

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

Group on Quantitative Restrictions
and Other Non-Tariff Measures

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PROPOSALS REGARDING QUANTITATIVE RESTRICTIONS AND OTHER NON-TARIFF MEASURES

HUNGARY

Addendum

The report (1984) of the Group on Quantitative Restrictions and Other Non-Tariff Measures (L/5713), adopted by the CONTRACTING PARTIES at their fortieth session, contains the recommendation that contracting parties should make written proposals by the end of April 1985 regarding quantitative restrictions and other non-tariff measures (paragraphs 44(h) and 65(f)).

The following communication, dated 8 May 1985, has been received from the Permanent Mission of Hungary.

The report of the Group on Quantitative Restrictions and Other Non-Tariff Measures (L/5713), adopted by the CONTRACTING PARTIES at their fortieth session recommends "inter alia" that "Contracting Parties should, pursuant to the ministerial mandate ... 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" (paragraph 44(h)).

In response to this recommendation the Hungarian authorities take the opportunity to draw the attention of the Group to document L/5771 of 9 January 1985 containing the communication on the abolition of annual import quotas established for a limited number of products for balance-of-payments purposes.

These annual import quotas were introduced as from 1 September 1982, when Hungary notified to the CONTRACTING PARTIES that she had been compelled to introduce, under Article XII:2(a) of the General Agreement, temporary import restrictive measures as a consequence of the cumulative effects of unfavourable external circumstances.

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The Hungarian authorities continuously informed the CONTRACTING PARTIES on the consecutive steps taken with a view to ease and eliminate the measures concerned (documents L/5363 and Addenda of 7 September 1982, 8 February 1983, 24 February 1984, 11 April 1984, 12 July 1984). A detailed description of the products subjected to the annual import quotas is contained in NTM/W/6/Rev.2.

In accordance with the relevant provisions of the General Agreement and the obligations arising therefrom, Hungary had full consultations with the CONTRACTING PARTIES in March 1983 and May 1984 on the restrictive measures introduced for balance-of-payments purposes.

As from 1 July 1984 the last remaining element of trade measures taken for balance-of-payment purposes were six annual import quotas, valid until the end of 1984. As from 1 January 1985 these quotas have been abolished and accordingly the relevant legal instrument providing for the establishment of annual import quotas (Instruction No. 14/1982/KkM, 1/1983/KkM of the Minister of Foreign Trade) has been withdrawn, and with this step all trade measures, introduced under Article XII:2(a) on 1 September 1982, have been eliminated.