

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/4679
5 July 1978

Limited Distribution

MODALITIES OF APPLICATION OF ARTICLE XIX

Note by the Secretariat

1. The Council agreed on 6 June 1978 (C/M/126, paragraph 5), that the secretariat should be requested to prepare a study on Article XIX. The study should:
 - (i) describe the various discussions in GATT and the different opinions expressed concerning the provisions of the Article;
 - (ii) describe not only the formal modalities of the action taken, but likewise the modalities for its practical application (such as reference periods, apportionment of shares, etc.).
2. It was also understood that the objective of the study was the identification and tracing as clearly and precisely as possible of the consensus views of the CONTRACTING PARTIES on this matter.
3. The present note has been prepared in response to the Council's request and in light of the discussions in the Council leading up to the mandate (C/M/124, paragraph 15 and C/M/125, paragraph 11).
- I. Draft Charter for an International Trade Organization of the United Nations submitted by the United States
4. Prior to the first session of the Preparatory Committee held in London in the autumn of 1946, the United States submitted a draft charter for an international trade organization. Article 29 of this draft contained provisions for "Emergency Action on Imports of Particular Products". The Article made no reference to the question whether it was intended to be applied on an m.f.n. basis or not. However, an internal United States memorandum gives the following information regarding the historical background for the United States draft:

"These relevant provisions (of Article XIX) follow closely in substance those in the first detailed escape clause, contained in Article XI of the 1942 trade agreement with Mexico ... At the time the United States was putting escape clauses comparable to Article XIX into bilateral trade

agreements and was proposing the multilateral negotiation of comparable language it had no authority to take action under such a clause in other than a non-discriminatory manner and therefore must have contemplated its non-discriminatory use."

II. Discussions in Havana

5. At the Havana Conference (November 1947-March 1948) which took place after the GATT had been signed¹, the following interpretative note was added to Article 40 (GATT Article XIX):

"It is understood that any suspension, withdrawal or modification under paragraph 1(a), 1(b) and 3(b) must not discriminate against imports from any Member country, and that such action should avoid, to the fullest extent possible, injury to other supplying Member countries." (Analytical Index, page 108)

6. The first part of this note was recommended by Sub-Committee D on Articles 40, 41 and 43 which took up the matter following a proposal by the representative of the United Kingdom who "had found that ... paragraphs 1 and 3(c) might be liable to misinterpretation. There was no doubt in his mind that the action permitted under these provisions was intended to be non-discriminatory and to make this perfectly clear, his delegation proposed a new paragraph to be inserted after paragraph 3" (E/CONF.2/C.3/D/W.10 of 17 January 1948). The Sub-Committee agreed that the principle of this proposal be incorporated in an interpretative note (E/CONF.2/C.3/D/W.11 and 12).

7. The following alternatives had been suggested as a basis for discussion (E/CONF.2/C.3/D/W.12):

A. "Any suspension of obligations or withdrawal or modification of concessions in accordance with paragraphs 1(a), 1(b) and 3(b) of this Article shall be on a non-discriminatory basis consistent with the provisions of Articles 16², 22³ and 39⁴, and shall not extend to any of the obligations arising under these Articles."

¹The text of the General Agreement, dated 30 October 1947, was annexed to the Final Act of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment.

²Corresponding to present Article I.

³Corresponding to present Article XIII.

⁴Not taken over by the GATT.

B. "It is understood that any suspension, withdrawal or modification under paragraphs 1(a), 1(b) and 3(b) would have to apply to imports from all countries, on a basis which does not discriminate against imports from any Member."

8. The Sub-Committee adopted "a somewhat simplified version of Alternative B" (E/CONF.2/C.3/D/W.13) and made the following comment (E/CONF.2/C.3/37, paragraph 10):

"The Sub-Committee was unanimous in its understanding of this Article that action taken by Members under paragraphs 1(a), 1(b) and 3(b) - as distinct from paragraph 3(a) - should not involve any discrimination against the trade of any Member. As the text as drafted might leave room for doubts on this point, it was felt that this intention, as interpreted by the Sub-Committee, should be expressly stated in the Charter. The Sub-Committee decided therefore to recommend that this interpretation be embodied in a footnote attached to the Article and forming part of the Charter."

9. In the discussion of the report of Sub-Committee D in the Committee III (E/CONF.2/C.3/SR.32, pages 2 and 3), the representative of Czechoslovakia requested

"the deletion of the footnote because Article 40 concerned emergency action on import of particular products and was therefore an exception from the general principle of non-discrimination. The application of Article 40 would in many cases be discriminatory and the footnote might create a chain of withdrawals of concessions. Moreover, if the footnote was retained Article 40 provided no defence measure in the case of social dumping; the non-discriminatory application of quantitative restrictions in that instance would cause hardship to other Members."

10. The representative of the United Kingdom, on the other hand, stated

"that the intention of the Article was set forth in the footnote. Paragraph 3(a) offered counteraction against emergency actions; the phrase 'to the trade of the Member' showed a discriminatory characteristic not evident in the other paragraphs."

He said that the Sub-Committee

"considered (E/CONF.2/C.3/37, page 4, paragraph 20) that if there was a flood of imports due to social dumping, under paragraph 1 of Article 40 a non-discriminatory measure could be invoked for short-term purposes. For longer-term purposes, if another member was not complying with the provision of Article 40, complaint could be made" (under Articles 89¹ and 90²).

¹Corresponding to Article XXIII.

²Not taken over by the GATT.

He further stated that

"the general intent of Article 40 was to provide time to rectify possible miscalculations of a concession. Since concessions were negotiated on a non-discriminatory and most-favoured-nation basis, their withdrawal should also be on that basis ... The intent of the footnote was that any action, except that taken under paragraph 3(a), should be in conformity with the most-favoured-nation concept."

He was supported by the representative of Brazil, who still suggested a drafting change to the footnote to ensure this intention.

11. The representative of the United States added "that the footnote did not preclude the allocation of quotas provided for in Article 22 (GATT Article XIII)".

12. The footnote was further examined by a working party which added to the note the latter part "and that such action ... etc." (E/CONF.2/C.3/49), thereby giving it its final text which was approved by Committee III without comment (E/CONF.2/C.3/SR.34, page 7) and eventually incorporated in the Charter. No detailed records exist from the deliberations of the working party.

13. The Executive Secretary in an informal note of 26 May 1964 entitled "Rationale for Dealing with Market Disruption Through the Application of Article XIX", which was given to some delegations (Annex 2) stated, inter alia, that:

"there can be no serious question that the intention of the drafters of Article XIX was that action taken ... should be of a non-discriminatory character. This indeed is a logical counterpart of the provisions of Article I and Article XIII. This is also borne out by the legislative history ... The fact however that it was necessary to record this understanding in the legislative proceeding also suggests, however, that the language itself is not conclusive. It is also a fact that the drafters did not have the particular problem of market disruption in their minds, and we cannot necessarily assume that their intention with respect to Article XIX would necessarily have been the same if this particular problem had then been as acute as it has since become."

III. Second Session of the CONTRACTING PARTIES

14. When examining modifications to the General Agreement, the Working Party appointed by the CONTRACTING PARTIES at the Second Session in 1953 (BISD II, page 39, paragraph 3) limited amendments to cases where the retention of the present provisions of Part II would create serious difficulties for contracting parties. The Working Party accordingly recommended

the replacement of some articles by the corresponding provisions of the Havana Charter, but did not recommend such replacement of Article XIX. This fact seems to indicate that Article XIX, including its application on an m.f.n. basis, did not create serious difficulties for contracting parties at this point in time.

IV. Discussions in connexion with Japan's accession

15. An ad hoc Committee set up in 1953 to consider the conditions and timing under which the application of Japan should be pursued, examined the safeguard provisions in the General Agreement and considered, in particular, whether these safeguards would afford protection to the commercial interests of contracting parties in the event of violent disruption of international trading conditions.

16. Some countries felt that:

"the essence of the problem lay in the fact ... that emergency action under Article XIX would have to be non-discriminatory and would thus have to be applied to the trade of all contracting parties, including those which were in no way responsible for the circumstances requiring redress. It was recognized that extensive resort to such action would not be consistent with the attainment of the objectives of the Agreement and that such action if taken would be harmful to world trade generally. Moreover, Article XIX provides primarily for action by a contracting party whose domestic producers suffer injury and only in very limited circumstances for action by a contracting party which is not itself a producer of the goods in question." (L/76, paragraph 6).

17. It was suggested therefore, that Article XIX might be extended by adding to paragraph 1

"a new clause providing that if any product was being exported by a contracting party in such circumstances as to produce serious disruption of trading conditions and to cause or threaten serious injury to a significant sector or sectors of production of one or more contracting parties and if remedial measures could not be taken consistently with sub-paragraph (a) or sub-paragraph (b) of paragraph 1 or if taken consistently with these sub-paragraphs would cause severe damage to the interests of one or more other contracting parties, the contracting party into whose territory the product in question was being imported might suspend the application to any other contracting party or parties from whom the product was being exported of such obligations or concessions under this Agreement as it might deem appropriate. Having regard to the difficulties with which governments would be confronted if in such exceptional circumstances they were not free to take the emergency action which they felt to be required, certain members considered that paragraphs 2 and 3 of Article XIX embodied the

procedures and conditions appropriate to emergency action in the circumstances in mind. Other members, however, saw strong objections to any such extension of Article XIX. (L/76, paragraph 7).

18. Following a suggestion made that the disadvantages of Article XIX referred to above might be avoided by the use of Article XXIII, the Committee went on to consider this Article. In doing so, it appeared to it that the existence of the risk that remedial action consistent with the General Agreement would lead to a general raising of tariff levels and other barriers to world trade would create a situation impeding the attainment of objectives of the Agreement which would fall under Article XXIII:1(c). Countries might therefore bring a case under Article XXIII:2, under which the CONTRACTING PARTIES could authorize the application of safeguard action on a discriminatory basis. However, there was a difference of opinion as to whether an interpretation of Article XXIII along these lines was necessary or desirable and a draft declaration (idem paragraph 11) which was prepared on this matter was not adopted (BISD, Second Supplement, page 119).

V. The Review Session

19. In the 1954-55 Review of the GATT, Denmark, Norway and Sweden proposed to add a new paragraph at the end of Article XIX on the lines of the Interpretative Note:

"Any suspension, withdrawal or modification under paragraphs 1(a) and 1(b) must not discriminate against imports from any Member country and such action should avoid, to the fullest extent possible, injury to other supplying Member countries." (L/273, L/275, L/276).

20. As this proposal did not meet with general approval of the Sub-Group B of Working Party II, it was withdrawn. It appears indirectly, through the language used in connexion with another Scandinavian proposal on paragraph 2, that the Sub-Group considered both these amendments to be "unnecessary". (W.9/193, page 13).

VI. Preliminary suggestions by the Executive Secretary, May 1964

21. Bearing in mind the studies and discussions relating to market disruption and the negotiation of a safeguard clause which had selective application in the textile sector, the Executive Secretary made some "preliminary suggestions" in an undated note (Annex 3) after some two years of experience with the Long-Term Arrangement regarding International Trade in Cotton Textiles and at a time when the Kennedy Round was under preparation. This note was given a very limited and unofficial distribution. In a second note the Executive Secretary (see paragraph 13, Annex 2) explained the "Rationale for Dealing with Market Disruption Through the Application of Article XIX".

22. These papers have no legal status. They show, however, the extent to which thinking of some had developed with regard to the question of selectivity. The "preliminary suggestions" by the Executive Secretary launched the idea that "an understanding that discriminatory action can be taken under Article XIX should be accompanied by the introduction of strict procedures etc.". In his "Rationale" the Executive Secretary said, inter alia, that "the CONTRACTING PARTIES have at least tacitly, and in the Cotton Textiles Arrangement explicitly, recognized the existence of market disruption". From this he went on to suggest

"as worthy of examination is to place upon the existing provisions of Article XIX an interpretation which I think they can bear ... It could be argued that the situation results from a combination of the increase of the particular exports in question from the particular source, and the obligation to refrain from discriminatory measures to remedy the situation. If so it would reasonably follow that the obligation regarding non-discrimination could be suspended within the existing language of Article XIX ..."

This view expressed by the Executive Secretary on the possibility of selective application of Article XIX was contested by (at least) one major trading nation in an internal analysis of the legal situation.

VII. Article XIX actions in relation to regional integration agreements

23. The question of the modalities of application of Article XIX, i.e., the question of m.f.n. treatment versus selectivity, has been discussed on a number of occasions in relation to agreements presented under Article XXIV. Article XXIV:8 permits the maintenance of restrictions within a customs union or a free-trade area which are upheld in accordance with certain GATT provisions (Articles XI, XII, XIII, XIV, XV and XX). The fact that Article XIX does not appear in the list has given rise to uncertainty and controversy when several of these agreements were examined in GATT working parties. The following excerpts from GATT reports bear out the problems involved:

24. The reports adopted in 1973 concerning the agreements between the European Communities and Austria, Iceland, Portugal¹, Sweden and Switzerland all contain the following paragraphs:

"Some members of the Working Party expressed their concern that the parties to the Agreement seemed to interpret the provisions of Article XXIV:8(b) of the General Agreement so as to allow discriminatory application of Article XIX when safeguard action was being taken. They would like it to be understood in the Working Party that the reply given

¹The same views were reiterated in the 1977 report (BISD, 24S, page 73).

by the parties to the Agreement to the question on application of safeguard provisions did in fact mean that safeguard action would be taken on a strictly most-favoured-nation basis.

The representative of the European Communities called attention to the omission of Article XIX from among those mentioned in Article XXIV:8(b), which required the elimination of certain 'other restrictive regulations of commerce' as between members of the free-trade area. His authorities, accordingly, were of the view that they were free to exempt these members from possible restrictions imposed under Article XIX.

Some members could not accept that explanation. In their view, the invocation of Article XXIV did not mean that other Articles of the General Agreement should cease to apply; and these members could not agree that the invocation of Article XXIV permitted the discriminatory application of Article XIX." (BISD, 20S, pages 156, 169, 181, 194, 207).

25. A particular case involving the issue arose in 1973 when the Council discussed the action by the European Communities under Article XIX on magnetophones. On that occasion, Japan noted that the measures "did not apply to the associated countries and the other members of the Community, while Article XIX required global application". The EC replied that this was in accordance with Article XXIV (C/M/86). The matter was subsequently discussed in the 29th Session of the CONTRACTING PARTIES, where Canada supported the Japanese view. The representative of the European Communities stated that while Article XIX measures "should apply erga omnes, they need not apply to countries which had an agreement with the Community in accordance with Article XXIV. The Community was always prepared to enter into consultations and consultations had been held on this subject" (SR 29/1).

26. It might also be noted that in at least two other cases the measures were only being applied to third countries. The Federal Republic of Germany imposed import licensing on coal and coal products in September 1958 only for imports from non-ECSC countries (L/855, L/920). In August 1976, Australia imposed quantitative restrictions on chest freezers for all imports other than those under the existing special trading arrangements provided for in the New Zealand-Australia Free Trade Agreement (L/4387).

VIII. Article XIX and Part IV

27. The drafting history of Part IV of the General Agreement indicates that an escape clause action would fall within paragraph 1(b) of Article XXXVII (L/2195/Rev.1).

28. The Committee on the Legal and Institutional Framework recognized that the phrase "to the fullest extent possible in paragraph 1 could have the effect of leaving the applicability of the provisions in subparagraph 1(b) exclusively to the judgement of each contracting party" (L/2281, paragraph 4).

29. There have been no instances where Article XXXVII has been relied upon to exempt developing countries from actions taken under the provisions of Article XIX.

30. In 1971-72, after the introduction of Part IV, the Committee on Trade and Development discussed whether it was necessary to re-examine Article XIX in the new conditions (L/3625, paragraphs 19-21 and L/3760, paragraphs 43-46). Some delegations from developing countries proposed that for equity reasons and in light of Part IV, imports from developing countries should be exempted from the scope of action under Article XIX. Representatives of several developed countries stated, inter alia, that to require the discriminatory use of this Article might in fact encourage the use of quantitative restrictions and limit the ability of contracting parties to accept commitments for trade liberalization. One of these representatives felt that "serious injury" would be among the "compelling reasons" mentioned in Article XXXVII and this would place Article XIX situations outside the scope of paragraph 1(b) of the Article.

31. The question of differential treatment for developing countries was again dealt with in the Committee on Trade and Development in November 1973 (BISD 20S, pages 51-52). Developing countries supported proposals to the effect that

"where compelling and exceptional circumstances, which could not be corrected in a reasonable period of time through the introduction of adjustment assistance, required the introduction of safeguards, certain criteria and procedures should be observed by developed countries so as to minimize the effects on trade of developing countries."

Some representatives of developing countries suggested that safeguards against imports from developing countries might take the form of tariff surcharges while others suggested that consideration might also be given to the use of import quotas so as to permit higher growth rates for imports from these sources. Some representatives of developing countries also suggested that the least developed among them should not be subject to the application of safeguards. One representative of a developing country expressed the view that because a particular exporting country had caused market disruption, this did not justify other exporting countries having to suffer the consequences of disruption. Representatives of some developed countries held the view that as a market disruption situation caused by increased imports is of the same nature in practice whatever the origin of

the imports, differential treatment for any particular category of countries would seem difficult to envisage in a concrete manner. However, special consideration might be given to the interests of developing countries in the introduction of any safeguard action. The representative of a developed country referred to the principle of non-discrimination in the application of safeguards and suggested that consideration might also be given to the need for compensation and the right to resort to retaliatory measures. The representative of a developed country referred to proposals submitted earlier on behalf of a group of countries in the Committee on Trade in Industrial Products with respect to the selective application of safeguard measures and suggested that this was relevant also to the request for differential treatment.

IX. Discussions in the Committee on Trade in Industrial Products

32. The July 1973 Status Report of the Committee on Trade in Industrial Products (BISD 20S, pages 96-116) contained a suggestion concerning selective application (paragraph 76):

"Some delegations said that a balance must be struck between the interests of importers and those of exporters. A system should be created which would give sufficient protection against imports causing market disruption while not affecting other imports, and which provided adequate stability of concessions. These delegations said that the discussions should cover all the various elements, including the definition of injury, the imports to which action should apply, the scope and duration of action, the burden of proof, the procedure in urgent cases, consultations and international surveillance. Finally, consideration should also be given to the suggestion for the use of a panel procedure."

33. Some delegations from developing countries reiterated their view on the same occasion stating, inter alia, that it was inequitable that developed countries should apply safeguard measures, on a most-favoured-nation basis, towards exports of both developed and developing countries. It was suggested, among other things, that "no safeguard action against exports from developing countries, should be imposed by developed countries and if market disruption entailed the imposition of safeguard measures, the developing countries should be consulted beforehand" (*idem*, paragraph 77). Some other delegations held that in negotiations on safeguards it was necessary to consider a multilateral non-discriminatory system (*idem*, paragraphs 74-75). Similar views had also been expressed in the Committee's report of October 1972 (L/3756, paragraphs 60-64).

X. Case study of Article XIX actions

34. Through its history the GATT has received ninety-five notifications of emergency actions taken on the importation of particular products with recourse to the provisions of Article XIX. These actions are listed in

chronological order in Annex 1. The list does not include emergency actions notified without specific reference to Article XIX.

(i) Types of measures

35. Article XIX does not stipulate the type of measures which countries are allowed to take. It authorizes the suspension of obligations in whole or in part and the withdrawal or modification of concessions. In view of the fact that emergency actions under Article XIX are to be taken in respect of "such product" and not in respect of individual contracting parties, the indication is that Article I applies. Moreover, the m.f.n. clause in Article I:1 applies, among other things, to "customs duties and charges of any kind imposed on or in connexion with importation", as well as "the method of levying such duties and charges" and "all rules and formalities in connexion with importation".¹

36. As far as quantitative restrictions taken under Article XIX are concerned, the rules of Article XIII relating to non-discrimination would have to be complied with. The drafting history indicates this (see paragraphs 9-11 and 13). This Article lays down an obligation in paragraph 1 which is clearly of an m.f.n. character. The following paragraphs attempt to ensure this principle in light of the fact that any quantitative regulation or licensing system can have discriminatory effects.² Thus, for instance, when paragraph 2(d) authorizes contracting parties to seek agreement with respect to the allocation of shares in a quota, this agreement shall, when reasonably practicable, "be with all other contracting parties having a substantial interest in supplying the products concerned". It might be noted in this connexion, that a note by the Executive Secretary (L/1636 of 21 November 1961) which was generally supported by the CONTRACTING PARTIES (SR.19/8, pages 111-120) took up among other things the question of whether it is compatible with the provisions of the General Agreement to conclude bilateral trade agreements which specify, in terms of value or volume, products to be imported during certain periods or to employ separate lists of supplying countries, and grant different treatment in import restrictions to different contracting parties. According to this note, "what is relevant for the General Agreement is the effects on the trade of other contracting parties of any measures affecting trade which that government takes to make effective the provisions of the bilateral agreement ... It is, therefore, necessary to know the nature of the quota

¹Exceptions apply to certain measures, notably anti-dumping and countervailing duties.

²Paragraph 2(a-b) deals with global quotas (whether or not country-allocated) and import licences or permits. Paragraph 2(c) requires that licences or permits shall not (except where in accordance with paragraph 2(d)) be utilized for the importation of the product concerned from a particular country or source.

obligation provided for in the bilateral agreement and details of any measures affecting imports which are taken for the fulfilment of that bilateral obligation". On the Article XIII obligations it goes on to note, inter alia, that "restrictions will not be compatible with the provisions of Article XIII unless the quota restriction and the restrictions on imports from other contracting parties are "similar" ... and if the rules and criteria in Article XIII are met". The use of lists of countries would have to be examined in the light of essentially the same questions, inter alia, "whether the distribution of trade resulting from the restrictions is consistent with the provisions of Article XIII and whether all the requirements of that Article are met".

37. In the ten-year period up to and including 1958, actions in the form of increased tariffs dominated. Thus, out of a total of sixteen cases, thirteen took the form of tariff increases (two of which involved minimum values for duty, another one a combination with a surcharge and yet another one a tariff quota).

38. In the following ten-year period, i.e., 1959-1968, Article XIX was invoked thirty-six times. While tariff-type measures were still the most numerous, accounting for twenty cases (of which one was a tariff quota case and three others entailed special valuation methods), quantitative restrictions in various forms had by now become more common; sixteen actions of this sort were reported.

39. Since the beginning of the current ten-year period in 1969 the use of quantitative restrictions has become even more pronounced. Of the forty-three emergency actions notified under Article XIX, twenty-eight were in the nature of quantitative restrictions and fifteen represented tariff-type (including surcharge) action (of which four cases were coupled with tariff quotas). In one instance, an earlier licensing measure was replaced by regulating duties.

40. Relatively few details have been notified concerning the nature of the quantitative restrictions imposed. This is particularly true for the first twenty years under consideration. Global non-discriminatory licensing, quantitative restrictions open to all, general bans on licences, quotas without restrictions as to sources of supply have been notified around ten times so far without details having been given.

41. Global import restrictions and global tariff-type actions thus account for a little less than sixty cases altogether, or around 60 per cent of the ninety-five cases which have been reported so far. It would therefore seem that global actions so defined were considered by the countries concerned as efficient tools for coping with emergency situations of the sort envisaged in Article XIX.

42. In later years, measures have more often than before been resorted to which by their very nature might permit certain elements of discrimination to be introduced. On the assumption that the non-discriminatory requirements mentioned above were fulfilled, the presentation of cases below is not intended to imply a judgement as to the compatibility of these measures with the provisions of the GATT. No formal disapproval on behalf of the CONTRACTING PARTIES and very rarely any complaints by individual contracting parties have been registered.

43. With this qualification it might be noted that individual or discretionary licensing arrangements, country allocated quotas and quotas allocated to importers - measures which in practice may lend themselves more easily to discriminatory use - were implemented only four times in the first twenty-year period compared to twenty times since January 1969.

44. These figures may not give the full picture. They exclude a number of cases where quantitative restrictions or licensing arrangements were not specified or were not entirely clear with regard to their modalities or were notified as non-discriminatory without further details given. On the other hand, they include a number of cases where allocations of quotas or licences were either "individual" (without further specification) or were based on an historical performance of importers.

45. A number of actions of a quantitative and tariff-type nature have been linked to the price of the products concerned. In practice, such measures, although applied on a global basis, may have been selective in their application to one or a limited number of countries. In the current ten-year period, ten such instances have been notified, compared to eight during the preceding twenty years. Some of these measures took the form of special customs valuation methods levied for imports at lower prices during a short agricultural or horticultural season. In addition to these measures, there were a few cases in the earlier years where specific duties or surtaxes were replaced by ad valorem rates.

46. In 1976¹, an orderly marketing agreement combined with quantitative restrictions for imports from other suppliers, and in 1977² a further case involving a so-called voluntary export restraint, (accompanied by quantitative import restrictions for certain items in question) were notified under Article XIX.³ There have also been a few instances (in 1970 and 1978) where imports subject to some form of restraint on the part of the exporting country have been exempted from an Article XIX action.⁴

¹See Annex 1, case No. 75.

²idem, case No. 84.

³Included in the figure twenty in paragraph 43.

⁴See Annex 1, cases No. 57 and 95.

47. The case which prompted this study (L/4613) concerns restrictions on imports by the United Kingdom of TV sets from the Republic of Korea.¹ This case is the only one in the history of the GATT in which Article XIX action has unilaterally been taken on a discriminatory basis with regard to a single source of supply in a fully transparent manner.

48. For further details, reference is made to Annexes 1 and 5. Annex 1 also gives additional information, where available, on the allocation of quotas, reference periods, etc.

(ii) Duration of measures

49. Annex 4 shows in a tabular form modalities with regard to the duration of Article XIX measures which have been taken since the first case was notified in 1950. Twenty-nine actions were or have been in force for less than one year. Twenty-five actions had or have had a duration between one and three years, and twenty-six actions have lasted for more than five years. Fifteen cases are left for the three to five years bracket. Excluding the twenty-five unexpired actions introduced in the last five years, eighteen actions have had a duration of up to one year, fourteen actions have been in force between one and three years, and twelve cases between three and five years.

(iii) Compensation and suspension of substantially equivalent concessions

50. Annex 1, column 6 and Annex 6, contain information about compensation paid to individual contracting parties following Article XIX actions. They also show individual contracting parties which have formally withdrawn substantially equivalent concessions pursuant to Article XIX:3.

51. While the available information on compensation granted may not be complete, it would appear that in eight cases, compensation was given following consultations pursuant to Article XIX:2. In a further nine cases compensation was granted in the context of renegotiations under Article XXVIII.

52. Suspensions of substantially equivalent concessions pursuant to Article XIX:3 have occurred four times; one of these suspensions was related to two separate Article XIX actions. The suspensions occurred in 1952, 1962 and 1974. In 1968 an action under Article XIX:3 was proposed, but not implemented, following the modification of the emergency action taken.

¹See Annex 1, case No. 86.

Annex 1
ACTIONS ON IMPORTS OF PARTICULAR PRODUCTS TAKEN WITH RECOURSE TO ARTICLE XIX

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product ¹ (4)	Measure taken (5)	Affected countries ² (6)	References (7)
1	1.12.50	XXVIII:4 reneq. June 56	US	Women's fur felt hats and hat bodies	Value bracketed ad valorem duties replaced by compound rates for products between certain prices	Austria, Czechoslovakia, France, Italy, UK Compensation to France, Italy at Torquay	GATT/CP/83, GATT/CP/5/22, GATT/CP/106, SECRET 63 Add 1-2
2	9.2.52	14.9.58	US	Hatters' fur	Ad valorem duty replaced by compound rates subject to an ad valorem floor and ceiling	Argentina, Belgium, France, Benelux took Article XIX:3 action 22.5.52	SECRET/CP/19 & Add 1 GATT/CP/140 & Add 1, L/9, L/851 & Add 1
3	30.8.52	XXVIII:4 reneq. in 1966 (nomencl. rev.)	US	Dried figs	Specific duty increased	Greece, Italy, Turkey. Turkey took Art. XIX:3 action 23.2.53. In said negotiations compensatory reductions were made by US to a number of countries	AIR/23, L/14, L/40 L/44, L/57, L/72, L/83 L/145, L/147, L/161, L/284, L/2592, G/39, G/70 BISD 1, p.28
4	1.7.54	30.6.59	US	Alsike clover seed	Specific duty increased for imports above a fixed annual quota, which was increased 1 July 1955 and 2 July 1957	Canada, Belgium	AIR/47, L/216, L/662, L/1532 & Add 1

¹The product description is in some cases abbreviated.

²Incomplete information; based on claimed interest or on information concerning principal or substantial suppliers furnished by governments taking actions. In some instances, largest suppliers have been indicated in statistics made available.

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
5	March 1955	XXVIII reney. Oct. 1955	Greece	Apples	Specific duty replaced by increased ad valorem duty plus 75% surtax.	Canada, which was compensated in said negotiations	L/346 & Corr.1; unpublished Canadian letters dated 21.5.62, 6.5.63, 7.4.70.
6	19.8.55	XXVIII:4 reney. Jan. 1961	US	Bicycles	Duties per unit increased, as well as floors and ceilings with respect to ad valorem equivalents.	Austria, Belgium, Netherlands, Germany, UK (all compensated in 1956); France, Italy.	AIR/77, 79 & 214, L/433, 6/PSC, C/M/2, SECRET/136/Add.1-4
7	26.7.56	XXVIII:4 reney. 1966 (nomencl. rev.)	US	Towelling of flax, hemp or ramie	Ad valorem duty increased	Belgium, Japan, Netherlands, United Kingdom, Compensation to Benelux, United Kingdom in June 1957. See also item 3 above.	AIR/90 & 92, L/548, L/573 & Add.1, L/2592
8	3.10.56	reney. under XXVIII:1 June 1961	Greece	Electric refrigerators	Ad valorem duty increased	United States, which was compensated in said negotiations	L/541, L/575, SECRET/131/Add.7 letters unpublished of 21.5.62 and 7.4.70)
9	14.6.57	14.12.57	Canada	Strawberries	Minimum values for duty; (increased specific duties)	United States	L/642

¹ 12 December 1960 US Supreme Court invalidated the action on one out of 4 sub-items in question.

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
10	9.11.57	XXVIII:4 reneg. Feb.1961	US	Spring clothespins	Specific duty increased.	Benelux, Denmark, Hong Kong, Sweden. Compensation to Denmark, Sweden, Benelux in said negotiations	L/757 & Add.1, L/758 SR.12/21, AIR/128 & 214, C/M/2, SECRET/136/Add. 5-7
11	29.11.57	28.1.66	US	Safety pins	Ad valorem duty increased.	Germany, Japan, United Kingdom. Compensation to Germany, UK in Jan. 1962	AIR/105, L/624 & Add.1-2, AIR/125, L/1746, L/2565
12	12.2.58	15.6.59	Canada	Frozen peas	Minimum values for duty; (increased specific duties)	United States (only supplier)	AIR/124, L/1017
13	27.2.58	15.5.58	Australia	Printed cotton textiles	Ban on import licences. Japan had agreed to reduce exports already covered by licences and firm orders. Licences thus redundant might not be used to import from any other source, but might be used on other categories of goods from any country.	Japan	L/797 & Add. 1-2
14	22.5.58	7.1.66	US	Clinical thermometers	Ad valorem rate increased.	Japan	L/803 & Add.1 & Corr. 1 & Add.2, AIR/138, L/2566

¹ Modified 1 April 1958. Licences issued against other quotas (B Category or Bank C16 quotas). However, the value of the licences issued to any individual quota holder would not be in excess of his imports in the same licensing period in 1957. Further, of the total value licensed not more than 50 per cent could be imported prior to 30 June 1958.

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
15	4.9.58		Germany	Hard coal and hard coal product	Repeal of general licence from countries outside the ECSC. Further contracts subjected to individual licensing.	Norway, United Kingdom, United States	L/855, L/920
16	1.10.58	22.10.65 (ores and concentrates) 22.11.65 (metals)	US	Lead and zinc	Separate country allocated quarterly quotas representing 80% of average competitive imports during 1953-1957.	Canada, Mexico, Peru for lead and zinc; Australia, South Africa, Yugoslavia (lead)	L/819, L/859, L/940, L/1078, L/2489, IC/SR.41
17	1.1.59	1.1.61 (XXVIII:1 renege. with effect from same date)	Austria	Porcelain	*Specific duty increased	Czechoslovakia, Germany which were both compensated prior to action	L/863 & Add.1, SECRET/120 & Add.1-3
18	1.4.59	20.5.60 (new tariffs introduced)	Australia	Footwear	Import licensing issued to the extent of 100% of imp. during fin. year 1956-57. All footwear transferred from licensing categ.B (under which quotas were interchangeable among a wide variety of goods) to categ.A (under which quotas were related to particular goods). The effect would be to reduce substantially only the rate of import of casual footwear. The background for the measure was a marked increase in licences issued for imports from Hong Kong and other sources since Japan agreed in Dec. 1958 to exercise export restraints on casual footwear.	Japan, Hong Kong	L/974 & Add.1-2

¹ Modified 1 August 1959 (for some items 100% of 1957-58 imports for some items 55%, for another 50%

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product ¹ (4)	Measure taken (5)	Affected countries (6)	References (7)
19	1.11.59	11.10.67	US	Stainless steel flat-ware	Various compound duties replaced by increased ad valorem duties or compound duties depending on the article, for imports valued under certain price when imported in excess of a tariff quota. Quotas increased and over-quota rates reduced 7.1.66 retroactively to 1.11.65.	Japan	L/791, L/1076 & Add.1, AIR/177, L/2543, L/2953 see also item 62.
20	30.5.60	17.7.61 (new tariff introduced)	Australia	Motor mowers and engines	Global non-discriminatory licensing of engines for motor mowers at 25% of requirements for other engines at 100% of requirements; for motor mowers at 100% of 1959 imports.	United Kingdom, United States	L/1217 & Add.1, AIR/204, L/1527
21	22.9.60	11.10.67	US	Cotton type-writer ribbon cloth	Duties increased to various higher ad valorem rates.	Germany, Japan, United Kingdom, UK compensated Jan, 1962	L/1313, W.17/13, L/1746, L/2953
22	26.5.61	XXVIII:1 reneg. 31.12.64	Australia	Piecegoods and non-pile fabrics, wollen	Compound duties (piecegoods) and ad valorem duties (fabrics), replaced by higher temporary duties.	Italy, United Kingdom, France, Germany, Japan, U.K., Benelux EEC was compensated in said negotiations.	L/1497, AIR/243, L/1546, L/1612, L/ 1638, L/2455, SECRET/156/Add.4

¹ In March 1958 the President had decided that "a full evaluation of Japan's voluntary export limitation system was necessary because of the promise it held of relieving the situation... In July 1959 after a supplemental investigation another report was submitted. It is on the basis of this entire investigation and history that the action... is taken" (L/1076).

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
23	14.12.61	-	Nigeria	Cement	Import licences prohibited, except for contracts concluded prior to 14.12.61	Germany, Israel, United Kingdom	L/1781
24	17.6.62	1.2.74	US	Sheet glass (principally window glass)	Increased specific duties varying with type of glass (concession partly restored 11.1.67, 1.5.72, 1.2.73)	EEC, (UK), Japan (compensated Dec. 1962); Sweden (compensated Dec. 1967), EEC took Article XIX:3 action 4.6.62; partly restored 1.6.67; fully restored 1.1.73	L/1509 & Add.1-3, L/1803, L/1951, L/1959, L/2743, L/2784, L/2953, L/2959, L/3316, L/3317, L/3664, L/4188
25	17.6.62	1.1.73	US	Wilton and velvet carpets	Ad valorem duty increased (concession partly restored Jan. 1972)	EEC, Japan, Sweden. Compensation to UK and Japan Dec.1962. Article XIX:3 action: see preceding item	L/1530 & Add.1-3, L/1803, L/1951, L/1959, L/2953, L/3378, L/4188
26	9.7.62	11.1.64 (new tariff introduced)	Australia	Timber	Non-discriminatory global quota licensing on basis of 25% of imports in the 2 year period ending 30.6.62. Firm orders at 8.7.62 were licensed with debit where necessary against future quotas for the relevant timbers.	Canada, Brazil, British Borneo, Malaya, United States	L/1812 & Corr.1 & Add.1-2

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
27	31.7.62	XXVIII- Reneg. May 67	Australia	Parts for re- frigerating appliances	Additional specific duties for some parts, additional ad valorem duty for others, on top of bound ad valorem rate	United Kingdom, United Statés	L/1819, L/2791, SECRET/156/Add.7
28	3.8.62	4.6.63	Australia	Antibiotics	Non-discriminatory quantita- tive licensing on an admini- strative basis. Licensing periods of 6 months. For cer- tain antibiotics: 1 imported unit per each 9 locally pro- duced unit purchased after 2.8.62. For others, licences issued at annual rate of 20% of 1961/62 imports.	France, United Kingdom, United States	L/1820 & Add.1
29	12.10.62	XXVIII- Reneg. May 67	Australia	Forged steel flanges	Additional ad valorem duty	Germany	L/1863, L/2791, SECRET/156/Add.4
30	5.11.62	28.2.64 (new tariff introduced)	Rhodesia Nyasaland (from 1.1. 64 Southern Rhodesia only)	Cotton & rayon piecegoods	Import restrictions on pro- ducts of a certain weight and valued under a certain f.o.b. price per sq.yd.		L/1898, L/2213

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
31	27.2.63 ¹	XXVIII- reneg. 22.4.65	Australia	Linseed oils	Duty free entrance and specific duties (depending on tariff item) replaced by increased duties	Argentina, India,	L/1981, L/2455
32	23 & 26 Feb. 1963	- ²	Peru	Lead arsenate and valves, respectively	Specific duty introduced on duty free lead arsenate; increased specific duty on valves	United States	L/1979, L/1896
33	24.2.64 ³	9.3.64	Austria	Chicken eggs	Suspension of the liberalization	-	L/2148 & Add.1
34	15.2.64	31.12.70	France ⁴	Foundry pig-iron	Introduction of specific duty, whenever higher than the ad valorem duty. Minimum protection reduced Nov. 1966	Benelux, Australia, Canada, Germany, Norway, Spain, Sweden, Finland, United Kingdom	L/2139, L/2183, L/2197, L/2531, L/2532, L/2536, L/2719, L/2731, L/3165, L/3170, L/3505
35	15.2.64	31.12.70	Italy ⁴	Foundry pig-iron	As above	Germany, Spain	L/2197, L/2536, L/2719, L/3505

¹ Date of notification to the Secretariat.

² Article XIX was invoked pending completion of Article XXVIII:4 renegotiations of a number of products. Negotiations with US were completed in November 1966, but no information on arsenate and valves is contained in the relevant document (SECRET/171/Add.2)

³ Date of L/document

⁴ Recommended by ECSC, but affected only France and Italy's obligations. The disinvocation was made by EEC.

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
36	14.5.64	XXVIII/4 reneq. March 68	Australia	Heat resisting glass-ware of a minimum price	Specific duty introduced for imports valued over certain f.o.b. price	France, United Kingdom United States, EEC compensated in said negotiations	L/2220, C/M/21, AIR/529, C/M/33, SPEC(67)6, L/2985
37	10.12.64	-	Germany	Petroleum and shale oils etc.	Import licenses introduced	-	L/2321 & Corr.1
38	4.3.65	1.9.65	Australia	Copper, brass sheet and strip	Quantitative restrictions introduced during a period of temporary shortage of Australia - produced unwrought copper	-	L/2373. L/2474
39	22.4.65 ¹	31.5.71	Greece	Tyres	Specific duties replaced by higher ad valorem duties. The increase was brought down in April 1966	United States, which was compensated in May 1971; Norway	L/2431 & Add.1, letter from Greece 13.1.75
40	14.1.66	1.1.69	Australia	Polyethylene twine, cordage rope and cable	Quantitative restrictions introduced	Japan	SECRET/162 L/2961 & Add.1; See also item 48.

¹ Date of notification

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
41	29.4.66	-	Australia	Alloy steels	Additional specific duty, less 40% of the f.o.b. price	Benelux, United States, Japan	SECRET/163
42	30.6.66 ¹	-	Spain	Cheese	Individual licensing, and temporary ban on imports, followed 5.6.70 of an agreement with EEC liberalizing certain items by way of regulating duties subject to threshold prices. Certain of these items required a certificate, issued for some of them by Spain. for others by exporting country, but approved by Spain. For some items Spain opened a global quota, distributed quarterly on the basis of imports in 1963/64/65, the EEC counting as a whole. Regulating duties were increased in March 1972, pending consultations with the principal supplying countries concerning new threshold prices	EEC, Norway	L/2670, L/3407 & Add.1

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
43	2.2.67	-	Spain	Synthetic rubber	The tariff heading was subdivided into two; a 15% provisional customs duty was imposed on synthetic rubber based on polybutadiene.	United States (compensated 21.3.69), Canada (compensated 12.11.70) and EEC (compensated 4.3.70)	L/2820 & Add.1-4 L/3323 & Add.1, L/3375
44	21.4.67	-	Australia	Used 4-wheel drive vehicles	Quantitative restrictions imposed	-	L/2787
45	14.11.67	1.1.68	Austria	Matches	Quantitative restrictions within the limits of a global quota open to all contracting parties	-	L/2920 & Add.1
46	17.11.67	31.12.68	Canada	Turkeys	In view of threat of imports from US, special valuation levied for imports at distress prices to protect against being sold at less than cost	United States	L/2924 & Add. 1

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
47	19.12.67	1.9.72	Australia	Knitted coats and the like	Quantitative restrictions imposed	Japan, EEC	L/2957, L/3834
48	4.1.68	1.1.69	Australia	Polypropylene twine, cordage and cable	Same as for item 40	Japan, United States	See item 40
49	17.3.68	30.12.71	France	Horse meat	Quantitative restrictions imposed. A global quota was initially opened from 1.4.68 to 31.8.68, the distribution of which was based on the 1967 imports	Argentina, Canada, Poland, Spain	L/3000, L/4182
50	15.7.68	1.3.69	Austria	Oilcakes	Specific duty imposed	Argentina; United States (which proposed Art. XIX:3 action 12, 12.68) (not implemented)	L/3046 & Add.1-4

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
51	12 Sept 1968	2 Nov. 1968	Canada	Potatoes	"Action" taken under Section 40-A-7(c) of Canadian Customs Act on imports entering Western Canada. (Reference to the same act was made in respect of item 46, when special valuation was introduced)	United States, compensated through advanced implementation 1.10.68 of Kennedy Round reduction of duty on cranberries	L/3066 & Add.1
52	30 Oct. 1968	31 Dec. 1968	Canada	Corn	Idem, for whole Canada	United States	L/3097 & Add.1
53	19 May 1969	-	Italy ¹	Raw silk	This notification states, <u>inter alia</u> , that the EEC Council saw fit (in 1968) to support the Italian efforts by deciding to take, <u>inter alia</u> , the following action: - to reintroduce, over the period 1.1.70 to 31.12.76, the customs duty on raw silk already laid down in the Common External Tariff and to establish a community quota duty-free for raw silk amounting to the difference between the demand for and production of raw silk within the Community; - to apply this same Common External Tariff duty on a permanent basis, from 1.1.76, if in 1976 Italian production of silk-worm cocoons made it possible to produce not less than 1,000 tons of raw silk a year.	-	L/3231 & Add.1

¹ Adopted at Community level.

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
54	9.8. 1969	1.9. 1972	Australia	Knitted shirts	Quantitative Restrictions introduced	-	L/3217, L/3834
55	21.2. 1970	20.2. 1974	US	Pianos	Increased ad valorem duty	Japan	L/3314, L/3371, & Add.1, L/4005
56	7.5. 1970	16.6. 1973	Canada	Motor Gasoline	Resulting from the conditions under which increasing quantities of motor gasoline have been entering the Ontario market discretionary licensing for imports into Canada (east of the Province of Manitoba) was introduced. Not envisaged that the overall volume would be significantly affected.	United States?	L/3400, L/3877
57	2.6. 1970	29.11. 1971	Canada	Men's and boys' woven fabric shirts	Surtax applied for imports from all countries except for products in transit on or before 2.6.70 and except for shirts subject to export restraint or equivalent intergovernmental arrangements To limit restrictive impact & ensure equity, quantitative exemptions were established for countries with recent substantial interest "consistent with that set out in Annex B of the (Cotton Textiles Arrangement)". The surtax was the lesser of either twice the amount by which Can\$24 per dozen exceeded the f.o.b. price or Can\$21,		L/3402, L/3613, See also item 60

¹ Date of notification

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
58	1.1.71	21.3.71	Israel	Radio equipment	Increased ad valorem duty	-	L/3424 & Add.1
59	21.5.71	21.7.71 and 18.8.71	Canada	Fresh and preserved frozen strawberries	Surtax	United States, Mexico (for frozen strawberries)	L/3539 & Add.1-2
60	30.11.71	-	Canada	Men's and boy's shirts, woven or knitted	Global quotas with country reserves for imports under a certain price. For details see Appendix 1.	Hong Kong, Japan, Korea, Macao, Malaysia, Poland, Romania, Singapore, Trinidad and Tobago	L/3613 & Add.1, L/4143 & Add.1 See also item 57
61	1.5.72	Partial restoration 30.4.76	US	Ceramic tableware articles	Various increased compound duties for imports valued under or between certain prices depending on the article. Some "high" value goods also included	Japan	L/3678, L/3700 & Add.1&2, L/4326, C/M/78
62	1.4.73	31.12.73	EEC ²	Tape recorders	Import licences limited to a certain quantity	Japan, Korea	L/3847, L/3892, L/3977, C/M/86, SR/29/1

¹ Action was terminated on 30 April 1976 on earthen and china steins and mugs, and on low-priced earthen tableware, and is being phased down and will be terminated on 30 April 1979 on certain high-priced earthen dinnerware or other tableware, and on certain low-priced and medium-priced china tableware (L/3700/Add.2).

² Applied to Italy.

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
63	30.6.73	3.8.73	Canada	Fresh cherries	Surtax introduced	United States which was compensated	L/3887 & Add.1-6
64	1.5.74	-	US	Ball bearings	Increased ad valorem or compound rates, depending on the item, if valued not over certain unit prices.	Japan	L/3897. L/4016 & Add.1-3. C/M/95
65	12.8.74	1.1.76 ¹	Canada	Cattle, beef, veal	Annual global quotas, based on 4-year average imports. First quota for 12.8.-30.9.74, thereafter quarterly; administered so as to ensure that relative shares of each of Canada's main suppliers would bear a reasonable relationship to past patterns of trade, market trends and historical performances. Measure taken in context of a temporary beef stabilization programme	United States Holding that the action did not provide access for US cattle and meat on an equitable basis and failing to reach agreement, US suspended substantially equivalent concessions 12.8.74-1-1-76 pursuant to Article XIX:3	L/4072 & Add.1-2, L/4118 & Add.1
66	1.10.74	(Partial removal 22.11.77) ²	Australia	Certain footwear	Quantitative restrictions, to a level of 20% greater than imports in 1972/73. Quotas allocated to established importers without restriction as to source of supply	EEC, Japan, Korea, Malaysia, Spain	L/4099 & Add.1-6, C/M/103, 107, 113 See also items 73 and 89

¹ Imports from Rhodesia continued to require an individual import licence.

² High-priced footwear was exempted from import licensing 22.11.77.

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
67	1.2.75	8.12.76 (partial removal 30.3.75)	Australia	Motor vehicles	Global quotas; removed for light commercial vehicles 30.3.75	EEC, Japan, United States	L/4149 & Add.1-9, C/M/103, 107, 113, See also item 85
68	1.1.75	5.3.76	Australia	Hot-rolled and cold-rolled sheets and plates of iron or steel	Global quotas	Japan, United States	L/4166 & Add.1-7, C/M/105, 107, 114
69	1.3.75	-	Australia	Certain apparel	Additional duties in excess of a tariff quota	Canada, EEC, Egypt, Hong Kong, India, Japan, Pakistan, Romania, Sweden, Switzerland, United States (spoke in Council);	L/4162 & Add.1-2, C/M/103, 105, 114
70	1.3.75	25.5.76	Australia	Ophthalmic frames, sun-glass frames and sunglasses	Quotas allocated to importers without restriction as to source of supply. Each importer granted a licence for a 6 month period equal to no more than half his established quota. (Frames: limitation to 75% of 1973/74 imports; sunglasses to 85% of 1973/74 imports)	EEC, Japan	L/4169 & Add.1-6 & Corr.1, C/M/107, 113

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
71	1.4.75	18.3.76	New Zealand	Woven polyester fabrics (extended coverage May 1975;	Import licences. Allocations for 1975/76 was 60% in volume terms of 1973/74 imports. Certain items remain under control after termination of the action. The licence allocation will be 100% of the 1976-77 volume levels	Japan, United States	L/4172 & Add.1-5
72	1.1.76	-	Canada	Worsteds spun acrylic yarns below a certain price	Global quota for products under a certain export price (determined in accordance with the Anti-Dumping Act). Permits already issued for Jan-June 1976 delivery were honoured and included as part of quota, distribution of permits to import were based on historical performance of importer over 2 years ending 31.3.76. 10% of quota allotted to importers without historical performance in this period	Japan, Korea,	L/4344 & Add.1

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product ¹ (4)	Measure taken (5)	Affected countries (6)	References (7)
73	1.5.76	(Partial removal 22.11.77) ¹	Australia ¹	Sand boots and shoes; parts of footwear	<p>Included within the scope of restrictions under item 66. Footwear already subject to licensing maintained at 140 per cent of the 1972/73 volume. Sand boots/shoes incorporated into the non-leather footwear licensing category, the quota for which was consequently increased. This additional quota allocated to individual importers after account taken of goods in bond and in transit as at 7.5.76. In order to make the additional allocation more equitable the base period criterion for determining these allocations was widened to include imports in the period 1.7.74-31.12.75. Quotas thus allocated might be used to import sand shoes/boots and other types of non-leather footwear while quota currently available for non-leather footwear might also be used to import sand boots and sand shoes.</p> <p>Licensing controls introduced on imports of parts for footwear restricted imports to an annual level of 140 per cent of 1973/74 value. Allocations to individual importers made on the basis of imports in 1973/74 after account taken of goods in bond and in transit.</p>	<p>Sand boots and shoes: Korea.</p> <p>Parts: Germany, Italy Portugal</p>	<p>L/4099/Add.3 and 6 See also item 66 and 89</p>

¹High-priced footwear exempted from import licensing 22.11.77

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
74	25.5.76 ¹	-	Australia	Files and rasps	Quotas allocated to importers on the basis of import performance in 1974 and 1975 and without restriction as to source of supply. Extended coverage for 1978.	United States	L/4351 & Add.1-2 see also item 92
75	14.6.76	-	US	Specialty steel	Orderly marketing agreement (signed 11.6) with principal supplier (Japan) covering three years, plus three year restraints on imports from other foreign suppliers. For details, see also appendix 2	Japan, Argentina, Austria, Sweden, Canada, Finland, France, UK, Germany, Korea, Mexico, Spain, Norway	L/4314, L/4318, L/4368 & Add.1-26, C/M/112, 113, 114 See also appendix 2 to this note
76	1.7.76	-	Australia	Knitted and woven dresses	Additional specific duties for imports in excess of tariff quota, applied to import clearances after 1.7.76.	-	L/4364

¹ Date of communication

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
77	1.7.76	-	Canada	Work gloves	Three-year global quota for imports under a certain export price (determined in accordance with Anti-Dumping Act). Sub-quota for 100% cotton gloves (as opposed to leather gloves) based on actual imports during 1975). Quota divided quarterly. Permits distributed according to historical performance of importers 1.1.74-15.6.76. 10 % allotted to importers with no or little historical performance.	Hong Kong	L/4382
78	7.7.76	23.12.76	Canada	Textured polyester filament yarn	Surtax for imports exported at less than a specified value, applied on mfn basis among exporting countries. Surtax equal to difference between export price as defined in Anti-Dumping Act and the values as specified for four different categories of denier count	United States	L/4374 & Add.1-3
79	10.8.76	-	Australia	Electrical chest freezers	Global import licensing, applying to all imports other than those under existing special trading arrangements provided for in the New Zealand-Australia Free Trade Agreement, which are "administered separately". Licences allocated on basis of importers' performance 1.7.74-30.6.76.	EEC	L/4387 & Add.1

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected Countries (6)	References (7)
80	8.10.76	-	Canada	Double-knit fabrics	Global quota (for a period up to 7.4.80) distributed among importers semi-annually based on their individual historic import performance. (Prior to action there were restraint arrangements with a number of countries renewed annually as from 1972)	Japan, United States Singapore, Hong Kong, Malaysia	L/4450 & Add.1-4, C/M/123
81	18.10.76	31.12.76	Canada	Beef and veal	General import permit replaced by individual permit control. Permits issued on basis of global quota allocated among supplying countries in accordance with their market shares in the base period (not specified)	New Zealand	L/4437 & Add.1 C/M/117
82	29.11.76	-	Canada	A range of clothing items	Global quotas at 1975 levels, administered (other than for outerwear) on basis of importers 1975 performance in each product category. Goods in transit on or before 29.11. exempted from quota. All existing quota and restraint arrangements were suspended by these measures. Outerwear imports limited to 2.3 million units from all sources.	Austria, United States, Hong Kong, Korea	5/4453 & Add.1-3

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
83	27.12.76	-	Finland	Women's pany hoses	Surcharge equivalent to difference between a basic price and import price applied non-discriminatorily on all imports taking place under that price. Measure planned to be in force until 26.6.78	Singapore, United Kingdom?	L/4461 & Add.1, C/M/119
84	28.6.77	-	US	Footwear	Agreement with Korea 21.6.77 in which Korea will carry out export restraints for a period up to 1.7.81 and be assisted in this by US import restrictions for certain items See also Appendix 3 (attached)	Korea	L/4477 & Add.1, L/4525 C/M/112, C/M/124

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected Countries (6)	References (7)
85	12.7.77	-	Australia	Passenger motor vehicles	Global quotas. Action in force until 31.12.79.	EEC, Japan	L/4526 & Add.1-6, C/M/123
86	2nd half of 1977	-	EEC ¹	Portable TV sets from Korea	Annual quotas	Korea, other suppliers: Japan and Singapore	L/4613, C/M/124, C/M/112
87	23.9.77	-	Australia	Brandy	Temporary additional specific duties increasing the margin between customs and excise rates existing at the time of binding (1947). Tariff quotas applied at level equivalent to 40% of 1975-76 imports. A further temporary specific duty above the tariff quota. Tariff quotas allocated on basis of imports 1.9.76-31.8.77. (Identical measures applied to whisky imports)	EEC	L/4569 & Add.1-4
88	10.11.77	-	Australia	Fixed resistors	Import licences; entitlements determined as one unit (after 10.5.78 two units) of import quota for each unit purchased/irrevocably committed for delivery from Australian production; Irrevocable commitments as at 22.9.77 allowed entry on special licences valid for sixty days from 10.11.77. Goods in transit or in bond allowed entry on special licences provided entered	-	L/4603

¹Applies only to UK. Introduced 22 Jul 1977 according to Korea.

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
88 (contd)					within 21 days of the date of the announcement/arrival. Licences transferable between individual importers under certain circumstances.		
89	22.11.77	-	Australia	Thongs, gumboots and sporting footwear	Thongs with value for duty below certain prices plus parts thereof, included within scope of existing quantitative restrictions (see items 66 and 73) (with value between certain prices quota is 100% of imports for parts 100% of 1976-77 imports). Import licensing procedures for certain specialist sporting footwear and gumboots (because of administrative difficulties regarding definitions). Exemption of high-priced footwear from import licensing. "Threshold" price level to be adjusted each 6 months in accordance with movements in footwear component of Australian consumer price index	EEC	C/4099/Add. 4-6 See also items 66 and 73

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
90	5.12.77 ¹	-	Canada	Footwear	Global quota at levels corresponding to annual average 1974-75-76, administered by permits to importers having imported 1.9.76-31.8.77 at pro-rate share of total quota calculated on performance during base period. A Committee to distribute a small amount reserved to meet special unforeseen circumstances	Brazil, Italy, Korea, Poland, Romania, Spain, United Kingdom, United States	L/4611 & Add. 1-6

¹ Date of L-document

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
91	1.3.1978	-	Australia	Wool Worsted Yarns	Global tariff quotas (additional specific duty) Base period for individual importers' quota entitlements will be the 12 months period ending 30 Nov.1977 Initial quota allocations for 6 months period beginning 1 March 1978 valid for 12 months.	-	L/4659
92	29.3.1978 ¹	-	Australia	Round blunt chainsaw files	Included in action on files and rasps	-	L/4351/Add.2 See item 74
93	11.4.1978	-	US	CB radio receivers	Increased ad valorem duty to be phased down in three decrements and phased out 10 April 1981. The items were also removed from GSP.	Japan, Korea	L/4634 & Add.1-2
94	21.4.1978	-	Australia	Double-edged safety razor blades	Quantitative restrictions for 2 years. In first year imports restricted to 16 million, individual importers' quota allocations based on 12 months' period ended 31.12.77. Allocations for 2nd year to be announced later.	-	L/4666 & Corr.1

¹Date of communication

Item No.	Date introduced (1)	Date terminated (2)	Contracting party (3)	Product (4)	Measure taken (5)	Affected countries (6)	References (7)
95	26.5.78	-	EEC	Preserved cultivated mushrooms	Suspension of import licences. Not applied to third countries which can assure that their exports do not exceed a reasonable quantity.	-	L/4678

Appendix 1 to Annex 1

Details With Regard to Canadian Action Under Item 60 in Table

Global quota on imports under a certain price, as determined in accordance with the Anti-Dumping Act. Suppliers who had been restraining their exports had their historical positions recognized through establishment of country reserves (about 75 per cent of quota). The country reserve was made up of (1) a cotton component equal to either the most recent restraint or (in the absence of restraint) imports of shirts determined in accordance with Annex B of LTA; and (2) 50 per cent of the difference between the cotton component and the total restraint. About half the annual quota was initially allocated to cover imports 30 November 1971-31 May 1972. Within this amount import permits issued to cover goods in transit on or before 22 October and exports under remaining restraint. Permits were allocated for the balance on the basis of contracts concluded before 22 October. Subsequent allocations based on historical performance by importers. Up to a maximum of 5 per cent of the quota was made available to importers without performance during the base period.

Separate applications needed to cover goods from each country. Permits were issued according to the following priorities:

- (i) contracts for shipment in accordance with existing restraint arrangements;
- (ii) goods in transit on or before 22 October 1971;
- (iii) contracts prior to 22 October 1971 for import from non-restraining countries of shirts priced between certain limits;
- (iv) contracts prior to 22 October 1971 for imports from any source.

Should the total of applications under either (iii) or (iv) exceed the amount of the remaining available quota (either for individual country reserves or the unreserved portion of the quota), permits would be pro-rated among the applicants on the basis of the contracts in question. (Country reserves established for countries mentioned in column (6).) The quota as well as the threshold price was increased in 1973, 1974 and (January) 1975 for both reserved and unreserved portions.

Appendix 2 to Annex 1

Details With Regard to United States Action Under Item 75 in the Table

The effects of the Import Relief Programme with respect to various suppliers are summarized in L/4368. Among the elements mentioned are:

The quota for Japan represents the only cutback from recent levels for any major supplier. Compared with 1975, the total provided for the first year is 15 per cent less (over 12,000 tons) and on the basis of the first quarter of 1976 imports annualized represents a 29 per cent cutback. The sheet and strip allocation is higher than annual shipments in any of the last four years, and slightly above the 1975 level (but close to a 50 per cent cutback from the 1971 level). In the other four categories, the amounts provided are 20-50 per cent below 1975 level depending on the category. The agreement provides some flexibility in meeting current market conditions. However, the principal latitude is to increase sheet and strip levels at the expense of the other four categories.

The quota for the EC represents a special "basket" for the nine member States. The first year total equals 1971-75 averages in all categories except sheet and strip. (A reduction has been made for exclusion of razor blade strip which is exported by the United Kingdom, however, 1,000 tons more than the 1971-75 average.) The first-year level is 11 per cent higher than 1975 for the EC. The quota of 15,800 provides for reasonable growth for the EC in sheet and strip from recent levels, particularly in light of the razor blade strip exclusion. In other categories, quotas provide similar amounts, with small reductions from recent levels in bar and tool steel.

The Swedish quota's first-year level represents a 5 per cent increase from the 1975 level (adjusted for razor blade strip exclusion) and more than 40 per cent increase above the annual rate of importation in the first quarter of 1976. The quota is based upon the exclusion of razor blade strip, which is of major interest to Sweden. An appropriate reduction in the sheet and strip and total quotas is made because of the exclusion. The total quota represents the 1971-75 share for Sweden adjusted to exclude razor blade strip. To avoid a serious shortfall in total tonnage, some of the potential shortfall in plate (as a result of a then outstanding United States dumping finding) has been reallocated to the other four categories. The bulk of the tonnage has been added to rod (500 tons) and tool alloy steel (700 tons), both of considerable current trade interest to Sweden.

The Canadian quota in the first year is based on the 1970-74 average to avoid penalizing Canada for the fact that it suffered a drop in exports to the United States market comparable to the decline in the market in 1975. Because the Canadian and United States markets are integrated and operate in

similar fashion, Canadian suppliers were more susceptible to the decline in the United States market than other exporters. The first-year quota provided to Canada is 3,300 tons higher than the 1975 import level, but only 900 tons higher than the 1971-75 average share and 1,100 less than the 1974 import level. In the third year, however, an amount equal to the peak Canadian exports in the last five years will be permitted.

At least fifteen other countries have exported specialty steel to the United States in recent years, including several new suppliers. A number of suppliers such as Korea, Finland, Argentina and Mexico had intended to ship large amounts to the United States market. In view of the depressed market conditions and the competitive situation, it is uncertain whether these amounts would actually have been shipped. By using a basket quota for all other suppliers, all small suppliers have an opportunity to obtain market shares on a competitive basis. The size of the basket may be expanded in the event the principal suppliers fall short of quota levels and such shortfalls are reallocated. Traditional suppliers may be broken out of the basket in one or two categories if it appears that their historical levels are seriously threatened. The basket level is 300 tons above the 1971-75 share, all of which is added to sheet and strip where the largest shortfalls are likely to occur. In other categories, the levels provided are more in line with recent trade patterns.

For further details, reference is made to document L/4368.

Appendix 3 to Annex 1

Details With Regard to United States Action Under Item 84 in the Table

Document L/4525 states, inter alia, that in the event of large increases in imports from other countries, Korea may initiate consultations with the United States. If agreed, United States will take appropriate remedial action. It also states that the United States Government "does not consider this type of agreement to be the ideal long-term solution to trade problems. The United States is taking this action with the full agreement of the Government of the Republic of Korea. The action does not at this time adversely affect other traditional United States suppliers nor does it restrict imports below those of a recent representative period The United States does not at this time contemplate taking restrictive action affecting other countries. Should the Government of the United States determine to institute import restrictions on countries not parties to the orderly marketing agreement, the Government of the United States will notify the contracting parties and provide an opportunity for consultations under Article XIX."

Annex 2

Rationale for Dealing With Market Disruption Through
the Application of Article XIX

There can be no serious question that the intention of the drafters of Article XIX was that action taken pursuant to paragraph 2, should be of a non-discriminatory character. This indeed is a logical counterpart of the provisions of Article I and Article XIII. This is also borne out by the legislative history and both practice and theory since the drafting of the Article.

However, the drafters of Article XIX did not have in their minds the problem which has come to be known as market disruption, that is to say the disturbance of normal market conditions by a concentration of imports from particular sources of supply at prices substantially below the levels prevailing in the market of the importing country in conditions of normal competition between supplying countries. The CONTRACTING PARTIES have at least tacitly, and in the Cotton Textiles Arrangement explicitly, recognized the existence of such a phenomenon. From this it is a reasonable and logical step to provide a safeguard provided that it be appropriately limited and so devised as to prevent abuse.

The question is whether Article XIX can reasonably be interpreted and adapted to provide such a safeguard. It can reasonably be argued that Article XIX could provide such a safeguard without doing any violence to the provisions on non-discrimination. Thus if a market disruption situation arose the importing country could subject the whole range of its imports of the product in question to import restrictions, and allocate quotas on the basis of a reference period. The effect of this in most cases would be to impose an effective restraint on the increase in imports from a very low cost country whilst imposing little or no effective restraint on normal suppliers. There are obvious disadvantages in handling the matter in this way since it is apt to prove highly restrictive, and in any case involves the introduction of controls on the normal channels of trade which are not contributing to a disruptive situation.

The alternative which I have suggested as worthy of examination is to place upon the existing provisions of Article XIX an interpretation which I think they can bear, and which would in carefully defined circumstances entitle an importing country to protective measures which would be restricted in application to imports from a supplying country which were in fact creating the disruptive situation.

Article XIX deals with injury or threatened injury due to increased imports "as a result of the effect of the obligations incurred by a contracting party under this Agreement". Contracting parties under the

Agreement have tariff obligations insofar as they have contracted them, and by reason of the m.f.n. clause the tariff treatment must be accorded on a non-discriminatory basis. They also have an obligation to refrain from imposing quantitative limits on imports except in specified and closely defined circumstances. Insofar as they are entitled to use quantitative limits on imports, these must also be non-discriminatory except where deviations from non-discrimination are authorized in Article XIV. It has already been established in practice that if an Article XIX situation develops, the importing country can suspend the obligation not to impose quantitative restrictions. The question is whether it would also be reasonable to permit that at the same time the importing country could suspend the obligation in Article XIII. It is here that we get on to the difficult question of causation. Is it or is it not reasonable to argue that the cause of the particular disruptive situation is to be found in imports from a particular source or sources in exceptional price conditions, and that this situation cannot be corrected because the obligation of non-discrimination inhibits the use of measures directed exclusively to the particular source of supply. It could be argued that the situation results from a combination of the increase of the particular exports in question from the particular source, and the obligation to refrain from discriminatory measures to remedy the situation. If so it would reasonably follow that the obligation regarding non-discrimination could be suspended within the existing language of Article XIX. It is clear that this is an unpalatable proposition, and in particular it would be very difficult for countries like Japan and some of the developing countries to accept either on the grounds of principle or in the light of their own unhappy experiences. Indeed my view is that it would be unreasonable to ask them to consider it, except on the basis of stringent criteria and on international determination of compliance with the criteria. In these conditions they might well see advantages in accepting it if the alternative were an inhibition on the general process of trade liberalization, and the constant threat of unilateral action either open or disguised.

As pointed out in the opening paragraph of this note, I do not deny that the clear intent of the drafters of Article XIX was that it should be non-discriminatory in its application. The fact, however, that it was necessary to record this understanding in the legislative proceeding also suggests, however, that the language itself is not conclusive. It is also a fact that the drafters did not have the particular problem of market disruption in their minds, and we cannot necessarily assume that their intention with respect to Article XIX would necessarily have been the same if this particular problem had then been as acute as it has since become.

Annex 3

ESCAPE CLAUSES

Preliminary Suggestions by the Executive Secretary

1. Governments will be under considerable pressure to include a large number of exceptions in their exceptions lists for the coming trade negotiations. Secondly, if the negotiations are successful in securing a very deep cut in tariff levels, governments are likely to be under much stronger pressure to have recourse to the escape provisions of the GATT.

2. In the light of these two considerations, some modification of the procedures included in the GATT escape provisions would appear to be desirable. On the one hand, the procedures should be such that their existence facilitates the task of governments in keeping exceptions to a minimum. On the other hand, the procedures should be sufficiently strict to ensure that recourse to the escape provisions is confined to those situations where such recourse is absolutely essential.

3. The main kind of situations which are relevant in this connexion are the following:

- (a) a situation where serious injury to domestic producers in the importing country is being caused, or threatened, by imports generally of the particular product or products;
- (b) a situation where the injury, or threat of such injury, to domestic producers in the importing country is caused by imports from only one or a few exporting countries and is of the kind described by the CONTRACTING PARTIES in their Decision of 19 November 1960 /market disruption/;
- (c) a situation where the difficulties which arise are of a more structural character and which hitherto has normally been dealt with under Article XXVIII.

4. Action to deal with the kind of situations described in paragraph 3(a) and (b) above can be taken under the provisions of Article XIX. However, since in the kind of situation described in paragraph 3(b), only one or a few exporters are involved, it would be more appropriate to use the opportunities afforded by Article XIX for discriminatory action.

Note: Consideration will need to be given in the context of this paper to the kind of situation described in 3(c) above. The question of safeguards against subsidized and dumped exports will have to be considered separately.

5. For the reasons given in paragraphs 1 and 2 above the procedures included in Article XIX should be strengthened and, further, an understanding that discriminatory action can be taken under Article XIX should be accompanied by the introduction of strict procedures. The following are some suggestions to achieve this strengthening:

- I. (a) Any contracting party wishing to take action under the provisions of Article XIX to deal with a situation of the kind described in paragraph 3(a) above should so notify the CONTRACTING PARTIES, who would refer the matter to a Panel of high level experts, inviting it to give an opinion and recommendations on:
 - (i) whether or not a situation of the kind described in paragraph 3(a) in fact exists;
 - (ii) if so, what action it would be appropriate for the contracting party concerned to take, bearing in mind the possible use of measures other than restrictive trade measures in order to remedy the situation.
 - (b) It would still be open to a contracting party, in critical circumstances, where delay would cause damage difficult to repair, to take action under Article XIX prior to notifying the CONTRACTING PARTIES.
- II. (a) Any contracting party wishing to take discriminatory action to deal with a situation of the kind described in paragraph 3(b) above, should so notify the CONTRACTING PARTIES who would refer the matter to the Panel mentioned in I above. The Panel would make a finding as to whether a situation of the kind described in paragraph 3(b) in fact exists and the finding of the Panel would be binding.
 - (b) In its consideration of this matter the Panel should have regard to the need to avoid action which could lead to imports from one exporting contracting party being replaced by imports from another exporting contracting party.
 - (c) In critical circumstances, where delay would cause damage difficult to repair, discriminatory action may be applied prior to notification to the CONTRACTING PARTIES provided that such notification shall be made immediately thereafter and that, if the Panel should find against the contracting party concerned, the action shall be withdrawn.

Annex 4 - Duration of Measures (number of cases)

(The years indicate when actions were introduced)

	1950	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	Total	
Up to 6 months								1	1						1	1		1	2			2		1			2			5	17
6 months - 1 year						1							1						2					1		1		6		12	
1-2 years									1	2	1		2					1			1			1	3	6	1		19		
2-3 years																	1									4			6		
3-4 years								1				1			1				1	1	2			1	1				9		
4-5 years							1						2					1						1					6		
more than 5 years	1		2			1	1	1	3	1	1	1	2	1	3	1	2	2		1		1	1						26		

¹Measures on the right side of the broken line are measures which have been introduced during the last five years, after 1 July 1973, and which are still in force.

Annex 5 - Types of Measures Used (number of uses)
Some price-related measures (see paragraph 4^a) are not identified as a separate category

	1950	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	Total		
Tariff increases	1		2			1 ¹	1	2	2	1 ¹	1	1	4	2	3	1	1	1	1	1	1	1	1						1	35		
Tariff quotas																																
Sur-charges																																
Embargoes									1 ⁹			1			1 ³														18	4		
Quotas, or global or un-specified													1		1	1	1	3	2	1	1					2	1		13			
Quotas allocated to importers																																
Country-allocated quotas																																
Licensing																																
QR* & OMA																																
Export restraint agreements																																
Special valuation																																
Quantitative restrictions and orderly marketing arrangements.																																

¹Combination of tariff increase and tariff quota
²Combination of surcharge and tariff increase
³The measure has been notified as a suspension of the liberalization
⁴Individual licensing replaced in 1970 by regulating duties subject to threshold prices, and by a global quota depending on the items
⁵Quantitative exemption set up for countries with recent substantial interest

⁶Discretionary or individual licensing
⁷Measure combined with import restrictions
⁸Measure not applied to third countries' exports not exceeding a reasonable quantity
⁹Measure modified the same year by individual licences issued against other quotas
¹⁰Quotas allocated to importers "without restriction as to source of supply"

Annex 6. Compensation and Suspension of Concessions
(Number of cases)

Action Introduced	Compensation	Year	Suspension of Concessions	Year
1950	(1 Art. XXVIII)	1956		
1952	(1 Art. XXVIII) ¹	1966	1 1	1952 1953
1955	(1 Art. XXVIII) (1 Art. XXVIII)	1955 1956		
1956	(1 Art. XXXVIII) (1 Art. XXVIII)	1957 1961		
1957	(1 Art. XXVIII) 1	1961 1962		
1959	(1 Art. XXVIII)	1968		
1960	1	1962		
1961	(1 Art. XXVIII)	1964		
1962	1 1 (2 Art. XXVIII) ¹	1962, 67 1962 1967	2 ²	1962 ²
1963	(1 Art. XXVIII) ¹	1965		
1964	(1 Art. XXVIII)	1968		
1965	1	1971		
1967	1	1969, 70		
1968	1	1968	1 ³	1968 ³
1973	1	1973		
1974			1	1974

¹Unclear whether compensation for Article XIX action was given in Article XXVIII renegotiations.

²One application of Article XIX:3 was related to two separate emergency actions, both introduced on the same date.

³In this case, the suspension of concessions on various articles was proposed, but not implemented.