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GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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IMPORT RESTRICTIONS

Request by the Government of Belgium

Statement by the Belgian Representative at the meeting of the Intersessional Committee on 24 June 1955:

"The subject of the request by the Belgian Government is set out in Documents L/357 and Addenda, which have been brought to the notice of you all. This request is by no means a novelty for you. My delegation referred to it at length during the discussions held last winter in connexion with the hard core problem.

"Our request of today deals only with agricultural products, and in principle, with those which are included in the agricultural Protocols signed between the partners of the Benelux Customs Union. Taking into consideration the particular position of Belgium and of Luxemburg, and especially of the circumstances relating to internal competition between the agricultural economies of their country, on the one hand, and Belgium, on the other, The Netherlands agreed to the control and restriction in the trade of a certain number of agricultural products, as a deviation from one of the basic principles of a customs union. Obviously, corresponding measures of exception had to be applied at the external frontiers. I would add that application of these measures is not left to the entire discretion of Belgium. Not only is there an agreement with The Netherlands, but there are others with the main importing countries, such as France, Italy, etc. A modus vivendi has therefore been established to guarantee the interests of the chief countries concerned.

"A new event of immense consequence has occurred since the Belgian Delegation submitted its problem to the CONTRACTING PARTIES: on 3 May last, an agreement was signed between The Netherlands and Belgium providing for the harmonization within a time-limit of seven years of the agricultural policies of the two countries and, as a consequence, the removal within that same time-limit of the restrictions in force. This agreement will facilitate matters for Belgium in meeting the requirements of Article XI of the General Agreement.

"The CONTRACTING PARTIES adopted a Decision enabling countries which no longer have balance-of-payment difficulties to be permitted to maintain quantitative restrictions of a limited period under certain conditions and guarantees. Belgium had intended to put in a request on the basis of that Decision, but since her case differs from that of the countries which were in

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mind when the Decision was drafted, and since the Netherlands-Belgian Agreement of 3 May 1955 creates a special situation, my Government feels itself constrained to resort to Article XXV. This does not mean it rejects the conditions and guarantees embodied in the Decision. On the contrary, apart from the question of duration, it is prepared to accept practically all its terms. But the process of liberalization may not develop along the lines of the Decision, and the Belgian Government would like to have the widest measure of freedom to carry out harmonization of its agricultural policy with that of The Netherlands. In the last analysis, this is the most important point, since harmonization is the key of liberalization of trade, which is its object.

"The Schedule of restrictions maintained by the Belgo-Luxemburg Economic Union is wider than the Schedule which is the subject of the request I am submitting today. In actual fact, there will be a combined Schedule for the three Benelux countries, which is presently being drawn up, and in connexion with which a request will be duly made. But my Government wished to request a special waiver forthwith. It has done so, as I already mentioned on account of the special character of the régime in question, and also because it would find it difficult, if not impossible, to sign the Protocols of Amendments to the General Agreement, if it did not attain the waiver which it is seeking today.

"I feel these few statements will suffice to introduce my request. My delegation is obviously at the disposal of the Intersessional Committee or any Working Party you may wish to set up, to supply any explanations required, and to discuss the terms of a possible waiver.

"One last word. I would repeat today what I had occasion to say several times last winter: we do not ask to be dispensed from applying the rules of the General Agreement, but for a procedure which will enable us progressively to adapt our régime to these rules, so that we may regularize our position within a specific time-limit. My Government does not feel these facilities could be denied it."