

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/W/199
19 May 1972

Limited Distribution

COUNCIL
29 May 1972

URUGUAYAN IMPORT SURCHARGES

At its meeting in November 1971 (C/M/74) the Council considered the Report of the Committee on Balance-of-Payments Import Restrictions on the Extension of the Uruguayan waiver on Import Surcharges (L/3618). The Committee reported that it had found itself in some difficulty in carrying out its terms of reference and considered that a full review of the situation would have to await the provision of further information. Consequently, the Council recommended to the CONTRACTING PARTIES an extension of the waiver for a limited period of time to enable the Uruguayan delegation to submit the information requested and the Committee to carry out a thorough examination.

For practical reasons, the Committee on Balance-of-Payments Restrictions has found it impossible to carry out the examination before the expiry of the waiver, as extended by the Decision of 19 November 1971, i.e. 31 May 1972. This examination is now scheduled to take place in the second half of June.

In the light of the foregoing the Council may wish to consider recommending to the CONTRACTING PARTIES to extend the time-limit of the waiver for a further limited period of time, e.g. until 30 September 1972.

In order to facilitate the consideration by the Council, the secretariat has prepared the following draft decision.

Draft Decision

Considering that the CONTRACTING PARTIES by Decision of 8 May 1961¹ waived, subject to specified terms and conditions, 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 provided for in its Decree of 29 September 1960, as a temporary measure taken as part of and in conjunction with its stabilization and development programme, to those items specified in Schedule XXXI enumerated in the table annexed to that Decision, on the understanding that the surcharges be levied in a manner consistent with the provisions of Article I of the General Agreement;

¹BISD, Tenth Supplement, page 51

Considering that the above-mentioned Decision was successively extended by Decisions of 20 July 1963, 31 January 1964 and 18 March 1964; extended and amended by Decision of 23 March 1965 and further extended by Decisions of 14 December 1965, 17 November 1967, 26 July 1968, 20 February 1970, 28 August 1970, 10 August 1971 and 19 November 1971¹, until 31 May 1972;

Considering that the Government of Uruguay has requested a further extension of the above-mentioned Decision on the grounds of continuing balance-of-payments difficulties;

Considering that a detailed and careful examination with the Uruguayan delegation of the balance-of-payments aspects of the import surcharge, and the effects of the revision of the Uruguayan surcharge system on the Uruguayan obligations under Article II of the General Agreement, is to be carried out in the second half of June;

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 that the Government of Uruguay be authorized to maintain the surcharges at present applied by it, subject to the relevant terms and conditions of the Decision of 8 May 1961 and the successive decisions mentioned above until 30 September 1972.

¹BISD, Eighteenth Supplement, page 36