

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

MTN/NTM/24

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## Multilateral Trade Negotiations

### Group "Non-Tariff Measures"

#### Sub-Group "Quantitative Restrictions"

### MEETING OF NOVEMBER 1976

#### Summing-up by the Acting Chairman

1. The Sub-Group met on 2-3 November 1976.
2. It noted that Ambassador I.S. Chadha (India) had had to give up the chairmanship of the Sub-Group on the assumption of new responsibilities. The Sub-Group thanked Ambassador Chadha for his work as its Chairman. It was agreed that the secretariat should act as Chairman for the present session.
3. The Sub-Group invited the Secretary-General of UNCTAD, or his representative, to attend the session of the Sub-Group as an observer.
4. The Sub-Group noted the communications received from chairmen of other Groups or Sub-Groups (MTN/NTM/W/63).
  - A. QUANTITATIVE RESTRICTIONS
    5. A number of delegations made oral reports on the consultations in which they had participated as exporting or importing countries under the procedure adopted at the April 1975 meeting of the Sub-Group (MTN/NTM/2, paragraph 6(i)-(iii)). During the discussion reference was also made to summary notes submitted by a number of delegations (MTN/NTM/W/40 and Addenda 1-12). A number of delegations indicated that they had found the consultations useful in clarifying factual information and as an initial step in the process of working towards solutions.
    6. Some delegations stated that it was difficult to undertake an analysis of the existing situation in view of the diversity of restrictions and the heterogeneous nature of the information contained in the summary notes submitted thus far. One delegation proposed that the summary notes should indicate whether the existence of quantitative restrictions had been confirmed in the consultations. A number of problems relating to the scope of the consultations were raised. One delegation made a general statement (reproduced in MTN/NTM/W/67) concerning the lack of progress made in the Sub-Group, the relationship of its work with other areas of the Multilateral Trade Negotiations and the direction which future work should take.

7. The Sub-Group continued its discussion on the possibility of formulating additional procedures for bilateral and/or plurilateral negotiations on quantitative restrictions and the possibility of working out a general formula or formulae of automatic application, as well as the question of differential treatment including special procedures in favour of developing countries. In this context one delegation made a suggestion (reproduced in MTN/NTM/W/66) aimed at setting out procedures containing both bilateral and multilateral aspects for dealing with quantitative restrictions. Another delegation suggested a procedure under which countries would notify to the secretariat the types of restrictions which they considered appropriate for negotiations, with a view to deciding on the form of negotiation feasible for each type of restriction. Several delegations supported the multilateral approach contained in the first suggestion. Some of these delegations recalled proposals which several developing countries had made earlier (MTN/NTM/W/29, COM.TD/188 and 198). These proposals received the support of some other delegations, particularly with regard to special procedures for developing countries. Delegations from developing countries expressed the view that any lists of exceptions should not include products of export interest to developing countries; in this connexion, restrictions maintained against imports of cotton textiles were particularly mentioned. Other delegations raised a number of questions and sought clarification on particular aspects of the suggestion contained in MTN/NTM/W/66. Several delegations took note of the suggestion and considered that more time would be needed for the examination of this in capitals and indicated that they would be prepared to revert to this matter later. Some other delegations recalled their position seeking the early elimination of quantitative restrictions inconsistent with Article XIII. Some delegations also recalled the view expressed by them regarding the need for a standstill against the introduction of new restrictions or the increase of the protective element in existing restrictions.

8. One delegation referred to its proposal submitted earlier (MTN/NTM/W/6) which aimed at negotiations on the basis of specific requests and offers and multilateral monitoring of the progress of the negotiations, as representing the most practical and realistic approach to further action on quantitative restrictions. This view was supported by some other delegations.

9. The Sub-Group noted that no delegation had indicated at the present time the intention to submit additional proposals. This did not however preclude the submission of further proposals at a further stage. The Sub-Group agreed to focus its discussion at the next meeting on the proposals and suggestions made under items (c) and (d) of the agenda with a view to making further progress.

10. The Sub-Group continued the discussion on the question of ensuring that there was an accurate and complete data base on quantitative restrictions. The Sub-Group noted that each participant had the right to request the inclusion of quantitative restrictions which affected its exports in the Inventories of Non-Tariff Measures; additions to the Inventories would continue to be governed by the procedures established earlier in the negotiations. The Sub-Group further noted the information presently available, especially the documentation of the Joint Working Group, the Inventories and document COM.TD/203/Rev.1. In addition it was noted that the secretariat would continue to stand ready to provide assistance to any developing country or group of countries in assembling or arranging data on quantitative restrictions affecting their exports.

11. The Sub-Group noted that the procedures adopted in April 1975 (MTN/NTM/2 paragraph 6(ii)) would allow developing countries having an interest in one or more products or restrictions to meet jointly, if they so desire, with each of the developed countries applying restrictions.

12. The Sub-Group agreed to revert at a subsequent meeting to the question of a review of the GATT provisions relating to the use of quantitative restrictions, including from the point of view of the interest of developing countries.

#### B. IMPORT LICENSING PROCEDURES

13. The Sub-Group requested the secretariat to prepare a single working document based on the specific comments and proposals that had been made thus far by delegations, together with the respective paragraphs of the draft texts on import licensing procedures prepared by Working Group 4 of the Committee on Trade in Industrial Products. The Chairman would then consult with delegations concerning a meeting at technical level open to all interested delegations with a view to working out an improved text for further negotiation in the Sub-Group. This meeting could be organized before or in conjunction with the next meeting of the Sub-Group.

#### DATE FOR THE NEXT MEETING

14. The Sub-Group requested the Group "Non-Tariff Measures" to establish the date for its next meeting.