Contracting Parties
Third Session

NON-DISCRIMINATORY MEASURES NOTIFIED UNDER PARAGRAPH 6 ALI OF ARTICLE XVIII.

Summary of Supplementary Statements and Objections and Alteration in Procedure.

The procedure laid down in Annex E of GATT/CP.2/38/Rev.1 for dealing with the existing measures notified by contracting parties under paragraph 6 ALI of Article XVIII involved the submission, before 15 November 1948, of supplementary statements by the contracting parties maintaining these measures, and the lodging, before 28 February 1949, of objections to any of the measures by those whose interests were materially affected.

The following statements received from contracting parties have been distributed:

- United Kingdom GATT/CP.3/1 Annex
- Netherlands GATT/CP.3/1 Add.1
- India GATT/CP.3/1 Add.2
- Chile GATT/CP.3/1 Add.3
- Cuba GATT/CP.3/1 Add.4
- Lebanon and Syria GATT/CP.3/1 Add.5

In view of the fact that the statements from the Governments of India, the Netherlands and Cuba were received later than 15 November 1948 it was proposed in GATT/CP.3/8 on 8 March 1949 that with respect to these measures the date of 28 February 1949 for the lodging of objections should be deferred until 8 April 1949, the day of the opening of the Third Session so that sufficient time would be
afforded the contracting parties for the consideration of these statements and the lodging of their objections. It was added that if there was no objection to this proposal, objections received would be accepted and distributed to the contracting parties. No contracting party has objected to the change in procedure.

Since the proposal was made, the Governments of Lebanon and Syria have submitted the statement mentioned above in support of measures in force in the two countries.

The following is an account of the statements and objections received since the Second Session:

I. Measures notified by the United Kingdom

The statements submitted by the Government of the United Kingdom refer to measures relating to the tea industry in Mauritius and the "filled soap" industry in Northern Rhodesia.

The Government of the Netherlands has stated (GATT/CP.3/5 Add.1) that on certain condition it will not object to the tea import restriction applied in Mauritius.

The Government of Belgium has objected (GATT/CP.3/5/Add.2) to the import restriction on filled soap applied in Northern Rhodesia on the grounds that this measure materially affects the interests of the Belgian Congo.

The United States Government notes that whilst it does not propose to raise any objection based on the anticipated effects of these measures on the United States, it understands however that its privilege is not thereby impaired to object, in the light of existing facts and added information adduced at the Third Session, to the maintenance of these measures on the ground that they are not appropriately within the scope of the Article under which they were notified.
II. Measures notified by the Netherlands

The communication from the Government of the Netherlands states that inasmuch as measures safeguarding the balance of payments are now in force, the measures under Article XVIII will not be applied but that the Government reserves its right to apply the measures under Article XVIII as soon as circumstances no longer require application of measures under Article XII.

The Government of Canada, commenting on this communication, notes that the Netherlands Government has withdrawn its application concerning the measures listed as far as Article XVIII of the General Agreement is concerned.

A letter from the Government of the United Kingdom notes that the information contained in the communication suggests that the measures may not be appropriate for consideration under paragraph 6 of Article XIII, and that they presume that on this question it will be open to the Contracting Parties to make any observations they wish at the Third Session whether or not they have lodged objections on the question of substance.

III. Measures notified by India

The statement by the Government of India is in support of a measure relating to grinding wheels.

A communication from the Government of the United States notes that "India has lifted the embargo on the importation of grinding wheels and has substituted an 80 per cent ad val tariff. The United States assumes therefore that India no longer requires release under Article XVIII. It reserves the right, however, if the embargo is reinstated at a later date to treat such step as a new measure requiring release under Article XVIII".

The Government of the United Kingdom notes that it is presumed that observations can be made by the Contracting Parties at the Third
Session on the question of eligibility of the measure under Article 6 of Article XVIII, in view of information now supplied, which gives rise to doubts as to the appropriateness of considering the measures under that paragraph.

IV. Measures notified by Chile

The procedure adopted at the Second Session required that the statement in support of the maintenance of the various measures in force in Chile should be forwarded on the date on which it signs the Protocol for Accession. Complying with this procedure the Government of Chile submitted its statement by letter dated 10 February 1949 which has been distributed to the contracting parties. This refers to a number of products the importation of which has been restricted either by means of the fixing of quotas or by withholding import licences. The procedure allows for the lodging of objections by contracting parties at any time up to the date on which the Contracting Parties examine and give a decision concerning these measures.

V. Measures notified by Cuba

The statement submitted by the Government of Cuba relates to measures applied to the importation of henequen.

By a cable dated 25 February the Government of the United States advised that it assumed that no obligation would exist to adhere to the date of 28 February for the lodging of objections and that they reserved the right to object at the Third Session either as a party materially affected or on other grounds.

VI. Measures notified by Lebanon and Syria

The statement submitted by the Governments of Lebanon and Syria covers a number of products the importation of which is controlled by means of import licences.

No contracting party has lodged an objection to the measures notified by Lebanon and Syria, but the Government of the United States
had stated, prior to the distribution of the statement on 15 March 1949, that it reserved the right to object to these measures at the Third Session and the Government of Canada had commented that, in the absence of the required statements and owing to the fact that the measures were not examined in detail at the Second Session, it could not state whether it would object to the measures until more information was received.