

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/5713

26 October 1984

Limited Distribution

REPORT (1984) OF THE GROUP ON QUANTITATIVE RESTRICTIONS AND OTHER NON-TARIFF MEASURES

1. The Group's mandate and terms of reference, which were agreed by Ministers in November 1982, are as follows:

- (i) To review existing quantitative restrictions and other non-tariff measures, the grounds on which these are maintained, and their conformity with the provisions of the General Agreement, so as to achieve the elimination of quantitative restrictions which are not in conformity with the General Agreement or their being brought into conformity with the General Agreement, and also to achieve progress in liberalizing other quantitative restrictions and non-tariff measures, adequate attention being given to the need for action on quantitative restrictions and other measures affecting products of particular export interest to developing countries; and
- (ii) To make progress reports to the Council. The Group's complete report containing its findings and conclusions should be available for consideration by the CONTRACTING PARTIES at their 1984 session.

2. The Group met on 10 March, 21 October, 5-8 December 1983, 22 March, 7 May, 2 July, 27 September, 15, 16 and 24 October 1984 under the Chairmanship of Ambassador A. Onkelinx (Belgium). This report sets out the main points which the Group wishes to place before the Council. A full account of the discussions at these meetings will be found in NTM/2 to 10.

3. The Group established a three-stage approach to its work on quantitative restrictions and other non-tariff measures:

Stage I: Compilation of an adequate information base for the work of the Group;

Stage II: Review of existing quantitative restrictions and other non-tariff measures, the grounds on which these are maintained, and their conformity with the provisions of the General Agreement, so as to achieve the elimination of quantitative restrictions which are not in conformity with the General Agreement or their being brought into conformity with the General Agreement, and also to achieve progress in liberalizing other quantitative restrictions and non-tariff measures; and

Stage III: Consideration of the Group's findings and conclusions, and preparation of its final report.

The work on quantitative restrictions and other non-tariff measures proceeded in parallel at each stage. The Group agreed that adequate attention would be given to the need for action on quantitative restrictions and other measures affecting products of particular export interest to developing countries at each stage of the Group's work.

4. The Group's establishment and any work carried out by it, including the presentation, examination and discussion of quantitative restrictions and other non-tariff measures, were without prejudice to the rights and obligations of contracting parties under the GATT and to any action already taken by the CONTRACTING PARTIES.

5. For practical reasons, the report is divided into two main parts, Quantitative Restrictions and Other Non-Tariff Measures. This division does not prejudice the essential link which exists between quantitative restrictions and other non-tariff measures as quantitative restrictions are merely one type of non-tariff measure - although an important type singled out by Ministers. The search for solutions to problems in the field of quantitative restrictions and other non-tariff measures should be pursued with due regard to this link. The contents of the report are organized as follows:

	<u>Page</u>
A. Quantitative Restrictions	2
B. Other Non-Tariff Measures	11
C. General	15
Annexes	16

A. Quantitative restrictions

6. The main information base drawn up by the Group is contained in NTM/W/6/Rev.2 and Addenda. This comprises notifications made by contracting parties of measures that they themselves apply. It relates to all products. The information which it contains on quantitative restrictions affecting agricultural products was taken over in the main from the documentation of the Committee on Trade in Agriculture (AG/DOC/- and AG/FOR/- series). It lists in the country notes some of the bilateral agreements concluded in the context of the Arrangement Regarding International Trade in Textiles (often referred to as the Multi Fibre Arrangement or MFA). The details on restrictions applied in the context of the MFA will be found in the COM.TEX/SB/- series.

7. The NTM/W/6/- documentation is supplemented by Part IV of the Inventory of Non-Tariff Measures (Industrial Products) (NTM/INV/IV and Addenda) containing notifications made by contracting parties of quantitative restrictions applied by other contracting parties.

8. Products of export interest to developing countries are listed in NTM/W/4/Rev.3 and identified in the tables of the NTM/W/6/- documentation. The list was originally based on products identified in the documentation of the Committee on Trade and Development and any additions suggested by developing countries have been included. Developing countries have reserved the right to amend the list, in particular in the context of

changing conditions. It was agreed that the list would be taken into account at each stage of the Group's work. Some delegations suggested that further analyses should be made e.g. of the protective effect of quantitative restrictions affecting products of particular export interest to developing countries.

9. An analysis of the Group's documentation on quantitative restrictions is contained in NTM/W/9, a note prepared by the secretariat on its own responsibility.

10. The Group noted that the NTM/W/6/- documentation aimed to provide information about all ninety-two contracting parties (including two governments which have acceded provisionally, and counting the member States of the European Community as ten).

- eight contracting parties have not supplied any information;
- the remaining eighty-four contracting parties have supplied information on quantitative restrictions which they maintain; of these:
 - two contracting parties have stated that they maintain no quantitative restrictions¹;
 - fifty-three contracting parties have supplied detailed information on all product sectors;
 - four contracting parties have supplied detailed information on certain product groups only;
 - the remaining twenty-five contracting parties have supplied information of a non-specific nature only.

Information submitted in terms of the CCCN is included in the detailed tables of the NTM/W/6/- documentation. General information is included in the Country Notes, which cover all contracting parties. An overview of the information available is contained in Annex 1 to the report. The fifty-three contracting parties for which specific information is available on all product sectors account for a very large percentage of trade of all contracting parties.

11. An examination of the information submitted revealed that, in a number of cases, data is old and presumably out of date. The Group noted that, for instance, in the case of twenty-one contracting parties the latest information supplied dated from the 1960's. In other cases, while much more recent information has been supplied, it appeared that the import régime had since been significantly modified.

12. The Group examined the detailed information contained in the tables of NTM/W/6/- documentation CCCN product section by product section. It was noted that the areas of agriculture, textiles and iron and steel were among those severely affected by quantitative restrictions.

¹In addition, the United Kingdom, on behalf of Hong Kong, has also indicated that Hong Kong has no quantitative restrictions.

13. Some delegations noted the absence of a number of specific restrictions in the field of agriculture from the NTM/W/6/- documentation.

14. The Group noted that in a number of cases, the notifications reproduced in the tables have not been made in sufficient detail to identify the specific products subject to restriction, e.g. the tariff lines affected have not been specified.

15. Some delegations noted that the exact nature of certain restrictions referred to in the NTM/W/6/- tables remained unclear, particularly because a number of existing symbols used are general in nature (e.g. R, "restriction unspecified"; L, "licensing"; Q, "quota") and others open to different interpretations (e.g. LL, "liberal licensing"). One delegation drew attention to the fact that the symbols used in the documentation were those suggested as a guide by the secretariat in NTM/W/5 and that the meaning of those symbols had been specified in the statements of some delegations.

16. The Group also reviewed the notifications made on quantitative restrictions in the Inventories of Non-Tariff Measures. It was noted that some quantitative restrictions had been notified which did not figure in the NTM/W/6/- documentation. These include a significant number of notifications of quantitative restrictions affecting imports from certain contracting parties only.

17. Some delegations pointed out that there was need for the data base to be as balanced and comprehensive as possible. It was suggested that the secretariat might prepare a single, comprehensive document covering both quantitative restrictions and other non-tariff measures, which would summarize the information contained in the NTM/W/6/- documentation and the Inventories of Non-Tariff Measures so as to present a clearer overall picture on a country-by-country basis.

18. It was recalled that the Group's mandate called upon it to "review existing quantitative restrictions and other non-tariff measures, the grounds on which these are maintained and their conformity with the provisions of the General Agreement, ...". Accordingly the Group conducted a review of the grounds and GATT justifications advanced in respect of quantitative restrictions maintained by all contracting parties. A summary of these is given in Annex 2 to the report.

19. Many contracting parties gave specific economic and socio-cultural grounds for the maintenance of their quantitative restrictions. Some delegations believed that the grounds and GATT conformity of quantitative restrictions could only be seen in the context of the history of discussion, consultation and negotiations on quantitative restrictions since the early days of GATT and that, as on past occasions, due account would have to be taken of the historical, economic and socio-cultural situation in each sector. Other delegations held the view that these considerations were irrelevant, that two recent Article XXIII panel reports had confirmed that historical, economic and socio-cultural grounds could not be used to justify the maintenance of quantitative restrictions and that, in accordance with its terms of reference, the Group should concentrate on identifying the measures which were not in conformity with the General Agreement, with a view to achieving their elimination or their being brought into conformity with the General Agreement.

20. The principal GATT provisions advanced in NTM/W/6/Rev.2 as justifying the maintenance of quantitative restrictions were: Article VIII, Article XI:2(c), Article XII, Article XIII:1, Article XVII, Article XVIII:B, Article XVIII:C, Article XIX, Article XX, Article XXI, Article XXV:5, the Protocol of Provisional Application, Protocols of Accession and the Agreement on Import Licensing Procedures.

21. No GATT justification was advanced for some of the quantitative restrictions notified. Some contracting parties did not participate in the Group and had not provided information on this point. In other cases, the contracting party concerned indicated that it was not citing a GATT justification for some or all of its restrictions. In the area of industrial products (excluding textiles), the Group agreed that the mention "No GATT Article/Provision cited" should appear in the NTM/W/6/- documentation against the measures for which no justification was given in terms of the GATT (NTM/5, paragraph 26). Some delegations said that, in view of the discussions in the Group and the Group's mandate, this phrase should be inserted against all quantitative restrictions in respect of which no GATT justification was given. Some other delegations argued that, while discussions were going on in the Committee on Trade in Agriculture which might lead to certain changes in GATT rules, it would be premature to insert this phrase against quantitative restrictions on agricultural products, even if no justification had been cited. Some delegations did not wish to see this phrase used against quantitative restrictions on textile products in the table. For measures in the areas of agriculture and textiles, where no GATT article or provision has been cited, column 6 of the NTM/W/6/- documentation has therefore been left unfilled.

22. Some delegations stated that all quantitative restrictions for which no GATT Article/Provision was cited should be presumed to be contrary to the GATT unless an acceptable GATT justification was produced by the government maintaining the measure. Other delegations saw difficulties with such an absolute differentiation between measures in the absence of complete information on the nature and justification of all existing restrictions.

23. The Group discussed this point in some detail. Speaking at the end of this discussion, the Chairman said that only the CONTRACTING PARTIES could pronounce definitively on the conformity of a measure with the provisions of the GATT. The CONTRACTING PARTIES had, however, asked the Group to review the conformity of existing quantitative restrictions with these provisions. He suggested that while the Group could not arrive at a completely clear-cut and absolute differentiation between "legal" and "illegal" measures, it might use the following suggestions as a working hypothesis. The fact that no GATT article or provision had been cited to justify the existence of a quantitative restriction should not ipso facto signify that the restriction was not in conformity with the GATT. However, in the context of the Group's work, it was the responsibility of contracting parties maintaining quantitative restrictions to cite GATT justifications for them if they wished to argue that they were in conformity with the GATT. Accordingly, if no GATT justification were advanced, the working hypothesis would be that the measures were not in conformity with the GATT.

24. The Chairman continued his suggestions by saying that, conversely, the fact that a GATT justification had been advanced by the contracting party

maintaining the quantitative restriction should not ipso facto signify that the measure was in conformity with the GATT. Again in the context of the Group's work, it was the responsibility of other contracting parties to challenge a particular GATT justification if they considered that the measure concerned was not in conformity with the GATT and to state their reasons for so doing. So long as a GATT justification were not challenged, the working hypothesis would be that the measure was in conformity with the GATT, it being understood that the right to challenge any GATT justification for any measure is open to all contracting parties at any time.

25. Some delegations doubted whether the Chairman's suggestions would be the most fruitful way to advance the process of liberalization of quantitative restrictions and other non-tariff measures, which these delegations regarded as the primary task of the Group. These delegations considered that the establishment of a working hypothesis regarding GATT conformity or otherwise of quantitative restrictions could not, of itself, change a situation which had existed since the inception of the General Agreement.

26. Some delegations questioned whether the provisions of Article VIII, relating to fees and formalities, Article XIII:1 relating to the non-discriminatory administration of quantitative restrictions, Article XVII relating to State Trading Enterprises or of the Agreement on Import Licensing Procedures could in themselves justify the maintenance of quantitative restrictions. The grounds and GATT justifications for certain measures in the area of agriculture were questioned by some contracting parties. Some delegations questioned the invocation of Article XIX as a justification for a few specific quantitative restrictions. The invocation of its protocol of accession by one contracting party was also questioned by one delegation.

27. It was pointed out that GATT provisions permitting the maintenance of quantitative restrictions could be invoked if the relevant conditions laid down in these provisions were in fact met and if the relevant procedures were followed. In this connection, some delegations suggested, for instance, that developing countries which had cited balance-of-payments difficulties or the needs of economic development as grounds for the maintenance of quantitative restrictions might consider whether it would be appropriate for them to invoke Article XVIII:B or Article XVIII:C respectively.

28. It was recalled that the Group's mandate called upon it to "review existing quantitative restrictions ... so as to achieve the elimination of quantitative restrictions which are not in conformity with the General Agreement or their being brought into conformity with the General Agreement, and also to achieve progress in liberalizing other quantitative restrictions, adequate attention being given to the need for action on quantitative restrictions and other measures affecting products of particular export interest to developing countries".

29. The Group welcomed the fact that some members had already eliminated certain measures. The EEC had eliminated eight quantitative restrictions since 1 January 1982, not including the termination of Article XXIII actions. During the life-time of the Group, Hungary had abolished restrictions temporarily imposed under Article XII on some thirteen 4-digit CCCN headings. In July 1984 the Republic of Korea had liberalized 352

items (at the 8-digit CCCN level) from temporary restrictions imposed under Article XVIII:B. New Zealand had exempted some eighty tariff items on 1 July 1984. Since the establishment of the Group, Norway had abolished discriminatory restrictions under some twenty 4-digit CCCN headings and phased out a number of other restrictions on its accession to the MFA. In January 1984, South Africa pursued its liberalization of import controls under some 200 4-digit CCCN headings, including the complete liberalization of some seventy headings. Since the establishment of the Group, Sweden had terminated restrictions on two tariff items. Some delegations had informed the Group of their plans for further liberalization (Japan, Republic of Korea, New Zealand, South Africa). It was suggested that other contracting parties who felt themselves in a position to announce a programme of elimination or liberalization of restrictions maintained by them should do so as soon as possible. In this connection reference was also made to proposals for a standstill on new restrictions.

30. The Group noted that the mandate was a general one and did not exclude restrictions in any sector but that work in other GATT bodies would need to be taken into account. Some delegations explicitly reserved the right to raise questions relating to quantitative restrictions in agriculture and textiles in the Group at any time. Other delegations said that these questions would be more appropriately dealt with in the GATT bodies specifically dealing with these subjects, i.e. the Committee on Trade in Agriculture, the Textiles Committee and the Working Party on Textiles and Clothing.

31. Some delegations added that, in any event, the areas of agriculture, textiles, and iron and steel should be given particular attention in the context of future work on quantitative restrictions as these areas were among those severely affected by restrictions.

32. Some delegations stressed the need for priority attention to the elimination of quantitative restrictions affecting the export interests of developing countries. It was also noted that, if quantitative restrictions were removed immediately, the question of additional action on quantitative restrictions of particular export interest to developing countries would not arise. If this were not the case, however, special and differential treatment for developing-country suppliers might be considered (e.g. a standstill agreement with a time-bound programme of action or a more rapid liberalization of imports from all countries of products of particular export interest to developing countries than of imports of other products). Particular measures in favour of the least developed countries was also a possibility.

33. During the discussion it was pointed out that governments maintaining quantitative restrictions which were not consistent with GATT provisions had an obligation to eliminate the quantitative restrictions in question. This objective was clearly spelled out in the Group's mandate and it was for the Group to examine how this objective could be achieved.

34. Some delegations suggested that, unless some governments maintaining quantitative restrictions which were not now in conformity with the provisions of the GATT could bring these into conformity with these provisions within a short period, they should, as a matter of principle, be removed immediately. Some delegations said that such an approach was not realistic and that, whatever arguments of a legal nature were advanced, due

account would in practice have to be taken of the economic and socio-cultural realities which lay behind the existence of the measures and the whole history of discussions which had taken place in the GATT on this subject, set out in NTM/5.

35. The Chairman suggested that it might assist the Group to arrive at a meeting of minds on this issue if delegations were provided with a check-list of the spectrum of techniques that had been used, or suggested, in the past for the elimination or liberalization of quantitative restrictions and other non-tariff measures. The check-list prepared by the secretariat will be found in Annex 3 to the report.

36. Some delegations said that it was the practice in the GATT (reflected for instance in Article XXIII) to give governments a reasonable amount of time to reconcile their actions and their international obligations and that they were prepared to do so. In this connection, some delegations said that a date should be established by which quantitative restrictions which were not in conformity with the GATT would be eliminated. Some of these delegations said that this date should be set in the relatively near future. Other delegations suggested that an understanding on a standstill followed by phased liberalization might be more practical than immediate elimination. Some delegations stressed the need for drawing up a multilateral programme for dismantling existing restrictions and suggested that a concerted effort should be made by all contracting parties concerned to eliminate, by an agreed date, as many of their non-conforming quantitative restrictions as possible, adequate attention being given to measures affecting the exports of developing countries. It was also suggested that contracting parties maintaining quantitative restrictions not in conformity with the GATT should indicate by a particular date which of these restrictions they would eliminate immediately and propose how they would intend to deal with any such quantitative restrictions as remained after that date.

37. It was recalled that, in the past as indicated in Annex 3 to the report, a request and offer procedure had been used in the GATT for the liberalization of restrictions irrespective of their legal status. Some delegations observed that while this was true, these procedures had not proved effective for the elimination of quantitative restrictions which were contrary to the GATT. Some delegations suggested that these procedures might possibly be useful in connection with the liberalization of quantitative restrictions which were in conformity with the GATT.

38. The Group then looked at ways of bringing quantitative restrictions into conformity with the General Agreement. The possibility of invoking Article XVIII:B or Article XVIII:C had already been referred to. Another possibility to which attention was drawn in the discussion was that quantitative restrictions which were not in conformity with the GATT might be replaced by tariffs, renegotiations being conducted under Article XXVIII in cases of bound items. There was some support for this idea in the Group although some delegations pointed out that the procedures would impose an unequal burden on contracting parties the majority of whose tariffs were bound. Some delegations also pointed out the practical difficulties of calculating the tariff which might prove too restrictive or not restrictive enough in relation to the quota restriction it replaced. Others stated that the rates of duty would in many cases be very high, that this technique would in any case merely replace quantitative restrictions with

another form of protection and that its use would not fulfil the Group's mandate of achieving trade liberalization. One delegation said that it was envisaging replacing quantitative restrictions which it could not simply remove in the short term by tariffs of moderate height which would then be progressively reduced to their initial level in accordance with a predetermined time-table. This delegation suggested that, in such circumstances, compensation under Article XXVIII would only be paid if it was not possible to reduce the tariffs on certain items in accordance with this time-table.

39. Among other techniques for bringing quantitative restrictions into conformity with the GATT raised in the Group was the request and grant of a waiver under Article XXV:5 of the General Agreement. This was not discussed in detail.

40. Some delegations noted that, in some cases, in order to make certain quantitative restrictions compatible with the General Agreement, it would be necessary to modify the way in which they were applied, e.g. to extend the application of currently discriminatory restrictions to imports from all contracting parties. Some delegations suggested their conversion into global quotas available to all contracting parties on a non-discriminatory basis, followed by progressive enlargement of quotas and finally by their elimination.

41. The Group noted that its mandate referred to quantitative restrictions which are not in conformity with the GATT "being brought into conformity" and therefore excluded it from examining the possibility that the provisions of the GATT might be changed, thus reconciling such quantitative restrictions with it.

42. The Group then discussed questions relating to the liberalization of quantitative restrictions which were in conformity with the General Agreement. Some delegations said that the scope for liberalizing these quantitative restrictions was very limited since they were required for the various purposes foreseen in the Agreement. Some delegations however pointed out that governments might sometimes be able to liberalize quantitative restrictions in certain respects without jeopardizing the achievement of their objectives and that, in some cases, governments might be able to use policy instruments other than quantitative restrictions to achieve these objectives. Two techniques for liberalizing quantitative restrictions which are in conformity with the GATT were the use of periodic reviews directed towards this objective and the request and offer procedure used in previous GATT trade negotiations. Some delegations pointed out that the relevant GATT provisions often provided for periodic reviews and that, in such cases, there was no need to envisage any further procedures. Balance-of-payments restrictions applied consistently with Article XII or Article XVIII:B and industrial development restrictions applied in pursuance of Article XVIII:C were cases in point. Other delegations noted that the Group's mandate was general and did not permit the exclusion of any quantitative restrictions maintained by contracting parties. Some delegations considered that a request and offer procedure might be the technique most likely to achieve progress in liberalizing quantitative restrictions which were in conformity with the General Agreement.

43. Some other delegations suggested that the request and offer procedure might be used for the liberalization of non-tariff measures in general as well as quantitative restrictions.

44. In the light of the above, the Group agreed that further work was necessary. Having regard to all relevant provisions of the General Agreement, including the most-favoured-nation principle, it makes the following recommendations for the consideration of the Council:

- (a) The documentation prepared is an indispensable basis for any future work in the area of quantitative restrictions and should be kept up-to-date on a regular basis. Its coverage and accuracy should be improved. In this regard, the preparation of a comprehensive data base on quantitative restrictions and other non-tariff measures should be considered. Contracting parties should notify details of changes in the quantitative restrictions that they maintain as and when these changes occur and to make a complete notification of their quantitative restrictions once every two years. Where requested, the secretariat should assist delegations of contracting parties to prepare these notifications, drawing, if necessary, upon information available in official published sources. These notifications should contain:
 - (i) a full description of the products and tariff lines (or parts of tariff lines) affected together with the relevant heading or sub-heading in the customs tariff concerned and, in cases in which this is not based on the Customs Co-operation Council Nomenclature, the corresponding CCCN heading;
 - (ii) a precise indication of the type of restriction;
 - (iii) an indication of the grounds and GATT justification for the measures maintained, including the precise provisions which they cite as a justification (e.g. the relevant section of Article XVIII or sub-paragraph of Article XX or XXI).
- (b) The Inventories of Non-Tariff Measures should continue to provide contracting parties with an opportunity to make reverse notifications of quantitative restrictions affecting their exports and the existing procedures relating to the inventories (e.g. in C/110) should be maintained.
- (c) The list of products of export interest to developing countries (NTM/W/4/Rev.3), should remain open to amendments in the context of changing conditions in developing countries.
- (d) Further analyses of data relating to quantitative restrictions should be undertaken by the secretariat, including an analysis of the trade effects of quantitative restrictions especially those affecting products of particular export interest to developing countries.
- (e) Periodic multilateral reviews should be held of:
 - (i) the accuracy and adequacy of the documentation;
 - (ii) grounds on which measures are maintained and their conformity with the General Agreement.

A decision should be taken on the note prepared by the secretariat relating to symbols contained in Annex 4 to the report.

- (f) Contracting parties which have invoked GATT provisions to justify quantitative restrictions which they maintain should be invited to follow the relevant GATT procedures if they do not already do so.
- (g) In this context, future work should not exclude quantitative restrictions maintained in any sector but work in other GATT bodies would need to be taken into account.
- (h) The Group, while noting its discussions recorded in this report and its work in determining the conformity or otherwise of quantitative restrictions with the GATT, agreed that contracting parties should, pursuant to the Ministerial mandate reproduced in paragraph 1 of the present report, make specific written proposals by the end of April 1985 to achieve the elimination of quantitative restrictions which are not in conformity with the General Agreement or their being brought into conformity with the General Agreement, and also to achieve progress in liberalizing other quantitative restrictions.
- (i) Taking into account the proposals made, a multilateral review should be conducted of progress made in achieving the objectives laid down by Ministers.
- (j) Priority attention should be given to quantitative restrictions affecting products of particular export interest to developing countries.

B. Other Non-Tariff Measures

45. At the onset of the Group's review, some delegations said that non-tariff measures other than quantitative restrictions had recently proliferated and that their impact on international trade had increased. They therefore stressed that, in their view, progress in achieving liberalization was at least as important in the area of other non-tariff measures as in that of quantitative restrictions.

46. The information base on other non-tariff measures covers measures, other than quantitative restrictions, in all product sections. It consists of: the Inventory of Non-Tariff Measures (Industrial Products) (NTM/INV/I-V and Addenda), based on reverse notifications; the Agriculture Inventories (the AG/DOC/- series), based on self- and reverse notifications; and the self-notifications made to the Committee on Trade in Agriculture (the AG/FOR/- series).

47. The Group took note of the fact that the documentation on other non-tariff measures applied in the area of agriculture had been examined in detail in the Committee on Trade in Agriculture; it, therefore, did not duplicate this exercise. One delegation noted, however, that the agricultural NTM Inventory (the AG/DOC/- series) was in need of continual

updating and that, in the view of this delegation, agricultural non-tariff measures should receive essentially the same treatment as agricultural quantitative restrictions.

48. An analysis of the notifications in the Inventory of Non-Tariff Measures (Industrial Products) relating to other non-tariff measures is contained in NTM/W/9, the note prepared by the secretariat analysing the data collected in Stages I and II and circulated to members on the secretariat's own responsibility.

49. The Group noted that the Inventory of Non-Tariff Measures (Industrial Products) contains presently some 600 notifications which are grouped into thirty-three sections. The table of contents of the Inventory may be seen in Annex 5 to the report.

50. The Inventory is open-ended and existing notifications can be modified or new notifications made at any time. The procedures for this were laid down by the CONTRACTING PARTIES and were contained in C/110. The establishment of the Group has given an impetus to the process of notification and over 200 individual notifications contain information supplied since the establishment of the Group. It, however, seems clear that there are still a number of notifications which are out-of-date either in whole or in part.

51. The Group undertook a first review of the structure of the Inventory and the types of problems notified therein. It noted that it was not a comprehensive inventory of all non-tariff measures but was rather a listing of problems which the notifying governments wished to raise in the GATT. This fact should be borne in mind when reading Annex 6 to the report, which indicates the number of notifications made under each section of the Inventory.

52. The Group noted that provision was made in the procedures for comments to be made by the governments maintaining the measures but that in about 15 per cent of cases, the maintaining governments had not made use of this possibility. It noted, however, that in a number of cases the maintaining countries claimed that the measures notified were no longer applied and in many cases it was claimed that the measures either did not restrict trade or did not act as an unnecessary barrier to trade.

53. The Group noted that some of the measures referred to in the Inventory applied to all products while other measures applied only to certain products. It also noted, however, that a detailed description of products and tariff lines affected was often not provided in the notifications.

54. The Group noted that the Inventory provided an opportunity for contracting parties to raise questions regarding the grounds and GATT conformity of non-tariff measures maintained by other contracting parties. This opportunity had been utilized in certain notifications, and in response, some contracting parties had stated that their measures were in conformity with their international obligations.

55. The Group noted that the documentation on other non-tariff measures did not lend itself to analysis in the same way as did the documentation on quantitative restrictions because the measures dealt with were heterogeneous and the data could often not readily be related to particular

products. Analyses of the Inventory undertaken by the secretariat are contained in NTM/W/9. It was noted that certain areas were the subject of greater international discipline than others, that some areas were, for instance, covered by codes negotiated during the Multilateral Trade Negotiations and that many of the notifications in these areas were between parties to these codes.

56. During the Group's discussions, some delegations suggested that contracting parties be invited to give a GATT justification for all their measures included in the Inventory and that, where no GATT justification for the maintenance of a measure was given, this fact should be recorded in the Inventory. Some delegations argued that the question of the consistency of other non-tariff measures with the GATT was as important as the question of consistency of quantitative restrictions with the GATT.

57. The Group noted that its mandate referred to the achievement of "progress in liberalizing other quantitative restrictions and non-tariff measures, adequate attention being given to the need for action on quantitative restrictions and other measures affecting products of particular export interest to developing countries".

58. The Group noted that the mandate was a general one and did not exclude non-tariff measures in any sector but that work in other GATT bodies would need to be taken into account. Some delegations explicitly reserved the right to raise questions relating to non-tariff measures other than quantitative restrictions in agriculture and textiles in the Group at any time. Other delegations said that these questions would be more appropriately dealt with in the GATT bodies specifically dealing with these subjects, i.e. the Committee on Trade in Agriculture, the Textiles Committee and the Working Party on Textiles and Clothing.

59. It was suggested that, because of the large number of individual measures which had been notified and their wide variety, delegations should indicate their priorities and in response to this suggestion, a number of members of the Group indicated where their priorities lay. Some submitted lists of individual notifications for priority attention. Other members identified types of measures or sections in the Inventory which, in their opinion, deserved to be given particular attention. The importance of dealing with Part IV of the Inventory, pertaining to specific limitations, other than quantitative restrictions, was commonly cited by delegations. It was suggested that several other types of measures be given priority in Parts I (Government Participation in Trade and Restrictive Practices Tolerated by Governments), II (Customs and Administrative Entry Procedures and V (Charges on Imports) of the Inventory. Some delegations said that priority should be given to those areas in which there was little international discipline at the present time, e.g. State Trading (Part I.E), tariff quotas (Part IV.I), prior import deposits (Part V.A), surcharges and statistical taxes (Part V.B) and border tax adjustments (Part V.E). Interest was expressed by one delegation in initiating work in new areas such as domestic content requirements and counter-trade.

60. It was pointed out that the list of products of export interest to developing countries could not be used to identify notifications of interest to these countries because in many cases these did not identify the products affected. An analysis of notifications made by developing countries was therefore made. It was noted that the relatively small

number of such notifications contained in the Inventory related to various types of measures especially in the areas of state trading and government monopoly practices (Part I.E), anti-dumping duties (Part II.A), valuation (Part II.B), certificates of origin (Part III) and charges on imports (Part V).

61. The Group then discussed techniques for liberalizing other non-tariff measures. It was suggested in the discussion that, in the past, two main techniques had been used, either a request and offer procedure with multilateral review of progress at the bilateral or plurilateral level or multilateral establishment of agreed interpretations of existing international rules or of new international rules. It was also suggested that the first technique was suitable for dealing with individual measures in which delegations had shown an interest while the second technique might be used to deal with the categories of problems mentioned.

62. Some delegations stated that the Group had a two-fold responsibility: firstly to establish a continuing and long-term procedure for dealing with other non-tariff measures in the GATT; and, secondly, to initiate such a continuing procedure and to make it operational. One method might be to select some representative non-tariff measures from the Inventory - on the basis of objective criteria such as their relevance to international trade, their relevance to the GATT, their relevance to the interests of a sufficiently large number of contracting parties, taking due account of the interests of developing countries - and subject them to an in-depth but general discussion, concentrating inter alia, on the reasons for their maintenance, their effects on trade and their conformity with the GATT. It was suggested that such an approach would also facilitate the use of a bilateral request and offer procedure directed towards the elimination of other non-tariff measures, which was the ultimate objective of the mandate.

63. Some delegations suggested that a systematic multilateral review should be held of the Inventory of Non-Tariff Measures in areas not covered by codes negotiated in the Multilateral Trade Negotiations with a view to clarifying problems and exploring possibilities for liberalization on a plurilateral or multilateral basis.

64. Some delegations suggested that notifications made between members of the codes might be taken up in the relevant Code Committees but that the mandate of the Group was general in nature and that delegations should not be debarred from raising these matters in a more general forum if they so wished. It was also suggested that such general discussions might examine problems which some contracting parties might raise concerning problems they have experienced in joining the Codes.

65. In the light of the above, the Group agreed that further work was necessary. Having regard to all relevant provisions of the General Agreement, including the most-favoured-nation principle, it makes the following recommendations for the consideration of the Council:

- (a) The existing notification procedures for up-dating the Inventory of Non-Tariff Measures (Industrial Products), as adopted by the CONTRACTING PARTIES in November 1979, should continue. In this regard, the preparation of a comprehensive data base on quantitative restrictions and other non-tariff measures should be considered, With a view to improving the quality of information, contracting parties making notifications should provide:

- (i) an indication of the precise nature of the measure;
 - (ii) where applicable, a full description of the products affected, including the corresponding CCCN heading;
 - (iii) a statement on the effects of the measure;
 - (iv) where appropriate, a reference to the relevant GATT provisions.
- (b) Contracting parties maintaining the measures should comment on each of these points.
- (c) Further analyses of non-tariff measures other than quantitative restrictions should be undertaken by the secretariat, including an analysis of non-tariff measures affecting products of particular export interest to developing countries.
- (d) In this context, future work should not exclude non-tariff measures maintained in any sector but work in other GATT bodies would need to be taken into account.
- (e) Periodic multilateral reviews should be held on:
- (i) the accuracy and adequacy of the documentation;
 - (ii) grounds on which measures are maintained and their conformity with the General Agreement.
- (f) The Group, while noting its discussions recorded in this report and its work in determining the conformity or otherwise of other non-tariff measures with the GATT, agreed that contracting parties should, pursuant to the Ministerial mandate reproduced in paragraph 1 of the present report, make specific written proposals by the end of April 1985 to achieve progress in liberalizing other non-tariff measures.
- (g) Taking into account the proposals made, a multilateral review should be conducted of progress towards achieving the objectives laid down by Ministers.
- (h) In all aspects of future work in this area, priority attention should be given to the need for action on products of particular export interest to developing countries.

C. General

66. On the basis of the above recommendations, the CONTRACTING PARTIES may wish to consider that the Group should continue its work with a view to making further progress in pursuance of the mandate given to it by Ministers and to presenting a report containing its findings and conclusions for consideration by the CONTRACTING PARTIES at their next Session.

ANNEXES

- Annex 1: Overview of quantitative restrictions
- Annex 2: Quantitative restrictions - summary of GATT grounds and justifications
- Annex 3: Quantitative restrictions and other non-tariff measures - possible techniques for elimination or liberalization
- Annex 4: Quantitative restrictions - symbols for use in documentation
- Annex 5: Other non-tariff measures - table of contents of the inventory of non-tariff measures
- Annex 6: Notifications of other non-tariff measures

Annex 1

QUANTITATIVE RESTRICTIONS

Overview of Information

The following table summarizes the information available on measures maintained by all contracting parties, as contained in NTM/W/6/Rev.2.

The information is presented as follows:

Column 1: the contracting parties applying the restrictions

Column 2: the date on which the notification was made to the GATT

Column 3: the nature of the information:

D detailed (contained in the table of NTM/W/6/Rev.2)

G general (contained in the country notes of NTM/W/6/Rev.2)

No QRs the contracting party has notified that it does not maintain any quantitative restrictions

- no information available

Annex 1

<u>Contracting Party</u>	<u>Information</u>	
Argentina	1983	D, G
Australia	1983	D
Austria	1983	D
Bangladesh	1983	D
Barbados	1969	G
Belize		-
Benin	1968	G
Brazil	1983	D
Burma	1965	G
Burundi	1966	G
Cameroon	1973	D, G
Canada	1983	D, G
Central African Rep.		-
Chad	1967	G
Chile	1983	D
Colombia	1984	D
Congo	1966	G
Cuba	1984	No QRs
Cyprus	1968	G
Czechoslovakia	1982	D
Dominican Rep.		-
EEC	1983	D
Egypt	1983	D, G
Finland	1983	D
Gabon	1966	G
Gambia		-
Ghana	1983	D
Guyana	1968	G
Haiti		-
Hungary	1984	D
Iceland	1971	G
India	1982	D, G
Indonesia	1984	D
Israel	1984	D
Ivory Coast	1984	D
Jamaica	1966	D, G
Japan	1983	D
Kenya	1984	D, G
Kampuchea ¹		-
Korea, Rep. of	1983	D
Kuwait	1967	G
Madagascar	1969	G
Malawi	1983	D
Malaysia	1984	D, G
Maldives		-
Malta	1977	D
Mauritania	1967	G
Mauritius	1984	G
New Zealand	1983	D
Nicaragua	1965	G
Niger	1969	G

¹ Acceded provisionally.

Annex 1

<u>Contracting Party</u>	<u>Information</u>	
Nigeria	1982	D
Norway	1984	D
Pakistan	1983	D
Peru	1983	D
Philippines	1982	D, G
Poland	1984	No QRs
Portugal	1983	D
Romania	1981	G
Rwanda	1966	G
Senegal	1984	D, G
Sierra Leone	1966	G
Singapore	1984	D
South Africa	1984	D
Spain	1984	D
Sri Lanka	1983	D
Suriname	-	-
Sweden	1984	D
Switzerland	1984	D
Tanzania	1969	G
Thailand	1983	D
Togo	1967	G
Trinidad & Tobago	1984	G
Tunisia ¹	1983	D
Turkey	1983	D, G
Uganda	1965	G
United Kingdom (Hong Kong)	1983	No QRs
United States	1983	D
Upper Volta	1969	G
Uruguay	1982	G
Yugoslavia	1984	D
Zaire	1972	G
Zambia	1972	G
Zimbabwe	1984	D, G

¹Acceded provisionally.

Annex 2

QUANTITATIVE RESTRICTIONS

Summary of grounds and GATT Justifications

The following table sets out the information on justification of measures maintained by all contracting parties, as contained in NTM/W/6/Rev.2.

The information is presented as follows:

- Column 1: the contracting parties applying the restrictions
- Column 2: the GATT justifications invoked by the contracting parties applying the restrictions. The listing of several justifications for one contracting party indicates that different justifications are invoked for different restrictions. For some restrictions no justification may have been invoked. Thus, in the areas of agriculture and textiles, where contracting parties have chosen to leave column 6 unfilled, this is also indicated. And, for restrictions on non-textile industrial products for which no justification has been given in terms of the GATT, the mention "No GATT Article/Provision cited" appears.

For example: the note "Article XIX, the Protocol of Provisional Application, no GATT Article/Provision cited (grounds: public policy), Column 6 unfilled" means that the country in question has cited Article XIX for some of its quantitative restrictions; that it has cited the Protocol of Provisional Application for some other of its restrictions; that it has advanced no GATT justification for some of its quantitative restrictions on non-textile industrial products, in which case a reference to the grounds cited follows in (); and, lastly, that it has advanced no justification for some quantitative restrictions in the areas of agriculture and/or textiles.

A dash (-) indicates that no information is available (see Annex 1).

Annex 2

<u>Contracting Party</u>	<u>GATT Justifications</u>
Argentina	Art.XI:2(a), XX(b), no GATT Article/Provision cited (no grounds cited), Column 6 unfilled
Australia	Art.XIX, XX(b), Protocol of provisional application, no GATT Article/Provision cited (grounds: protection of domestic industry), Column 6 unfilled
Austria	Art.XXI, no GATT Article/Provision cited (grounds: other international obligation, or protection of domestic production, or non-restrictive nature of state trading)
Bangladesh	Art.VIII, XVIII, XVIII:B, Column 6 unfilled
Barbados	No GATT Article/Provision cited (no grounds cited)
Belize	-
Benin	No GATT Article/Provision cited (no grounds cited, or health and safety)
Brazil	Art.VIII, XI:2(a), XVIII, XVIII:B, Column 6 unfilled
Burma	No GATT Article/Provision cited (no grounds cited)
Burundi	No GATT Article/Provision cited (grounds: health and safety)
Cameroon	No GATT Article/Provision cited (grounds; statistical or conservation of foreign exchange, or no grounds cited), Column 6 unfilled
Canada	Art.XI:2, XI:2(c)(i), XIX, XX(a), XX(b), XX(h), XXI(b)(ii), Protocol of Provisional Application, no GATT Article/Provision cited (grounds: economic), Column 6 unfilled
Central African Rep.	-
Chad	No GATT Article/Provision cited (no grounds cited)
Chile	Art.VIII, no GATT Article/Provision cited (no grounds cited)

Annex 2

<u>Contracting Party</u>	<u>GATT Justifications</u>
Colombia	Art.VIII:4, XI:2(a), XVIII:B, XX, XX(i), no GATT Article/Provision cited (grounds: conservation of foreign exchange), Column 6 unfilled
Congo	No GATT Article/Provision cited (no grounds cited)
Cuba	- (No QRs)
Cyprus	No GATT Article/Provision cited (no grounds cited)
Czechoslovakia	Art.XX(b)
Dominican Rep.	-
EEC	Art.XIX, XIX:3(a), XX(g), XXI, XXI(b)(ii), no GATT Article/Provision cited (grounds: economic and social, see Country Note), Column 6 unfilled
Egypt	Art.XVIII, XVIII:B
Finland	Art.XX(c), no GATT Article/Provision cited (grounds: Energy Policy Programme), Column 6 unfilled
Gabon	No GATT Article/Provision cited
Gambia	-
Ghana	Art.XVIII:B
Guyana	No GATT Article/Provision cited (grounds: protection of infant industries, or balance-of-payments, or international agreements)
Haiti	-
Hungary	Art.XII, Protocol of Accession, International Dairy Agreement
Iceland	No GATT Article/Provision cited
India	Art.VIII:4, XVIII:B, XX, XX(b), XX(h), XX(i), XX(j), Column 6 unfilled
Indonesia	Art.XVIII, XVIII:C, XX(h)
Israel	Art.XI:2(c), XVII, BOP exception, Column 6 unfilled

Annex 2

<u>Contracting Party</u>	<u>GATT Justification</u>
Ivory Coast	Art.VIII:4, XVIII, XX, XX(a), XX(b), XX(d), XX(g), XX(h)
Jamaica	Art.XI:2, XX(h), no GATT Article/ Provision cited (grounds: health and safety, or security, or no grounds cited), Column 6 unfilled
Japan	Art.XVII, XX(b), XX(g), XX(f), XXI(b)(i), XXI(b)(ii), no GATT Article/Provision cited (grounds: economic, historical and social), Column 6 unfilled
Kenya	Art.XI:2(a), XII, XVIII, XX(a), XX(h), no GATT Article/Provision cited (grounds: protection of infant industries), Column 6 unfilled
Kampuchea ¹	-
Korea, Rep. of	Art.XI:2(a), XVIII:B, XX(b) (no grounds cited)
Kuwait	No GATT Article/Provision cited (no grounds cited)
Madagascar	No GATT Article/Provision cited (grounds: health, public morality, public policy or protection of domestic industries)
Malawi	No GATT Article/Provision cited (no grounds cited), Column 6 unfilled
Malaysia	Art.VIII, XX, XX(a), XX(b), XX(h), no GATT Article/Provision cited (grounds: protection of infant industries), Column 6 unfilled
Maldives	-
Malta	No GATT Article/Provision cited (grounds: protection of local industry), Column 6 unfilled
Mauritania	No GATT Article/Provision cited (grounds: health and safety, or security, or no grounds cited)
Mauritius	Art.XII, XV

¹Acceded provisionally.

Annex 2

<u>Contracting Party</u>	<u>GATT Justification</u>
New Zealand	Art.XI:2(a), XX(b), XX(g), XX(h), no GATT Article/Provision cited (grounds: economic and historical, see Country Note), Column 6 unfilled
Nicaragua	No GATT Article/Provision cited (no grounds cited)
Niger	No GATT Article/Provision cited (no grounds cited)
Nigeria	Art.XI:2, XI:2(a), XIII:1, XVIII:B, XX(h)
Norway	Art.XVII, XX(b), Protocol of Accession, no GATT Article/Provision cited (grounds: non-restrictive licensing, or bilateral agreements on accession of affected countries), Column 6 unfilled
Pakistan	Art.XI:2, XVIII:B, XX(a), XX(b), Column 6 unfilled
Peru	Art.XI:2(a), XI:2(b), XVIII:B, XX(b), XX(g), XX(h), XX(i)
Philippines	Art.XVIII:B, XX(b), XX(g), Agreement on Import Licensing Procedures, Column 6 unfilled
Poland	- (No QRs)
Portugal	Art.XI, XVII, BOP exception, no GATT Article/Provision cited (no grounds cited), Column 6 unfilled
Romania	No GATT Article/Provision cited (grounds: health and safety, or security, or balance-of-payments)
Rwanda	No GATT Article/Provision cited (no grounds cited)
Senegal	No GATT Article/Provision cited (no grounds cited)
Sierra Leone	No GATT Article/Provision cited (no grounds cited)
Singapore	No GATT Article/Provision cited (no grounds cited)

Annex 2

<u>Contracting Party</u>	<u>GATT Justification</u>
South Africa	Art.XI:2(b), XI:2(c), XX(a), XX(b), XX(c), XX(d), XX(g), XX(h), XXI(b)(i), XXI(b)(ii), XXI(b)(iii), no GATT Article/Provision cited (grounds: surveillance of sensitive imports, see Country Note), Column 6 unfilled
Spain	Art.XVII, XXI(b)(ii), Protocol of accession
Sri Lanka	Art.XVIII:B
Suriname	-
Sweden	Art.XI:2(b), XX(b), XX(h), no GATT Article/Provision cited (grounds: bilateral agreement), Column 6 unfilled
Switzerland	Art.VIII, XX(a), XX(b), XX(d), XXI(b)(i), XXI(b)(ii), Protocol of Accession, Column 6 unfilled
Tanzania	No GATT Article/Provision cited (no grounds cited)
Thailand	Art.VIII, XI:2(a), XI:2(b), XVIII:B, XVIII:C, XX(b), XX(d), XX(g), XX(h), XX(i), no GATT Article/Provision cited (grounds: health and safety, or security, or protection of domestic industry, or development, or balance-of-payments), Column 6 unfilled
Togo	No GATT Article/Provision cited (no grounds cited)
Trinidad & Tobago	Art.XIX
Tunisia ¹	Art.XVIII:B
Turkey	Art.XVIII:B
Uganda	No GATT Article/Provision cited (no grounds cited)
United Kingdom (Hong Kong)	- (No QRs)
United States	Art.XIX, XXI(b)(ii), XXV:5, Protocol of Provisional Application, no GATT Article/Provision cited (no grounds cited: textile-related items), Column 6 unfilled

¹Acceded provisionally.

Annex 2

Contracting Party

GATT Justification

Upper Volta	No GATT Article/Provision cited (no grounds cited)
Uruguay	No GATT Article/Provision cited (grounds: statistical)
Yugoslavia	Art.XI:2(a), XVIII, XVIII:B, XX(a), XX(d), XX(h), XXI
Zaire	No GATT Article/Provision cited (grounds: public order and morality, or no grounds cited)
Zambia	No GATT Article/Provision cited (grounds: protection of domestic industries)
Zimbabwe	Art.XVIII:B and C (grounds: balance-of-payments; protection of domestic industry)

Annex 3

QUANTITATIVE RESTRICTIONS AND OTHER NON-TARIFF MEASURES

Informal Note by the Secretariat

1. This note sets out possible techniques for:
 - eliminating quantitative restrictions and liberalizing other quantitative restrictions;
 - bringing such quantitative restrictions into conformity with the General Agreement;
 - taking action on quantitative restrictions affecting products of particular export interest to developing countries; and
 - liberalizing other non-tariff measures.

Elimination of quantitative restrictions which are not in conformity with the General Agreement and liberalization of other quantitative restrictions

2. A number of techniques have been used, or suggested, in the past. Among these are:
 - (a) Immediate elimination of quantitative restrictions;
 - (b) Standstill on existing quantitative restrictions, plus elimination on a fixed date in the near future;
 - (c) Standstill, plus progressive liberalization and elimination on a fixed date in the future. Progressive elimination of individual measures could be achieved by:
 - (i) replacement of quantitative restrictions by tariffs of equivalent protective effect followed by progressive reduction of the tariff; or
 - (ii) conversion of prohibitions and licensing requirements into global quotas of a certain minimum size, followed by progressive enlargement of quotas. Greater flexibility could be introduced by progressively increasing the total trade under quotas maintained by a country, leaving that country free to liberalize some products more quickly than others;
 - (d) Standstill, plus degree of liberalization by a fixed date in the future on which further decision about elimination would be taken;
 - (e) Request and offer procedure directed towards elimination; and
 - (f) Periodic review directed towards objective of elimination.
3. The extent to which use is made of one particular technique or the other could depend on what can be said about the nature of the quantitative

restriction, e.g. whether it is seen to be in conformity with the GATT. One technique may be used for some products or product sectors and other techniques for other products or product sectors. Any of the above techniques may be used in connection with action taken unilaterally by governments or in connection with action by a number of governments acting together. Action may be taken on quantitative restrictions alone or as a part of a larger package dealing with other matters.

4. The techniques above may be supplemented by structural adjustment measures designed to facilitate the elimination of quantitative restrictions.

Bringing quantitative restrictions into conformity with GATT

5. Several techniques may be used; e.g.

- (a) Invocation of GATT provisions permitting the maintenance of quantitative restrictions and adherence to the conditions laid down in these provisions (e.g. Article XVIII:B or C, Article XIX etc.);
- (b) Replacement of quantitative restrictions by measures which are in conformity with GATT provisions (e.g. tariffs, renegotiations being conducted under Article XXVIII in cases of bound items);
- (c) Elimination of particular elements not in conformity with the GATT in quantitative restrictions which are otherwise in conformity (e.g. discrimination);
- (d) Request and grant of a waiver under Article XXV:5 of the General Agreement.

The mandate refers to quantitative restrictions which are not in conformity with the GATT "being brought into conformity". If the GATT itself were changed, this might be another way of reconciling such quantitative restrictions with it.

Action on quantitative restrictions affecting products of particular export interest to developing countries

6. If quantitative restrictions are removed immediately there is no question of additional action on quantitative restrictions of particular export interest to developing countries. The other techniques for the elimination of quantitative restrictions can be modified in a number of ways to provide for such action; e.g.:

- (a) special and differential treatment for developing country suppliers (e.g. by increasing the share of a quota allotted to developing countries more rapidly than other countries' share);
- (b) more rapid liberalization of imports from all countries of products of particular export interest to developing countries than of other products;

Annex 3

- (c) periodic review of possibilities for action on products of particular export interest to developing countries.

7. In addition, these techniques could be used in connection with particular measures in favour of the least developed countries.

Liberalization of other non-tariff measures

8. The main techniques are:

- (a) request and offer procedure with multilateral review of progress at the bilateral or plurilateral level;
- (b) establishment of multilaterally agreed interpretations of existing international rules or of new international rules.

Annex 4

QUANTITATIVE RESTRICTIONS

Symbols for use in documentation

Informal Note by the Secretariat

P	Prohibition
CP	Prohibition except under defined conditions
GQ	Global quota
GQC	Global quota allocated by country
BQ	Bilateral quota (i.e. anything less than a global quota)
AL	Automatic licensing
NAL	Non-automatic licensing
STR	Quantitative restriction made effective through state-trading operations
MXR	Mixing regulation
MPR	Minimum price, triggering a quantitative restriction
VER	"Voluntary" export restraint
-S	Seasonal restriction
[-X	Export restriction]

Annex 5

TABLE OF CONTENTS OF THE INVENTORY OF NON-TARIFF MEASURES

<u>Parts and Sections</u>	<u>Description</u>
Part I	<u>GOVERNMENT PARTICIPATION IN TRADE AND RESTRICTIVE PRACTICES TOLERATED BY GOVERNMENTS</u>
A	Government aids
B	Countervailing duties
C	Government procurement
D	Restrictive practices tolerated by governments
E	State-trading, government monopoly practices, etc.
Part II	<u>CUSTOMS AND ADMINISTRATIVE ENTRY PROCEDURES</u>
A	Anti-dumping duties
B	Valuation
C	Customs classification
D	Consular formalities and documentation
E	Samples
F	Rules of origin
G	Customs formalities
Part III	<u>TECHNICAL BARRIERS TO TRADE</u>
A	General
B	Technical regulations and standards
C	Testing and certification arrangements
Part IV	<u>SPECIFIC LIMITATIONS</u>
A	Quantitative restrictions and import licensing
B	Embargoes and other restrictions of similar effect
C	Screen-time quotas and other mixing regulations
D	Exchange control
E	Discrimination resulting from bilateral agreements
F	Discriminatory sourcing
G	Export restraints
H	Measures to regulate domestic prices
I	Tariff quotas
J	Export taxes
K	Requirements concerning marking, labelling and packaging
L	Others
Part V	<u>CHARGES ON IMPORTS</u>
A	Prior import deposits
B	Surcharges, port taxes, statistical taxes, etc.
C	Discriminatory film taxes, use taxes, etc.
D	Discriminatory credit restrictions
E	Border tax adjustments
F	Emergency action

Annex 6

Notifications of other non-tariff measures

NTM/INV/I, II, III, IV.C, D, F, H, I, J, K, L, V

<u>Maintaining country</u>	<u>Number of notifications</u>
<u>I.A. Government aids</u>	40
Argentina	1
Australia	1
Austria	1
Brazil	1
Canada	2
EEC: Community	1
Belgium	1
France	3
Germany, Fed. Rep.	1
Greece	1
Italy	3
Netherlands	1
United Kingdom	2
Egypt	1
Finland	1
India	2
Indonesia	1
Israel	1
Japan	1
New Zealand	2
Norway	1
Pakistan	1
Portugal	1
South Africa	2
Spain	1
Switzerland	1
United States	4
Uruguay	1
<u>I.B. Countervailing duties</u>	2
Canada	1
New Zealand	1
<u>I.C. Government procurement</u>	25
Austria	1
Brazil	1
Burma	1
Cameroon	1
Canada	1
EEC: Belgium	1
Denmark	1
France	1
Greece	1
Italy	1
Luxembourg	1
United Kingdom	1

Annex 6

India	1
Japan	1
Kenya	1
Madagascar	1
Malawi	1
Malaysia	1
Norway	1
Portugal	1
South Africa	1
Spain	1
United States	3
<u>I.D. Restrictive practices</u>	6
EEC: France	1
Czechoslovakia	1
Poland	1
Romania	1
United States	1
United States	1
<u>I.E. State trading</u>	25
Austria	1
Brazil	2
Canada	1
Colombia	1
Congo	1
EEC: France	1
Greece	1
Italy	1
Finland	1
Haiti	1
Iceland	1
India	2
Kenya	1
Korea, Rep. of	1
Kuwait	1
Mauritania	1
Nordic countries	1
Norway	1
Spain	1
Sri Lanka	1
Tanzania	1
Tunisia	2
<u>II.A. Anti-dumping duties</u>	6
Australia	3
Canada	1
South Africa	2
<u>II.B. Valuation</u>	26
Argentina	1
Austria	1
Brazil	3

Canada	8
Central African Republic	1
Chad	1
Congo	1
Gabon	1
Ivory Coast	1
New Zealand	1
Peru	2
Sierra Leone	1
South Africa	3
Uruguay	1
<u>II.C. Customs classification</u>	3
Canada	2
United States	1
<u>II.D. Consular formalities and documentation</u>	22
Argentina	1
Austria	1
Brazil	3
Dominican Republic	2
EEC: Italy	1
Egypt	1
Gabon	1
Haiti	2
Kuwait	1
Mauritania	1
Nicaragua	1
Peru	2
Philippines	1
Portugal	1
United States	2
Uruguay	1
<u>II.E. Samples</u>	1
South Africa	1
<u>II.F. Rules of origin</u>	1
EEC, EFTA	1
<u>II.G. Customs formalities</u>	5
Austria	2
EEC: Italy	2
Japan	1
<u>III.A. Technical barriers - general</u>	9
Austria	1
EEC: Community	1
France	1
France, Fed. Rep. of Germany,	

Annex 6

United Kingdom	1
Italy	1
Finland	1
New Zealand	1
Nordic countries	1
Norway	1
<u>III.B. Technical regulations and standards</u>	13
Australia	1
Canada	2
EEC: Germany, Fed. Rep.	1
France	1
Greece	1
Pakistan	1
South Africa	1
Sri Lanka	1
United States	3
Upper Volta	1
<u>III.C. Testing and certification arrangements</u>	15
Brazil	1
Nordic countries and Denmark	1
EEC: Belgium	1
Denmark	1
France	1
Greece	1
Japan	3
Norway	1
Senegal	1
South Africa	1
United States	3
<u>IV.C. Screen-time quotas and other mixing regulations</u>	18
Argentina	1
Australia	2
Brazil	2
Canada	1
EEC: France	2
Greece	1
Italy	2
Netherlands	1
United Kingdom	1
Israel	1
Korea, Rep. of	1
Malaysia	1
Pakistan	1
Spain	1
<u>IV.D. Exchange control</u>	6
Brazil	1
Cameroon	1

EEC: Greece	1
Italy	1
Indonesia	1
Pakistan	1
<u>IV.H. Measures to regulate domestic prices</u>	5
Austria	2
EEC: Greece	1
Italy	1
Peru	1
<u>IV.I. Tariff quotas</u>	3
Australia	1
EEC: Germany, Fed. Rep	1
United States	1
<u>IV.J. Export taxes</u>	12
Argentina	1
Canada	2
Gabon	1
Ghana	1
Guyana	1
Haiti	1
Malaysia	1
Pakistan	1
Philippines	1
Switzerland	1
Tanzania	1
<u>IV.K. Requirements concerning marking, labelling and packaging</u>	12
Australia	3
Canada	1
EEC: France	1
United Kingdom	2
Finland	1
Japan	1
Sweden	1
United States	1
Uruguay	1
<u>IV.L. Other specific limitations</u>	4
Japan	3
United States	1
Kuwait	1
Tunisia	1
<u>V.A. Prior import deposits</u>	9
Dominican Republic	1
EEC: Greece	3

Annex 6

Iceland	1
Korea, Republic of	2
Turkey	1
Uruguay	1
<u>V.B. Surcharges, port taxes, statistical taxes, etc.</u>	<u>55</u>
Austria	1
Benin	1
Brazil	2
Burundi	1
Cameroon	1
Central African Republic	1
Chad	1
Congo	1
EEC: Greece	1
Italy	2
Egypt	2
Iceland	3
India	1
Indonesia	2
Ivory Coast	2
Korea, Rep. of	1
Madagascar	1
Mauritania	3
Niger	3
Peru	1
Portugal	1
Rwanda	2
Senegal	2
Togo	6
Tunisia	1
Turkey	2
United States	1
Upper Volta	6
Uruguay	3
<u>V.C. Discriminatory film taxes, use taxes, etc.</u>	<u>20</u>
Argentina	1
Barbados	1
EEC: Belgium/Luxembourg	1
France	2
Greece	1
Italy	2
Egypt	1
Finland	1
Gabon	1
Israel	1
Malaysia	1
Norway	1
Spain	3
Switzerland	2
Turkey	1

<u>V.D. Discriminatory credit restrictions</u>	6
Brazil	1
Dominican Republic	1
EEC: Greece	1
Indonesia	1
Japan	1
Korea, Rep. of	1
<u>V.E. Border tax adjustments</u>	46
Argentina	2
Australia	1
Barbados	1
Benin	1
Brazil	1
Chad	1
EEC: Community	1
Belgium/Luxembourg	1
Germany, Fed. Rep.	1
Greece	2
Italy	3
Netherlands	1
Finland	4
Ghana	2
Iceland	1
Israel	2
Ivory Coast	1
Japan	1
Madagascar	1
Mauritania	1
New Zealand	1
Niger	2
Norway	1
Pakistan	1
Portugal	2
Senegal	1
South Africa	1
Spain	1
Switzerland	1
Togo	1
Tunisia	3
Turkey	1
Upper Volta	1
<u>V.F. Emergency action</u>	4
Australia	1
New Zealand	1
United States	2