

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Sub-Committee on Non-Tariff Barriers

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NON-TARIFF BARRIERS

Submission by the Government of the United States

1. The Trade Negotiations Committee agreed at its meeting on 19-20 September 1963, that the work of the Sub-Committee on Non-Tariff Barriers and other Special Problems should be based on proposals submitted in advance of the first meeting of the Sub-Committee. The following United States submission is in response to this action of the Trade Negotiations Committee.
2. Some countries continue to maintain non-tariff barriers that are not justifiable under GATT provisions and therefore impair or nullify the benefits contracted for in previous negotiations. These restrictions cannot be subject to further concessions and should be removed promptly. Progress in the removal of these non-tariff barriers, both agricultural and non-agricultural, should be weighed in determining whether reciprocal obligations have been assumed by parties in the overall negotiations. The United States proposes that the Sub-Committee assume responsibility for urging countries to hasten the removal of unjustifiable non-tariff barriers so as to improve chances for the success of the trade negotiations.
3. The contracting parties are aware that the United States attaches particular importance to the liberalization of non-tariff barriers impeding the expansion of agricultural trade and believe that these must be dealt with adequately in these negotiations. Many such barriers would fall within the field of responsibility of this Sub-Committee requiring either bilateral negotiations or treatment in a multilateral framework. The United States would thus intend to raise them in this context. Variable import levies and fees and minimum price systems would appear more properly to fall within the scope of the Agriculture Committee. The United States expects to deal with these restrictions in that Committee.

Methods of operation

4. The terms of reference of the Non-Tariff Barriers Sub-Committee charge it with recommending to the Trade Negotiations Committee "rules to govern and methods to be employed in the treatment of non-tariff barriers". While the types of questions which may fall within the field of action of the Sub-Committee have been conveniently outlined by the Chairman, the procedural aspects of the Sub-Committee's operations are largely undecided. A proposed method of operation of the Non-Tariff Barrier Sub-Committee follows:

(a) All non-tariff barriers placed before it by participants in the negotiations would be considered within the field of action of the Sub-Committee, except those of specific relevance to the Trade Negotiations Committee, Agricultural Sub-Committee.

(b) The Non-Tariff Barriers Sub-Committee would identify:

(i) Those non-tariff barriers more appropriately handled in the first instance through bilateral negotiations;

(ii) Those non-tariff barriers of more general application which might be referred to a working party of the Sub-Committee for further examination or negotiation; and

(iii) Those non-tariff barriers which might be handled directly by the Sub-Committee as a whole.

The United States anticipates placing before the Sub-Committee various non-tariff issues of a primarily bilateral character; for example, residual quantitative restrictions maintained by countries which have emerged from balance-of-payments difficulties and certain restrictions or practices in the agricultural field not being considered by the Agricultural Sub-Committee.

The distinction between issues to be considered by a **sub-committee** working party and by the whole Sub-Committee might be determined by the number of participants expressing interest in particular issues. It would not be determined by a desire to establish priorities among the various problems before the Sub-Committee. For example, government procurement, sanitary regulations, State trading, border tax adjustments, dumping and restrictive import policies on coal are issues which might appropriately be handled by working parties or by the Sub-Committee as a whole.

(c) The Sub-Committee would request periodic progress reports on these various bilateral and multilateral discussions. Where useful, the Sub-Committee or its Chairman could make suggestions or appoint special groups to make recommendations on specific questions emerging from the discussions.

(d) At the end of the trade negotiations, the progress made in the various non-tariff barrier negotiations being conducted under the aegis of the Sub-Committee would be taken into account in the striking of the final balance.

5. The United States may wish to submit at a later date further proposals for consideration by the Sub-Committee.