

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

CONTRACTING PARTIES
Twentieth Session

AUSTRIAN IMPORT RESTRICTIONS

Memorandum by the Government of Austria

Austria has disinvoked the provisions of Article XII of the General Agreement in November 1961. Pointing to the difficulties which would result from an immediate and complete removal of all import restrictions for the Austrian economy, the Austrian Federal Minister for Trade and Reconstruction submitted to the ministerial meeting of GATT on 27 November 1961 a programme for the removal of the quantitative restrictions still existing. Their relaxation programme is based on the existing economic conditions in Austria.

The Austrian Federal Minister for Trade and Reconstruction was in a position to emphasize at the ministerial meeting in 1961 that the GATT liberalization of Austria, which had only started in 1960, had since very quickly progressed in spite of existing difficulties, and that Austria intended a further increase of the GATT liberalization rate from 50 to 70 per cent. The Austrian Minister for Trade and Reconstruction furthermore announced that this liberal trade policy would be pursued in 1963, taking into account the results of the economic development. In accordance with this declaration the GATT liberalization rate was increased on 1 January 1962 from 50 to 70 per cent. Furthermore some additional 110 tariff items were liberalized on 1 July 1962 for contracting parties. Thus Austria had accelerated the transitional measures in the direction of the removal of discriminatory treatment in GATT.

Convinced that all possible measures should be taken particularly towards the developing countries in order to contribute to an increase of their export earnings, and bearing in mind the necessity of a liberal trade policy, Austria has decided to increase its GATT liberalization, a few items excepted, with effect from 1 January 1963, and to raise it to the existing level of the OECD liberalization, i.e. to some 93 per cent of its imports. As from this date the developing countries will have in principle the same access to the Austrian market as OECD countries.

As far as the restrictions that will still exist thereafter are concerned, their gradual removal has already been initiated. On 1 January 1962 global quotas were opened, to begin with, for OECD countries with respect to all industrial and some agricultural products for which quantitative import restrictions still existed. These global quotas were increased on 1 July 1962 by 20 per cent and on 1 October 1962 a further 30 per cent increase took place. A further increase is scheduled for 1 January 1963. It is intended to extend these quotas to all GATT countries in the

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near future. On the basis of existing economic conditions Austria is also ready to enter into consultations in any case, where restrictions are still maintained, in order to arrive at solutions which take account of the interests of the countries involved.

Austria endeavours to support by all means at its disposal the efforts of the General Agreement, which is not only a valuable institution for the development of world-wide economic relations but also an excellent instrument for the promotion of mutual understanding between nations.