

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

NTM/W/3
8 March 1983

Limited Distribution

Group on Quantitative Restrictions and Other Non-Tariff Measures

ORGANIZATION OF WORK

Note by the Secretariat

1. This note makes a number of suggestions relating to the organization of the work of the Group, point 2(B) of the draft agenda for the first meeting of the Group, which is contained in GATT/AIR/1884.

2. The Group might agree to the following three stage approach to its work:

Stage I Compilation of an adequate information basis for the work of the Group;

Stage II Review of existing quantitative restrictions and other non-tariff measures, the grounds on which these are maintained, and their conformity with the provisions of the General Agreement, so as to achieve the elimination of quantitative restrictions which are not in conformity with the General Agreement or their being brought into conformity with the General Agreement, and also to achieve progress in liberalizing other quantitative restrictions and non-tariff measures; and

Stage III Consideration of the Group's findings and conclusions, and preparation of its final report.

Adequate attention would be given to the need for action on quantitative restrictions and other measures affecting products of particular export interest to developing countries at each stage of the Group's work.

Stage I - Information basis

(a) Quantitative restrictions

3. It is suggested that the Group should aim to have available for each contracting party a comprehensive list of products subject to quantitative restrictions that it maintains. For each item on this list, the following information seems to be needed:

- (a) a full description of the products and tariff lines (or parts of tariff lines) affected;
- (b) the type of restriction; and
- (c) an indication of:
 - (i) the grounds on which the measure is maintained; and
 - (ii) relevant GATT provisions.

4. It is suggested that the Group would wish to use the existing documentation as much as possible and collect additional data only to the extent necessary. It is therefore suggested that each contracting party be invited to check the note by the secretariat setting out main documentation on quantitative restrictions (NTM/W/1), and provide additional or amended information on measures which they maintain to the extent this may be necessary to meet the above information requirements of the Group. Existing procedures also provide opportunities for governments affected by measures applied by others to notify these measures.

5. The attention of contracting parties is drawn to the list of different types of measures notified to the Joint Working Group (see Annex), which could be used as a guide for the present exercise.

6. With regard to agricultural products, the Group might agree that, during Stage I of its work, concerned with establishing an information base, it would not need to invite contracting parties to provide information on products falling under CCCN Chapters 1-24 as the Committee on Trade in Agricultural Products had already requested such information (AG/W/1, paragraph IA). It might also agree to consider at an appropriate time whether any further information should be collected.

7. The Group might also take note of the fact that information is already available on quantitative restrictions in the field of textiles and clothing which are applied by governments parties to the Multifibre Arrangement. It might, however, agree that information on quantitative restrictions applied by governments not parties to this Arrangement should be collected by the Group. Again, the Group might agree to consider, at an appropriate time, whether any further information should be collected.

8. The Group might also take note of information relating to quantitative restrictions maintained by countries consulting with the Balance-of-Payments Committee.

9. The Group might agree that the secretariat should present the information in a document which is comprehensive both in regard to product and country coverage. It might be agreed that this comprehensive document should make reference to other GATT documents containing information on quantitative restrictions on products in CCCN Chapters 1-24, on restrictions applied by governments parties to the Multifibre Arrangement and on those which have been reviewed in the Balance of Payments Committee.

10. Once an adequate data basis is available, the Group would consider how to take up Stage II of its work, i.e. the review, including procedures and content.

(b) Other non-tariff measures

11. In this area it is suggested that the Group might build on the inventories of non-tariff measures. Under the procedures adopted by the Council in March 1980 (C/110), it was agreed that these inventories would remain open-ended i.e. contracting parties are free at any stage to request the inclusion of new notifications or the amendment or deletion of existing notifications. It is suggested that countries avail themselves of these procedures to ensure the accuracy and adequacy of the existing information (e.g. in regard to the grounds on which measures are maintained) and, if any so wish, to submit further notifications concerning any non-tariff measures they feel the Group should include in, or delete from, its data base.

12. In relation to products falling under CCCN Chapters 1-24, the same approach as in respect of quantitative restrictions (see para.6) might be followed.

13. After the necessary time has been given to any updating and verifying of existing information, the Group would have to consider how to take up Stage II of its work, i.e. the review, so as to focus in particular on measures considered to be giving rise to trade problems.

(c) Developing countries

14. With a view to ensuring that adequate attention is given to the need for action on quantitative restrictions and other non-tariff measures affecting products of particular export interest to developing countries in the context of the preparation of the Group's information basis, it is suggested that such restrictions and other non-tariff measures would be identified on the basis of the products and measures listed in the recent documentation prepared in the context of the Committee on Trade and Development's work on trade liberalization in the areas of quantitative restrictions and other non-tariff measures, and tropical products (COM.TD/W/338/Rev.1, COM.TD/W/328-331, 334-335, 337-340, 344-345, 349, 351-353 and addenda and corrigenda). It would be open for developing country members of the Group to indicate any further measures affecting products of particular interest to them.

15. In the documentation produced for the group, it is suggested that such products would be clearly identified.

16. For assistance in this and other aspects of the work, developing countries so wishing could call on the secretariat technical co-operation services.

17. Once the factual basis is established, the Group would consider procedures for ensuring that adequate attention is given to the need for action in respect of the measures identified.

Suggested time-table

18. Having regard to the Ministerial decision that the Group should present its complete report containing its findings and conclusions for consideration by the CONTRACTING PARTIES at their 1984 Session, the following tentative time-table for the work of the Group is suggested, on the understanding that the various stages of the time-table may overlap and that it can be modified and additional meetings held as necessary, notably in relation to the requirements for information, and in the light of developments:

Stage I

- March - September 1983:
Preparation of Information to be Used as Basis for Review:
 - (a) Quantitative Restrictions:
 - 15 June 1983: submission of additional or amended information on quantitative restrictions;
 - (b) Other non-tariff measures:
 - 15 June 1983: new NTM notifications or requests for amendment or deletion of existing notifications;
 - 30 July 1983: comments on new or amended NTM notifications from contracting parties maintaining the measures notified.

Stage II

- October 1983 - April 1984:
Review to be Organized and Carried Out on the Basis of Documentation Established
 - mid-October 1983: meeting of Group to conclude stage (i), discuss procedures for review, initiate review and adopt progress report to Council;
 - April 1984: meeting to conclude stage (ii).

Stage III

- May 1984 - October 1984:
Findings and Conclusions, Final Report to CONTRACTING PARTIES.

ANNEX

Types of restriction included in JWG document

Restriction type

- BQ: Bilateral quota.
- GQ: Global quota - where restriction applies to goods of most, if not all, countries and where the amount of the quota is published.
- P: Denotes that imports are generally prohibited or embargoed, with the possible exception of purchases for government (e.g. defence) use.
- ST: State trading - an additional symbol indicates the degree of restriction involved, where attention was given to this question.
- AL: Automatic licensing.
- LL: Liberal licensing - where maintaining countries consider their licensing régime to be a purely formal requirement involving no restriction.
- DL: Discretionary licensing - includes cases where global quotas may have been established, but not published (see definition of GQ).
- IL: Individual licensing.
- L: Licensing (method unspecified).
- SUSP: (followed by country abbreviation) - where an import restriction has been suspended pending application of an export restraint by the country named in parenthesis.
- XR: (followed by country abbreviation) - the country in parenthesis operates an export restraint vis-à-vis the country shown as maintaining the restriction.
- MP: Minimum price system.
- SR: Seasonal restriction.
- R: Restriction (unspecified).
- R (East): A restriction (unspecified) applied to most, if not all, of the State-trading countries in Eastern Europe.
- Q: Quota
- Certain other restrictions (e.g. mixing regulations and screen quotas) are mentioned in individual boxes.