Twentieth Session of the Contracting Parties

DECLARATION ON PROHIBITION OF EXPORT SUBSIDIES ENTERS INTO FORCE

At the seventeenth session of GATT, in November 1960, the Contracting Parties decided that the time had come to put certain provisions of GATT Article XVI fully into effect. These provisions, which call for the prohibition of export subsidies on goods other than primary products (i.e. industrial goods) had, up to that time only been subject to a standstill arrangement, operating from year to year, among countries which accepted the arrangement.

The Contracting Parties therefore drew up a Declaration, dated 19 November 1960, whose effect would be to prohibit the use of export subsidies on goods other than primary products. The entry into force of the Declaration depended on its acceptance by fourteen industrial countries: Austria, Belgium, Canada, Denmark, France, Federal Republic of Germany, Italy, Luxemburg, Kingdom of the Netherlands, Norway, Sweden, Switzerland, United Kingdom, United States.

With the confirmation on 15 October 1962 by the Federal Republic of Germany of its signature of the Declaration, acceptances have now been received from all the contracting parties listed above. In addition, the Declaration has been accepted by New Zealand and the Federation of Rhodesia and Nyasaland.

In accordance with the terms of the Declaration, it will enter into force on 14 November 1962.

A new standstill arrangement has also entered into force for certain countries, with the intention that it should be accepted by countries which have not been able to accept the prohibition. This standstill arrangement has been accepted by Japan.

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