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C/W/402

2 November 1982

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# GENERAL AGREEMENT ON TARIFFS AND TRADE

COUNCIL

Original: Spanish

## TRADE MEASURES AFFECTING ARGENTINA APPLIED FOR NON-ECONOMIC REASONS

### Draft Decision

The following communication was received from the delegation of Argentina on 2 November 1982 with the request that it be circulated to contracting parties.

### DRAFT DECISION PRESENTED BY ARGENTINA FOR CONSIDERATION AND ADOPTION ON THE OCCASION OF THE THIRTY-EIGHTH SESSION OF THE CONTRACTING PARTIES CONCERNING ARTICLE XXI OF THE GENERAL AGREEMENT

Considering that the exception envisaged in Article XXI of the General Agreement constitutes an important element for safeguarding the rights of contracting parties when they consider that reasons of security are involved;

Recognizing that Article XXI is part of a regulatory instrument that the General Agreement constitutes, and accordingly recourse to it should take into account the interests of all contracting parties which could feel affected by its application;

Taking into account that such recourse could constitute, in certain circumstances, an element of disruption for international trade and of insecurity in the rights acquired and obligations deriving from the General Agreement with serious prejudice for its credibility;

That until such time as the CONTRACTING PARTIES decide to make a formal interpretation of Article XXI it is appropriate to set certain agreed guidelines for the modalities of its application;

The CONTRACTING PARTIES decide that:

1. Any measure of a commercial character taken under Article XXI must be notified in accordance with the provisions of paragraph 3 of the "Understanding Regarding Notification, Consultation, Dispute Settlement and Surveillance" adopted on 28 November 1979.
2. The notification should specify the paragraph(s) of Article XXI under which the measure is taken.

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3. Notwithstanding the fact that any contracting party which considers itself affected can have recourse to the procedures established in Article XXIII concerning the protection of concessions and benefits, the party affected shall be exempt from the obligation of carrying out the procedures established in paragraph 1 of that Article, taking into account the particular character of the reasons invoked. Nevertheless, nothing shall prevent interested contracting parties from having recourse to the procedures established in paragraph 8 of the "Understanding Regarding Notification, Consultation, Dispute Settlement and Surveillance" adopted on 28 November 1979.

4. The contracting party or parties affected may request the CONTRACTING PARTIES for authority to suspend the application to any other contracting party or parties of such concessions or other obligations under the General Agreement as they determine to be appropriate, having regard to the circumstances which have caused impairment of their rights (in accordance with the provisions of Article XXIII and Article XXVIII).

5. If necessary, the CONTRACTING PARTIES may adopt in the future a more comprehensive interpretative provision concerning compatibility between the reasons invoked by a contracting party for having recourse to Article XXI and the restrictions adopted by it in respect of any other contracting party or parties.