our joint report on this meeting. We would be grateful if this report could be circulated to the members of the Working Party on Trade with Hungary as an addendum to the Report.

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JOINT REPORT

By the Delegations of Hungary and of the  
European Community to the Chairman  
of the GATT Working Party on Trade with Hungary

In accordance with the recommendations made by the Chairman of the Working Party, the delegations of the European Community and of Hungary held consultations on 4 March 1986 with a view to clarifying the factual situation concerning the quantitative restrictions referred to in paragraph 4(a) of the Protocol for the Accession of Hungary to GATT.

The delegation of the Community gave the Hungarian delegation the necessary clarifications in regard to the problems of definition and nomenclature which the latter had raised. These clarifications show that some of the differences mentioned in the informal document furnished by the Hungarian delegation are not relevant.

Similarly, the delegation of the Community indicated that the restrictions mentioned in regard to Greece in the same Hungarian document had been eliminated on 1 January 1986, as announced in the Official Journal of the European Communities No. C.50 of 4 March 1986.

On the basis of the necessary clarifications furnished by the Hungarian delegation in regard to problems of definition and nomenclature, the two delegations found that some headings had been omitted from the notification of the Community; the latter will transmit to the Working Party a corrigendum rectifying those omissions.

With respect to restrictions applied vis-à-vis Hungary but also vis-à-vis other contracting parties, the delegation of the Community was of the opinion that those restrictions are not discriminatory vis-à-vis Hungary in terms of the Protocol for the Accession of Hungary to GATT. The delegation of Hungary underlined that since those restrictions are not applied on an erga omnes basis they are not consistent with Article XIII of the General Agreement. With respect to the Protocol of Accession to which the delegation of the Community had referred, the delegation of Hungary indicated that paragraph 4(a) of that instrument clearly referred to quantitative restrictions not consistent with Article XIII of the General Agreement.