

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/299

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DEFINITIVE APPLICATION OF THE GENERAL AGREEMENT

The Problem of Existing Mandatory Legislation

Note by the United Kingdom Delegation

1. At present the Protocol of Provisional Application permits governments to continue to apply measures inconsistent with Part II of the Agreement which are required by mandatory legislation existing on the date of the Protocol of Provisional Application (or, in the case of governments which have acceded under Article XXXIII, the date of the Ancey or Torquay Protocols).
2. In L/189/Add.1 the secretariat have suggested that, when the amendments which require acceptance by two-thirds of the contracting parties have entered into force under Article XXX, it will be desirable that the Agreement thus revised should enter into force definitively under Article XXVI; and three governments (the Danish, Norwegian and Swedish) have circulated (L/273, 275 and 276) proposals setting out precise provisions regarding definitive application with particular reference to the problems of existing mandatory legislation.
3. The United Kingdom delegation feel that discussion on this and other proposals relating to existing mandatory legislation would be facilitated if there were clearer information on the extent to which individual governments are in fact prevented by such legislation from complying with the provisions of the Agreement.
4. The United Kingdom delegation realize that it might be impracticable for some governments to produce in the time available information about all legislation of this sort, some of which might relate only to very detailed and relatively unimportant provisions. For the purpose of discussion, it would be sufficient if there were information about legislation relevant to the more important provisions.
5. Accordingly, the United Kingdom delegation propose that contracting parties should be asked to report, by as early a date as possible after the Christmas recess, and in any event by not later than 15 January, the relevant details of mandatory legislation which requires, or could require, action inconsistent with:
 - (a) the provisions prohibiting quantitative import restrictions except for balance-of-payments reasons;
 - (b) the provisions for the non-discriminatory and non-protective application of internal taxes and regulations;

- (c) the provisions relating to the conduct of state trading;
- (d) other provisions where the legislation involved might, if it remained in existence, create substantial difficulties for the government concerned in relation to its obligations under the Agreement.

6. The United Kingdom delegation would hope that in submitting information contracting parties would take account not only of the existing provisions of the GATT, but of the position which would arise if any of the more important amendments of the GATT at present under discussion were adopted.

7. The United Kingdom delegation further hope that governments, in submitting information, would give as precise as possible a statement of the legislative position with textual quotations where these would be helpful for a clear understanding and interpretation of the legislation.