GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED
L/3655
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Limited Distribution

SUBSIDIES

Notifications Pursuant to Article XVI:1

1. In accordance with the Decision of the CONTRACTING PARTIES at the twentieth session (BISD, Eleventh Supplement, page 58), contracting parties should submit every third year, new and full responses to the questionnaire on subsidies contained on pages 193-194 of the Ninth Supplement (reproduced in the annex to this document). New and complete notifications should be submitted in January 1972. Subsequent notifications in 1973 and 1974 will cover changes to the basic notifications for 1972.

2. The secretariat draws the attention of contracting parties to the particular importance of complete and detailed notifications this year in view of the work presently being conducted on subsidies as part of the examination of non-tariff barriers under the auspices of the Committee on Trade in Industrial Products.

3. Responses to the request will be issued as addenda to this document.

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ANNEX

Notification of Subsidies

Reports should be made in writing for individual commodities and under the headings listed below. A suggestion of the type of information which might be included under each heading is shown within brackets:

I. Nature and extent of the subsidy

(a) Background and authority
(The reason for the subsidy and the legislation under which it is granted.)

(b) Incidence
(Whether paid to producers, to exporters, or in some other way; whether a fixed amount per unit, or fluctuating; if the latter, how determined.)

(c) Amount of subsidy
(Total cost estimated or budgeted or, when this is not feasible, cost in preceding year.)

(d) Estimated amount per unit.

II. Effect of subsidy

(a) Estimated quantitative trade effects of the subsidy; and the reason why it is considered that the subsidy will have these effects.

(b) Statistics of production, consumption, imports and exports:

(i) for the three most recent years for which statistics are available;

(ii) for a previous representative year, which, where possible and meaningful, should be the latest period preceding the introduction of the subsidy or preceding the last major change in the subsidy.