GENERAL AGREEMENT ON
TARIFFS AND TRADE

CONTRACTING PARTIES
Fourth Session

WORKING PARTY "D" ON QUANTITATIVE RESTRICTIONS
ADDITION TO DRAFT REPORT TO THE
CONTRACTING PARTIES

Revised text submitted by the United Kingdom:

19. (v) Avoiding, as far as balance of payments and technical
considerations permit, the allocation of quotas among
supplying countries, in favour of general licences
unrestricted in amount, or unallocated quotas,
applying non-discriminatory to a number of countries.

Revised texts incorporating New Zealand proposals:

21. It appeared to the Working Party that insofar as these
types of practice were in fact carried on for the purposes
indicated above and were not justified under the provisions of
Articles XII to XIV relating to the use of import restrictions
to protect the balance of payments or under other provisions
of the Agreement specifically permitting the use of import re­
strictions, they were inconsistent with the provisions of the
Agreement, and might appropriately provide a basis for recourse
to the procedure laid down in the Agreement for the settlement
of disputes.

22. Several instances and several hypothetical cases of the
application of restrictions were put forward, but the discussion
led the Working Party to conclude that, although the general
view of the problem had served a useful purpose, future progress
would come from consideration of such actual cases as may be
brought before the Contracting Parties in accordance with pro­
cedures laid down in the Agreement.

Additional paragraph proposed by New Zealand:

23. The Working Party agreed that there did not appear to be
any provision in the Agreement which would justify the imposition
by a contracting party of quantitative restrictions on imports
of a particular product for the purpose of avoiding an increase
in the cost to the importing country of maintaining a price
support programme for the like product of domestic origin and not
for other purposes provided for in the Agreement.

Draft submitted by Belgium and United States:

III. RECOMMENDATIONS

24. The Working Party recommends that the CONTRACTING PARTIES:

(1) Approve Parts I and II of the report and endorse their
conclusions;

(2) Express their recognition of the facts that these con­
clusions will be of the greatest utility if officials
responsible for the imposition or the administration of quantitative restrictions, as well as those engaged in the negotiation of trade agreements, are made thoroughly familiar with these conclusions and with the necessity for administering such restrictions and negotiating such agreements in a manner consistent with the provisions of the Agreement;

(3) Recommend to the contracting parties to take all reasonable measures to accomplish the objectives set forth in (2) above; and

(4) Recommend further that the contracting parties review their present system of quantitative import and export restrictions for their consistency with the conclusions of the Report.