

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
LIMITED C
GATT/CP/93/Add.1
20 October 1951
ORIGINAL: ENGLISH

CONTRACTING PARTIES

QUANTITATIVE IMPORT AND EXPORT RESTRICTIONS

ADDENDUM

Note by the Executive Secretary on the statements submitted by contracting parties in response to GATT/CP/93

The Contracting Parties to the General Agreement, at their Fifth Session in November-December 1950 (GATT/CP.5/SR.21 and 25), decided to invite the contracting parties to submit statements describing the quantitative import and export restrictions they maintain under various articles of the Agreement which provide exceptions to the general rule for the elimination of quantitative restrictions in Article XI. As restrictions applied for balance-of-payment reasons, under the provisions of Article XII, were to form the subject of a separate inquiry such restrictions were not to be included in these statements. Contracting parties were also not expected to furnish any information the disclosure of which they would consider contrary to their security interests.

By document GATT/CP/93, of 11 January 1951, the contracting parties were asked to submit a description of each measure of restriction and of the methods used in its application, and a list of the products to which each measure is applied. These statements were to reach the Executive Secretary not later than 17 June 1951. Up to 15 October, statements have been received from the following 20 governments, and copies have been distributed to all contracting parties: ⁽¹⁾

Australia	Germany	Pakistan
Belgium	India ⁽²⁾	Southern Rhodesia
Canada	Italy	Sweden
Ceylon	Luxemburg	Union of South Africa
Denmark	Netherlands	United Kingdom
Finland	New Zealand	United States
France ⁽²⁾	Norway	

(1) In addition, the Government of Czechoslovakia has replied that Czechoslovakia does not maintain any quantitative restrictions on imports or exports such as those described in GATT/CP/93.

(2) The statement deals with export restrictions only.

The Contracting Parties instructed the Executive Secretary to study the statements received and to submit material which might be of interest to them. With this object in view these notes on the contents of the statements have been prepared.

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Contracting parties are permitted, under various provisions of the Agreement, to maintain or establish quantitative restrictions on imports or exports for certain specific purposes and in defined circumstances. Some restrictions which are thus permitted may be permanent, while others are allowed only for a temporary period. Articles XI to XXI contain the relevant provisions.

In their invitation to governments to submit statements of the restrictions which they maintain, the Contracting Parties did not ask for the justification of each measure in terms of the Agreement. Nevertheless, upon examining the information contained in the statements received, it appears that the most convenient way of describing the various measures is to classify them in accordance with the purposes they are intended to serve. The classification which follows does not relate the purposes to the provisions of the Agreement; moreover it is of a tentative character since some statements contain more information than others and the purpose of the measures is not always stated.

Import Restrictions

1. To protect health, morals, copyright, etc.
2. To prevent importation of the products of prison labour, counterfeit money, etc.
3. To protect quality, standards and specifications.
4. To ensure the use of correct trade descriptions.
5. To control the volume of imports, in connection with internal regulations affecting the control of prices, the grant of subsidies, the earnings of producers and marketing arrangements.
6. To control the end-use of imported products.
7. To assist other countries in the enforcement of their export controls.
8. To protect the breed of animals.
9. To protect domestic industry or agriculture.

Export Controls

1. To protect flora, fauna and national treasures.
2. To control the trade in arms and strategic materials.
3. To prevent trade in prohibited goods such as drugs, narcotics, gold, etc.
4. To protect qualities, standards and specifications.
5. To safeguard essential domestic requirements of products in short supply (including both consumer goods and raw materials for industry).
6. To offset the inflationary effect of a large foreign demand.
7. To increase earnings of certain currencies.
8. To strengthen controls over payments and transfers.
9. To ensure an equitable distribution of scarce products among purchasing countries.
10. To comply with commitments undertaken in bilateral trade agreements.
11. To assist other countries in the enforcement of their import controls.

Brief summaries of the statements received appear in the attached annex. These have been prepared on as uniform a pattern as the varying structure of the statements permits. They are not intended to contain reference to all the restrictive measures in force nor do they indicate the nature or variety of all the products affected.

It is suggested that these summaries be regarded as provisional. It will be appreciated if governments whose statements are thus summarized will supply comments or corrections where they consider that the summaries could more correctly or adequately reflect the principal contents of their statements.

A N N E X

SUMMARY OF THE STATEMENTS SUBMITTED BY CONTRACTING PARTIES
DESCRIBING
QUANTITATIVE IMPORT RESTRICTIONS
(OTHER THAN THOSE IMPOSED FOR BALANCE-OF-PAYMENT REASONS)
AND
QUANTITATIVE EXPORT RESTRICTIONS

A U S T R A L I A

IMPORT RESTRICTIONS

1. Customs Act, 1901-1950, and Regulations

Import prohibitions may be enforced on copies which would infringe copyright, on counterfeit money, on indecent articles, on products of prison labour, on butter substitutes, etc. There are three schedules of prohibited goods: the first are prohibited for the protection of the public, the second for purposes of control (but consent may be obtained from the Minister of Trade and Customs), and the third for the purposes of controlling quality, specifications and standards.

Certain scarce commodities such as linseed, jute piecegoods and yarn, petroleum products, whisky and tinsplate are subject to import licensing control to ensure equitable distribution within Australia and that the purpose for which they are used will be of benefit to the Australian economy. In addition, tea is subject to import licensing control in connection with a system subsidising the retail price.

2. Commerce (Trade Descriptions) Act, 1905-1950 and regulations

The importation of certain goods may be prohibited in order to protect the public unless they bear the correct trade description.

3. Sugar Agreement Act, 1946

The importation of certain products of cane sugar has been

prohibited in recent years in connection with a system for the stabilisation of the return to domestic producers.

EXPORT RESTRICTIONS

1. Customs Act 1901-1950 and Regulations

Under Section 112 export prohibitions may be imposed on arms and ammunition, flora and fauna of rare types, goods not manufactured under prescribed standards of purity or goods the export of which would threaten the security or revenue or result in deception.

There are seven schedules of restricted goods: the first refers to arms and ammunition, the second to prohibited goods such as opium, the third to goods conserved to meet domestic requirements, such as meat products, fertilisers, wheat, agricultural machinery, butter etc. The fourth and fifth schedules refer to goods which can be exported only with the permission of the Ministry of Trade and Customs; these include ale and beer, coal and coke, diamonds, rare species of animals and birds, drugs etc. The sixth and seventh schedules relate to goods the exportation of which to certain countries only is prohibited, e.g. flour to Eastern Canada, pork or veal to the United Kingdom or timber to New Zealand.

2. Banking Act 1945

Under this Act no person can take or send gold out of Australia without the consent of the Commonwealth Bank.

B E L G I U M - L U X E M B U R G

IMPORT RESTRICTIONS

A statement has been received showing the items for which quantitative restrictions on imports are imposed by the Belgium-Luxemburg Economic Union. These restrictions appear to be based on sanitary considerations or for protective purposes.

The import of horses or bovine cattle has been restricted for the purpose of breeding only. The imports of lard and certain types of meat and fish are prohibited. In most of the other items quantitative restrictions have been imposed. Some of the principal items are coffee, wheat, sugar, oil cakes, ladies' stockings - silk and nylon, sole leather, coke etc. Seasonal restrictions are imposed on the import of vegetables and fruits.

EXPORT RESTRICTIONS

A similar statement shows items for which quantitative restrictions are imposed on exports. These appear to be based on the necessity to conserve goods in short supply for local production or to prevent imported goods required for local consumption from being exported.

Export of such items as oil seeds, molasses, certain heavy chemicals, coal tar, newsprint, cotton, jute goods, metal scrap etc. is completely prohibited. Export quotas are fixed for other items such as wheat and wheat flour, edible and industrial tallow, coal and coke, sugar.

In the Belgian Congo and the territories of Ruanda-Urundi -

- (1) Export of sugar is absolutely prohibited
- (2) Export of rice and cassava is temporarily prohibited.

C A N A D A

IMPORT RESTRICTIONS

Canada restricts imports of a few commodities because of an undertaking with the United States to limit Canadian imports of certain scarce commodities, namely certain iron and steel goods, shearlings and sulphur and brimstone.

This control is made necessary because the United States does not apply restrictions on exports to Canada.

EXPORT RESTRICTIONS

Export controls are designed to achieve two purposes: to ensure an adequate supply of basic materials for industry and to control export of commodities of strategic importance.

For the first purpose, the export of goods in short supply, including certain types of fibres, textiles and textile products, wood and wood-products including logs of all species, iron and steel primary products like castings, ingots, pig-iron etc., non-ferrous metals and certain non-metallic minerals, is controlled.

The list of goods of strategic importance, permits for the exportation of which are necessary for any destination other than the United States, includes agricultural products like cotton, rubber, sugar, etc., certain varieties of fibres and textiles, paper, iron and steel machinery, non-ferrous metals and products, arms and ammunition etc.

Export controls are also maintained by the Canadian Wheat Board to enable it to carry out its function as the exclusive marketing agency for western Canadian grains.

C E Y L O N

IMPORT RESTRICTIONS

Import restrictions have been imposed for reasons of health or public morals or for protection of the flora and fauna of the country. Import of dangerous goods such as explosives, calcium carbide, arms and ammunition etc. has also been controlled.

Splints, veneers or boxes have been placed under import control in the interest of the manufacture of matches in Ceylon.

The Government is the sole importer of rice, sugar and flour as these are subject to rationing.

Import of black pepper, coffee, mustard, etc. is controlled to encourage the sale of local products.

The only control for revenue purposes is on the import of wireless apparatus.

EXPORT RESTRICTIONS

The export of indigenous birds and animals, certain kinds of live fish and eggs and forest produce is controlled "to control commercial exploitation". The export of adulterated tea and parts of tea plants and cinnamon is controlled to safeguard the interests of the industry concerned.

D E N M A R K

IMPORT RESTRICTIONS

Import restrictions, other than those for safeguarding the balance of payments, have been introduced for the sole purpose of safeguarding human, animal or plant health. The regulations cover the import of plants, seeds of Douglas spruce, honeycombs, manure, opium, morphine, etc.

EXPORT RESTRICTIONS

Scarce imported commodities and reasonable quantities of local production are reserved for home consumption. Exports are encouraged to countries with convertible currencies rather than to those with inconvertible ones. Moreover, Denmark's commitments have necessitated measures to ensure that exports are settled in conformity with existing trade agreements.

Apart from fish and fisheries products and commodities expressly indicated, all other commodities may be freely exported.

Quota commitments to the United Kingdom and other countries together with an existing shortage have resulted in export restrictions on bacon, butter, eggs, grain, grain products, feed stuffs, fertilisers, etc.

F I N L A N D

IMPORT RESTRICTIONS

Import restrictions other than those for balance-of-payments reasons are mostly for the purpose of protecting human, animal or plant life. These relate to imports of live animals, potatoes, seeds, etc. Quality control is imposed for import of butter, cheese, eggs and margarine. Special regulations apply to arms and drugs.

EXPORT RESTRICTIONS

All commercial exports, except those of round wood, are subject to licences. Licences are issued up to the limits fixed by trade agreements, although sometimes the limit is exceeded if foreign markets appear to offer additional opportunities.

There is quality control on exports of dairy produce, granite, berries etc., with a view to maintaining or improving marketing possibilities. Arms may be exported only by special permission.

F R A N C E

EXPORT RESTRICTIONS

The export restrictions are generally intended to offset the results of existing shortages due to the present international situation. These measures are regarded as temporary and France hopes to have them replaced by multilateral measures to ensure market stability and access to essential products.

The export of large dogs, counterfeits of copyright books and certain varieties of paper and cardboard is prohibited.

There are seasonal bans on the export of game and fresh water fish during the closed seasons.

The S.E.I.T.A. and the O.N.I.C. have export monopolies for their own products, tobacco and matches and food grains, coarse grains and rice respectively.

G E R M A N Y

IMPORT RESTRICTIONS

There is a general ban on imports in order to safeguard the balance-of-payments position, which however provides for the authorization of imports in individual cases. There are also traditional prohibitions and restrictions to protect security interests, public morals and human, animal or plant health. The issue of import licences depends on bilateral or multilateral commitments and the requirements of the country itself not covered by such arrangements.

Trade agreements also provide for seasonal restrictions in respect of fruits and vegetables.

EXPORT RESTRICTIONS

Exports are generally prohibited under Military Government Law No.53, but export licences are issued in individual cases.

A complete embargo is imposed on export of goods whose production by German persons or enterprises is prohibited under Allied Commission Laws. These include materials relating to atomic energy and certain articles, facilities, installations etc. of a strategic nature.

A number of commodities are subject to export licences. The exports of scrap, solid fuels, mineral oil, rolled products and rolling stock are governed by special procedures.

There are also traditional prohibitions and restrictions to protect security, life and health, public morals and national treasures.

I N D I A

EXPORT RESTRICTIONS

Restrictions on exports are maintained in order to conserve essential supplies for internal consumption and to effect an equitable distribution of available exportable surpluses among India's overseas customers at reasonable prices.

The export of certain commodities (among others arms, aircraft, certain drugs and chemicals, certain metals and machinery etc.) is prohibited. For most of these India depends to a large extent on outside sources.

Other commodities are licensed subject to quantitative limits. Major commodities such as jute goods, cotton piecegoods, oils and oilseeds, mineral ores, are exported up to fixed annual targets. Others are licensed freely subject to availability. These include raw wool, fire cement, certain chemicals, coal and coke, hides and skins, etc.

I T A L Y

IMPORT RESTRICTIONS

Imports of various items have been restricted in accordance with paragraph 2(b) of Article XI, to the extent necessary for application of standards or regulations for classification, grading or marketing of commodities in international trade.

Various laws relating to different commodities are referred to. Generally commodities the import of which is controlled include such items as live animals, salted bacon and meat, fats, coffee, olive oil, medicines, arms and explosives.

EXPORT RESTRICTIONS

Export restrictions are being applied in accordance with paragraphs 2(a) and (b) of Article XI with a view to preventing any possible shortage of goods available in limited quantities or for application of standards for classification, grading or marketing.

Goods which are available only in limited quantities and of which Italy is essentially an importing country are subject to quantitative export restrictions. Meat, rice and maize, wines, essential oils, silk are subject to restrictions for the application of standards. The export of fire-arms and explosives requires a licence.

N E T H E R L A N D S

IMPORT RESTRICTIONS

Imports are subject to veterinary and sanitary controls. Importation of livestock, meat, fish, poultry, eggs, dairy products, vegetables and fruits is permitted on condition that they conform to certain standards and are free from defects. Importation of cattle, horses, sheep and pigs is allowed only for improving the breed.

EXPORT RESTRICTIONS

Export licences and foreign exchange permits are required for all exports. Such licences are issued in the light of various factors relating to the nature of the commodity, the extent of internal demand, quota agreements etc. In the case of agricultural products controlled by a monopoly, the permission of the monopoly is also necessary.

N E W Z E A L A N D

IMPORT RESTRICTIONS

Import restrictions have been imposed through enactments such as Customs Import Prohibition orders or Orders-in-Council, the Health Act 1920 or special regulations relating to specified commodities. It appears that most of these restrictions are intended to protect public morals or secure compliance with laws which are not inconsistent with the provisions of the GATT or for protection of patents, copyrights or for purposes of health.

The list of articles import of which is restricted contains such items as live animals, articles which offend against the Sale of Food and Drugs Act or Footwear Regulations Act, live fish or poultry, citrus fruits, vegetables, secondhand clothing, wheat and wheat preparations, dangerous drugs, fruits and plants affected with disease etc. Imports of firearms, indecent documents or documents inciting violence or sedition and products of prison labour are also prohibited.

EXPORT RESTRICTIONS

Export regulations apply only to a limited range of materials in short supply and to exports which it is necessary to control for security reasons.

Some of the commodities subject to export control are arms and explosives, butter and cheese, fish, fresh vegetables, seal skins, frozen beef and veal, leaf tobacco and sheep.

N O R W A Y

IMPORT RESTRICTIONS

Norwegian import restrictions are primarily due to balance-of-payments difficulties. Restrictions on the import of some commodities like flower bulbs, live plants and animals and butter have been imposed for sanitary or veterinary control and special regulations cover the importation of arms and drugs.

EXPORT RESTRICTIONS

An export licence is required for all exports from Norway. Licences are as a rule granted automatically and there are only a few prohibitions relating to some fats. Exports to individual countries are allowed on the basis of quotas fixed for each under special trade agreements. No exports are subject to a state monopoly.

P A K I S T A N

IMPORT RESTRICTIONS

All imports are controlled by the Import Trade Control Notification No. 335/260/24 dated 12 June 1951. In order, as far as possible, to balance trade with different currency areas, exporting countries are classified into dollar area and non-dollar areas.

Licences are of two types - Open General Licences and Specific Licences.

Goods which are essential raw materials or consumer goods are covered by Open General Licences, although the 'hardness' of the currency of the exporting country is also taken into account. Open General Licences cover nearly 70% of the import trade and a wide range of commodities.

EXPORT RESTRICTIONS

Exports are controlled in accordance with the provisions of the Imports and Exports (Control) Act 1950. For purposes of control there are three categories of goods: (i) goods the export of which is banned, (ii) goods which can be exported under a licence and (iii) goods free from control or under open general licence.

Export policy differs in respect of different classes of goods. The licensing position of certain major items is given below:

- Jute - exportable to all countries free of licence but to non-American Account Areas, export is limited to quotas.
- Cotton - not subject to countrywise quotas but export licences necessary.
- Hides and Skins - cowhides, buffalo hides and sheepskins are exportable free of licence. Raw goat skins are subject to quota restrictions for non-American Account Areas.
- Wool - exportable without licence.
- Tea - exportable under licence within limit of export quota allotted.

S O U T H E R N R H O D E S I A

IMPORT RESTRICTIONS

Import controls extend to a limited number of commodities and have been imposed because of the local supply position or for reasons of quotas allocated by supplying countries as in the case of jute products or international allocation as in the case of wheat. Questions of local production and markets are also taken into consideration. Corn, millets, maize, butter, cheese, bacon and beef are some of the commodities the import of which is controlled.

EXPORT RESTRICTIONS

Export regulations also extend to a limited number of commodities and have been imposed mainly because of local shortages and the supply position in general. Among the commodities which are controlled are tobacco, butter, cheese, ground nuts, oil cakes, bacon, beef, millets, non-indigenous timber, cement, certain iron and steel products and jute and jute manufactures.

S W E D E N

IMPORT RESTRICTIONS

Certain food and agricultural commodities have been controlled for import in order to enable the authorities to carry out their agricultural programme. This is being done under paragraph 2 (c) of Article XI. Bovine cattle, meat, dairy products, rice, rye, wheat, barley, oil cakes, etc. are some of the commodities affected by import control. Import of some of these is subject to State trading.

EXPORT RESTRICTIONS

All exports require licences in principle but in fact exports to the American continent and OEEC countries have recently come under a system of "conditional free listing". The licensing procedure thus applies to exports to other countries and generally on the basis of quotas in bilateral agreements.

Commodities the export of which is controlled in accordance with paragraph 2 (b) of Article XI include pharmaceutical products, fish, certain kinds of seeds, meat and meat products, shoes and sole leather, butter, eggs, gold, silver and platinum works etc.

There is no total export prohibition except on opium, hashish and uranium.

U N I O N O F S O U T H A F R I C A

IMPORT RESTRICTIONS

From the tabular statement furnished by the South African Government it appears that a wide range of commodities is covered by import restrictions which have generally been designed for such usual purposes as protection of animal, human or plant health, copyright and the prevention of imports of counterfeit coins or dangerous weapons.

Similar import restrictions are applied by the territory of South West Africa.

EXPORT RESTRICTIONS

After the war South Africa has found it necessary to retain a modified form of export control with a view to preventing shortages of food stuffs and other essential supplies. The export regulations aim at ensuring that adequate supplies of local products will be available, conserving supplies of goods normally imported and of which there is a world shortage, conserving supplies which are imported from hard-currency sources and for safeguarding security interests.

Export restrictions apply to munitions, wool and wool skins, certain types of agricultural and animal products, sugar, coal, drugs and chemicals, cut or polished diamonds, gold and other valuable articles, etc.

Global export quotas are fixed and no shares are allotted to individual countries.

UNITED KINGDOM

IMPORT RESTRICTIONS

Import restrictions in the United Kingdom are based on the following general principles - protection of human, animal or plant life and health, public safety and morals, enforcement of domestic legislation or international agreements and the prevention of the import of prison-made goods. The domestic laws referred to are intended to prevent fraud or forgery, to protect species of animals, standards of quality, copyright etc.

In the case of dyestuffs, a protective quantitative restriction was imposed by the Dyestuffs Acts of 1920 and 1934 and is still being administered under that Act. Such protective use of quantitative restrictions is covered by the Protocol of Provisional Application.

EXPORT RESTRICTIONS

Export controls cover a considerable range of products and are imposed mainly in order to safeguard essential domestic requirements, for security considerations and to strengthen exchange control.

Some of the commodities controlled in order to safeguard essential domestic requirements are iron and steel, non-ferrous metals, raw cotton, flax, hemp, jute, coal, hides and chemicals.

The overall rate at which exports can be permitted is fixed and trade apportioned among exporters on the basis of their past trade. Rate of export to individual countries is determined by reference to domestic supply position, the needs of the country of destination and the need to preserve commercial connections.

UNITED STATES OF AMERICA

IMPORT RESTRICTIONS

Import restrictions have been imposed under the legislation and for the reasons listed below.

- (a) Agricultural Adjustment Act: Import quotas for cotton and wheat have been fixed to prevent interference of imports with domestic programmes affecting production or marketing.
- (b) The Sugar Act: All sugar for the United States market, whether domestic or imported, is limited by absolute quotas. Allocations among the respective sources have generally been apportioned according to their importance prior to the imposition of controls.
- (c) Second War Powers Act of 1942: Commodities subject to restrictions are butter, butter oil, flaxseed, linseed oil, peanuts, peanut butter, peanut oil, rice and rice starch, either because of short supply or to facilitate the orderly liquidation of temporary surpluses.
- (d) The Philippine Trade Act of 1946: Absolute quotas on imports have been fixed for rice, cigars, coconut oil, buttons of pearl or shell etc.
- (e) Copyright legislation.
- (f) The Neutrality Act of 1939 relating to arms and implements of war.

There are also the usual restrictions for the protection of public morals, human, animal or plant health, importation of gold and silver etc.

EXPORT RESTRICTIONS

Export restrictions fall into two broad categories. Those of a more permanent character are applied for special reasons and relate to military articles of various types, fissionable materials, gold, narcotics etc. Certain commodities such as meat, wheat and cotton, are subject to quality control. The scope of these restrictions is small. The emergency export controls, on the other hand, affect a broad range of products and are prompted by conditions of short supply in relation to world demand or by the current state of tension in international political relations. They are applied in order to protect the domestic economy from an excessive drain of scarce material and to reduce the inflationary impact of an abnormal foreign demand, to further the foreign policy of the United States and in order to exercise the necessary vigilance over exports for national security.

In the exercise of these export controls, various types of quotas are used depending on the category of goods and the requirements of various countries. Individual country quotas are determined by taking into account relative needs for continued operation of their industries, production of essential material in short supply, defence programmes and economic development programmes. The emergency export controls do not apply to Canada.

