

GENERAL AGREEMENT ON TARIFFS AND TRADE

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EEC - QUANTITATIVE RESTRICTIONS AGAINST IMPORTS OF CERTAIN PRODUCTS FROM HONG KONG

Recourse to Article XXIII:2 by the United Kingdom on behalf of Hong Kong

The following communication, dated 25 August 1982, has been received from the Hong Kong Office of the United Kingdom Mission.

1. On 7 December 1981, the Council (C/M/154) was informed by the United Kingdom on behalf of Hong Kong that France maintained quantitative restrictions against Hong Kong in a number of products, that Hong Kong considered these measures to be contrary to the provisions of the GATT, and that it would request the Commission of the European Communities, representing the Government of France, for urgent consultations under Article XXIII:1 of the General Agreement.
2. Five rounds of consultations under Article XXIII:1 have since been held between Hong Kong and the EEC.
3. At those consultations, Hong Kong stated its view that the quantitative restrictions maintained by France were inconsistent with the provisions of the GATT in that:
 - (a) they were not justified under any specific provision of the GATT and were, therefore, in breach of Article XI; and
 - (b) they discriminated against Hong Kong and were, therefore, in contravention of France's GATT obligations under Article I and Article XIII.

Hong Kong further stated that it considered these restrictions to constitute a nullification or impairment of benefits accruing to it under the GATT, and requested that they be terminated.

4. Hong Kong regrets that its request was not accepted, that, as a consequence, the consultations did not result in a satisfactory adjustment of the matter under Article XXIII:1, and that France continues to maintain quantitative restrictions on imports from Hong Kong of the following products:

- (i) knitwear other than of cotton, man-made fibres and wool;
- (ii) clothing other than of cotton, man-made fibres and wool;
- (iii) umbrellas;
- (iv) wireless receivers (radios);
- (v) pleasure and sports boats for marine use;
- (vi) compound optical microscopes;
- (vii) electric or electronic watches with piezo-electric quartz crystal regulating device;
- (viii) toys.

5. The United Kingdom on behalf of Hong Kong therefore requests the CONTRACTING PARTIES to initiate the investigation procedures envisaged under Article XXIII:2 by establishing a panel to review this matter pursuant to Article XXIII:2, and that this request be placed on the agenda for the next meeting of the GATT Council.