

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

NTM/10
1 November 1984

Limited Distribution

Group of Quantitative Restrictions
and Other Non-Tariff Measures

MEETING OF 27 SEPTEMBER 1984

Note by the Secretariat

Chairman: Ambassador A. Onkelinx (Belgium)

1. The Group met on 27 September 1984.
2. The Group adopted the agenda set out in GATT/AIR/2041 of 11 September 1984 which contained two items; the examination of outstanding questions, including the Group's findings and conclusions on quantitative restrictions and other non-tariff measures; and consideration of the draft report.
3. The Chairman suggested that, after any general statements had been made, the Group might consider these two items together. The Group agreed to this suggestion.

Documentation

4. The Chairman referred to the secretariat's revised note on quantitative restrictions, NTM/W/6/Rev.2, taking into account the further information supplied by contracting parties maintaining the measures; the new addendum to the Inventory of Non-Tariff Measures brought out by the secretariat (NTM/INV/I-V/Add.8), incorporating a number of new, amended or modified notifications received from contracting parties as part of the ongoing process of updating the Inventory; and the revised list of products of export interest to developing countries (NTM/W/4/Rev.3) incorporating notifications of further products for inclusion.
5. One delegation said that it would be submitting a written proposal that a comprehensive data base should be compiled comprising quantitative restrictions and other non-tariff measures in all product sectors. He also suggested that the Inventory of Non-Tariff Measures should be collated and reprinted as had been done in 1981. In answer to a question, it was confirmed that, for practical reasons, the detailed tables of the NTM/W/6 documentation did not include quantitative restrictions applied under the MFA, although the GATT documents giving details of MFA agreements were listed in the relevant country notes.
6. One delegation pointed out that in the case of certain importing countries the quantitative restrictions applied in the context of all bilateral agreements concluded under the M.F.A. did not phase out de jure the restrictions applied by these countries earlier, only provisionally and conditionally suspended them.
7. The Chairman also recalled the informal papers prepared by the secretariat, at the Group's request, to assist in the discussions relating

to findings and conclusions: namely the revised paper analysing the data collected in stages I and II incorporating the new information and clarifications from members (the revised "blue book" and corrigendum); the addendum to the "blue book" undertaking a further analysis of the products of export interest to developing countries and of the problems in the area of other non-tariff measures notified in the Inventory of Non-Tariff Measures.

8. The Chairman suggested that, if delegations wished to raise specific points regarding the documentation, they might contact the secretariat.

General statements

9. The representative of Korea informed the Group that restrictions on 352 import items (at the 8-digit CCCN level) had been liberalized with effect from July 1984. He requested that the liberalized items be deleted from the relevant parts of the NTM/W/6 documentation and that the details be circulated to all contracting parties for their information. The representative confirmed that the Republic of Korea's five-year import liberalization programme (1984-88) would be implemented as scheduled. Korea regarded this as a significant contribution to the work of the Group and to the achievement of the objectives of the Ministerial Declaration of 1982.

10. The representative of New Zealand recalled that, at an earlier meeting of the Group, he had noted that on 1 July 1984 some eighty tariff items and statistical keys with a trade value of approximately NZ\$60-70 million per annum were scheduled to be exempted from import licensing. This had occurred as scheduled and the list of liberalized items had been taken account of in the data base on quantitative restrictions, (NTM/W/6/Rev.2). In addition, the new Government had taken certain measures that continued to expand the trade liberalization measures announced earlier. These were designed to offset the effect on countries exporting goods to New Zealand of the devaluation of New Zealand's currency by some 20 per cent. The authorities had decided to maintain access for the pre-devaluation volume of imports subject to license by increasing, by 25 per cent for 1984-85, and, subsequently, all import license allocations where these were denominated by value. Further, import license allocations had been increased to the extent necessary so as to expand global import access to a minimum of 10 per cent by value of the domestic market for goods produced in New Zealand and not covered by industry development plans, where present access was less than 10 per cent; the additional licenses allocated would be tendered. Finally, the authorities had decided to confirm that the continuing annual increase beyond the base period in import license allocations would be as already agreed, i.e. basically 2.5-5 per cent of the domestic production excluding exports.

11. The representative of the European Economic Community stated that eight quantitative restrictions had been eliminated since 1 January 1982. This did not include actions under Article XXIII. He desired that the Group take note of this in the context of its work.

12. The representative of Hungary wished to clarify that his authorities had, in fact, abolished a number of restrictions in conformity with the General Agreement, i.e. restrictions temporarily imposed under Article XII.

13. The representative of Norway, speaking on behalf of the Nordic countries, stated that these countries maintained very few quantitative restrictions in the industrial sector and that a number of these had been abolished during the exercise of the Group. The Nordic countries, nevertheless, recognized the importance of reviewing quantitative restrictions and other non-tariff measures and their possible elimination not only in the context of the roll-back process but also in view of the desirability to strengthen the multilateral trading system.

Examination of outstanding questions and consideration of Draft Report

14. The Group then examined outstanding questions and considered its draft report in some detail. Questions raised in the discussion related, inter alia, to the balance between the treatment of quantitative restrictions and other non-tariff measures; the conformity of quantitative restrictions and other non-tariff measures with the GATT; measures in the areas of agriculture and textiles; certain other sectors such as steel; possible recommendations concerning the elimination and liberalization of quantitative restrictions and other non-tariff measures; quantitative restrictions and other non-tariff measures affecting products of particular export interest to developing countries; quantitative restrictions and other non-tariff measures affecting imports from certain contracting parties only; institutional arrangements for future work in this area.

15. The Group took note of the points made and agreed that they would be taken into consideration in the formulation of the Group's report. The Group requested secretariat to draw a draft of the report for consideration and adoption by the Group at its meeting on 15 and 16 October.