GENERAL AGREEMENT ON TARIFFS AND TRADE

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NON-TARIFF MEASURES

Note by the Australian Delegation

GATT/AIR/1144 of 20 February 1975 suggests that the Group on Non-Tariff Measures at its meeting on 4 March consider, inter alia, the selection of non-tariff measures on which negotiations should commence initially (paragraph 3(b)) and the establishment of procedures for negotiations "on non-tariff measures not dealt with multilaterally" (paragraph 3(e)). The French text uses the words "pour les mesures non tarifaires ne relevant pas d'un examen multilatéral".

At the meeting of the Trade Negotiations Committee on 11 February last the Australian delegation said that the negotiating plan for the liberalization of trade would need to go beyond tariff reductions. Import charges (of a kind other than customs duties) and other regulations of commerce have become relatively more important barriers to international trade as customs duties have been reduced as a result of unilateral action and successive rounds of tariff negotiations. To fulfil the objectives of the Tokyo Declaration the trade liberalization plan will therefore need to take into account non-tariff import and export charges including quantitative restrictions, variable levies and other restrictive regulations of commerce.

The Australian delegation agrees with the general view that each major category of measures e.g. quantitative restrictions, standards, subsidies and countervailing duties should be the subject of multilateral consideration. Where specific measures relate to particular products or items of trade and the measures have not already been eliminated or their trade restricting or distorting effects have not already been eliminated or acceptably moderated as a result of some general multilaterally negotiated solution, the trade liberalization plan should provide for the negotiation of the measures in relation to the relevant individual product or tariff item.

It is the Australian delegation's understanding that paragraph 3(e) of GATT/AIR/1144 covers this contingency; that is, irrespective whether a specific category of measure is taken up and considered multilaterally, procedures need to be

established for the negotiation of any measure which relates to a particular product if it has not already been eliminated (or its effects acceptably moderated) in accordance with a multilateral arrangement.

The procedures for the negotiation of product-related or item-related measures referred to above will need to be synchronized in a practical way with the negotiating plan for the reduction of tariffs and perhaps integrated with it as it will not be possible to assess the benefits of a tariff concession until it is clear that such a concession will not be impeired or frustrated by non-tariff obstacles to trade.

In cases where reciprocity is appropriate, the degree of reciprocity which would be associated with the negotiated removal of item-related non-tariff measures will be more clearly discernible in the light of the nature and scope of the negotiations on non-tariff measures of a multilateral kind and developments in respect of other elements of the negotiations.

The most appropriate procedures for negotiating item-related measures might depend upon the tariff negotiating procedures adopted by participating countries. The detailed development of procedures could perhaps be taken up in the Group on Tariffs which would draw up a trade liberalization plan taking such item-related non-tariff measures into account. On the other hand the Group on Non-Tariff Measures could possibly carry out this task in conjunction with the Group on Tariffs.