

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

RESTRICTED

DPG/W/9

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Limited Distribution

Working Group on Domestically Prohibited Goods

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### WORKING GROUP ON TRADE IN DOMESTICALLY PROHIBITED GOODS AND OTHER HAZARDOUS SUBSTANCES

#### Communication from the European Community

The European Community is of the opinion that progress in the Working Group on Trade in Domestically Prohibited Goods and Other Hazardous Substances will be facilitated by focusing attention more specifically on the language of a possible agreement or understanding in this area of importance to all contracting parties.

The Community therefore submits the following proposal for an Understanding, to which all contracting parties would subscribe, for consideration of the Working Group.

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### UNDERSTANDING ON TRADE IN DOMESTICALLY PROHIBITED GOODS AND OTHER HAZARDOUS SUBSTANCES

#### ARTICLE I

This Understanding applies:

- (1) to all products which in the domestic market of a country:
  - are prohibited from being sold;
  - the sale of which is severely restricted or controlled;
  - are withdrawn from sale;
  - have been refused approval for sale;
- (2) to industrial, toxic and other wastes whose disposal in the domestic market is severely restricted or controlled,

on the grounds that they are dangerous to human health or safety, animal or plant life or health, or necessary for the protection of the environment, or the preservation of natural resources.

#### ARTICLE II

The CONTRACTING PARTIES recognize the need for governments, in formulating policy in respect of trade in goods to which this Understanding relates, to pay the fullest attention possible to the protection of the environment, and of human, animal and plant health and life, not only within their own countries but also in other countries.

The further recognize that the co-ordinated efforts at international level for the:

- protection of health and safety of consumers and users;
- preservation and improvement of the environment;
- conservation of natural resources and prevention of their depletion;
- prevention of extinction of endangered species;

already undertaken under the auspices of the United Nations Environment Programme, Food and Agriculture Organization and the World Health Organization, which have the necessary technical competence in the areas concerned, must be sustained and, wherever possible, made more effective. However, this should not be construed in such a way as to affect, in a discriminatory manner, the international trade of these countries having attained a high level of protection in the areas referred to above.

#### ARTICLE III

Where international agreements designed to further the objectives enumerated in Article II already exist, contracting parties undertake to accept and apply them.

Where such international agreements incorporate binding provisions with regard to the export, import and transit of the goods to which this Understanding relates, those provisions shall not be applied in such a way as to constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on international trade. In this connection, those provisions shall be applied in accordance with the relevant provisions of the General Agreement and other agreements or arrangements of GATT.

#### ARTICLE IV

The CONTRACTING PARTIES recognize that systems for notification, the exchange of information, and/or the preparation of registers of goods covered by this Understanding have been developed by a number of international organizations, and that these can assist importing countries in deciding whether or not to permit importation of the goods concerned.

Contracting parties therefore undertake:

- (a) to participate effectively in the schemes for Notification and Exchange of Information in relation to goods covered by the Agreement and for compilation of registers of such products at international and regional levels;
- (b) to encourage development of such schemes for Notification and Exchange of Information in relation to goods covered by the Agreement, for which such schemes have not been developed at international or regional levels;

- (c) to ensure that the provisions shall not be applied in such a way as to create unnecessary obstacles to international trade.

#### ARTICLE V

Contracting parties reaffirm the importance they attach to the fullest possible transparency in this area, and to this end they undertake to:

- (a) publish promptly all laws, regulations, administrative rulings, relating to the products falling within the categories to which this Understanding applies and the application of any schemes for notification and/or exchange of information in which they participate, in accordance with the provisions of GATT Article X insofar as they relate to international trade in such goods;
- (b) establish, as necessary, focal points or points from which further information on regulations and technical information on harmful effects of such goods could be obtained on request by interested contracting parties;
- (c) notify to the GATT secretariat, immediately on entry into operation of this Understanding, the references of the official journals in which such regulations are published and the body or bodies which shall act as focal points;
- (d) give sympathetic consideration to requests for technical assistance from developing countries with regard to the application of effective control procedures in accordance with the provisions of the General Agreement and other relevant GATT instruments.

#### ARTICLE VI

The Working Group on Trade in Domestically Prohibited Goods shall meet as necessary in order to conduct periodic reviews of the operation of this Understanding and also in the light of developments with regard to the provisions adopted by other international organizations.

To that end, the Working Group shall invite international organizations which have expertise and are responsible for technical work in the area to submit, if they so wish, reports on their work and to participate in the discussion.