

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Group of Negotiations on Goods (GATT)
Negotiating Group on Non-Tariff Measures

RECOGNITION OF LIBERALIZATION MEASURES

Communication from Poland

In accordance with Section E of the Document on the Framework and Procedures for Negotiations I have the honour to transmit herewith the communication on "Recognition of Liberalization Measures" for distribution to participants.

Poland has embarked upon a radical process of transforming its economic system into a full market economy.

Substantial autonomous liberalization measures and legislative changes have been adopted by the Polish Government with a view to accelerate the structural adjustment process and to increase the openness of the economy. Detailed information on measures recently introduced in Poland is contained in "Memorandum on Poland's Foreign Trade Regime" (L/6714) that was distributed to the contracting parties on 7 August 1990 in connection with the renegotiation of the terms of Poland's accession to the General Agreement. The most important liberalization changes relating to non-tariff measures can be summarized as follows:

1. The State monopoly on foreign trade transactions does not exist any more. By virtue of the law on economic activity of December 1988, the trade related activities are open to all companies and individuals. No special permits are necessary to conduct foreign trade operations. Licenses are only required for trading in very few goods of special character (radioactive and nuclear materials and military equipment).
2. Quotas on imports of some goods were eliminated as of 1 January 1990. At present no import quotas are applied with the only exceptions of pure alcohol and vodka.
3. The number of goods covered by export quotas have been reduced significantly. The list of goods subject to export quotas or export licensing includes goods the trade of which is affected by international agreements or special arrangements.
4. Since January 1990, no subsidies have been granted, directly or indirectly to exports from Poland. Also all income and price supports to exporters have been eliminated.

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5. On 1 January 1990, the internal convertibility of the Polish currency was introduced which is based on a real and uniform exchange rate.

6. The customs tariff is, together with the exchange rate, the main trade policy instrument with respect to imports. Present customs tariff regime was notified to the contracting parties.

7. A closer link has been established between the domestic economy and the external trading environment also due to the elimination of most price controls and elimination of virtually all domestic subsidies.

In the light of the above the Government of Poland requests the Group to consider the possibility of granting the corresponding recognition for the application of autonomous liberalization measures in the Uruguay Round negotiations.