

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/1376
18 November 1960

Limited Distribution

CONTRACTING PARTIES
Seventeenth Session

PROGRAMME OF ARRANGEMENTS AND PROCEDURES FOR CONSULTATIONS ON BALANCE-OF-PAYMENTS RESTRICTIONS IN 1961

Report of the Committee on Balance-of-Payments Restrictions

1. The Committee has considered arrangements and procedures for carrying out consultations required under Article XII:4(b) and Article XVIII:12(b) in 1961. For this purpose it reviewed the procedures and arrangements made for the consultations held in 1959 and 1960, and found these to be generally effective and satisfactory. The Committee therefore recommends that the same procedures and arrangements be adopted for the 1961 consultations.
2. At present, seven contracting parties, namely Austria, Denmark, Finland, Japan, New Zealand, Norway and South Africa, apply import restrictions under Article XII and are required to consult each year. The following contracting parties maintain restrictions under Article XVIII:B: Burma, Ceylon, Greece, India, Indonesia, Pakistan and Turkey. Among these contracting parties, which should have had consultations this year, Burma, Indonesia and Turkey have agreed that their consultations be postponed until 1961. The Government of Chile, whose import restrictions are governed by the unrevised provisions of Article XII, was invited to consult under paragraph 4(b) of that Article, but it was agreed that this consultation should also be completed in 1961. In addition, the CONTRACTING PARTIES may wish to hold in 1961 a consultation with Israel on its import restrictions applied for balance-of-payments reasons. Present indications are, therefore, that twelve consultations will be held in 1961.
3. The Committee recommends that the consultations be divided into two groups, to be carried out at two sessions of the Committee each lasting two or three weeks, as follows:

May or June

Austria
Burma
Chile
Indonesia
Turkey
South Africa

September or October

Denmark
Finland
Japan
New Zealand
Norway
Israel

¹These are set out in BISD, Seventh Supplement, pages 90-98, and Eighth Supplement, pages 73/76.

The Executive Secretary shall be authorized to revise the above schedule as required in consultation with the International Monetary Fund, the Chairman of the Balance-of-Payments Committee and the countries concerned.

4. As has been the case this year, meetings of the Committee should precede the sessions of the CONTRACTING PARTIES. If there should be only one session of the CONTRACTING PARTIES in 1961, one of the sessions of the Committee should be so scheduled as to precede or follow a meeting of the Council. The Executive Secretary should be authorized to determine the precise date of the meetings of the Committee in the light of the general programme of the CONTRACTING PARTIES.

5. The Committee recommends that the Committee on Balance-of-Payments Restrictions be re-appointed with a slight modification of its composition, as follows:

Chairman: Mr. L.V. Castle (New Zealand)

Australia	France	Norway
Belgium	Federal Republic of Germany	Uruguay
Brazil	Ghana	United Kingdom
Canada	India	United States
Denmark	Japan	

6. Pursuant to Article XV:2 the CONTRACTING PARTIES should consult with the International Monetary Fund in connexion with these consultations. The Executive Secretary should, therefore, be authorized to extend the necessary invitation to the Fund.

7. The Committee considers that the provision that has been made for the supply of "basic documents" has been invaluable. It notes that the quality of such documents depends predominantly on the co-operation that the governments concerned are prepared to give in their preparation. The Committee therefore urges once again that all contracting parties applying import controls and restrictions should keep the secretariat fully and regularly informed of changes in their control systems and transmit to it all relevant documentation. For many of the consultations held in 1960, the governments concerned supplied "negative lists" of products subject to restrictions. The Committee has found such lists to be most useful and almost indispensable in conducting the consultations. It is therefore urged that the governments consulting next year make such a list available to the Committee. This list should preferably be divided into sections classifying items under the various categories of restriction.

