

PREPARATORY COMMITTEE OF THE INTERNATIONAL CONFERENCE
ON TRADE AND EMPLOYMENT

COMMITTEE II

QUANTITATIVE RESTRICTIONS

Memorandum submitted by the Belgo-Luxembourg Delegation

1. In its statement to the Plenary Session, the Delegation had expressed its approval of the fundamental principles outlined in the Charter suggested by the United States Government, namely, the renewal and development of trade between the various countries to be effected by relaxing the tariff regulations and the numerous existing restrictions as well as by forsaking discriminatory practices. The Delegation also insisted on the need for co-ordinating the trade policies of the various nations so as to avoid the necessity of re-establishing discriminatory and protectionist measures should economic disequilibrium arise. The Delegation, moreover, had emphasized the fact that the Belgo-Luxembourg Economic Union had already taken steps in that direction by allowing free importation and exportation of many commodities.

The Delegation favours progressive elimination of all quantitative restrictions, as set forth in the suggested Charter. In this respect, it wishes to point out that the joint tariff contemplated by the Customs Union of Holland, Belgium and Luxembourg will be lower than that which was in effect before the war; in this way it will contribute to the common effort made in order to lower tariff barriers.

The Belgo-Luxembourg Economic Union hopes that other nations will make corresponding sacrifices; should they fail to do so, it will have to consider, in conjunction with the Netherlands, the position in which their respective economy and trade would thus be placed.

2. The Delegation proposes that Article 19 paragraph 2(e) be replaced by the following:

"Import quotas on agricultural products, imported in any form whatsoever, when such quotas become necessary because of price depreciation on the domestic market due to the combined effects of national production and the importation of a particular commodity. Quotas may be applied as soon as price depreciation reaches the point where sales on the domestic market are effected below the normal price. By normal price is understood that which covers the cost price of domestic production."
