Report of the Working Party on Belgian Waiver

1. In accordance with its terms of reference the Working Party examined, in the light of the statement by the representative of Belgium at the plenary meeting on 7 November 1962 (L/1903), developments under the Decision of 3 December 1955 (BISD, Fourth Supplement, page 22) since the nineteenth session.

2. The Belgian delegation supplied to the Working Party a list (annexed hereto) of the items initially covered by the Waiver of 3 December 1955, indicating the present situation with respect to liberalization measures taken. On the basis of this list the Working Party examined the situation relating to items which had not yet been liberalized. They noted with concern that no firm plan had been established for the liberalization of those items.

Commodities

3. With respect to fish the Working Party noted that a number of items had been liberalized on 1 January 1962 in accordance with the undertaking given by the Belgian delegation in the course of the 1961 review of action taken under the Waiver. Members of the Working Party expressed considerable interest in a number of items which were still under restriction. The Belgian representative stressed that his Government was always willing to discuss with interested contracting parties the possibilities of opening or increasing bilateral import quotas in order to ensure reasonable export opportunities for them.

4. With regard to dairy products the representative of Belgium confirmed that the marketing system as outlined in the report on the 1961 review (BISD, Tenth Supplement, pages 238-240) was still in force. Some members of the Working Party pointed out that the removal on 1 January 1962 of the remaining quantitative restrictions on dairy products had not led to an increase in imports and commented that the new system appeared to have an equally restrictive effect on trade. The Belgian representative pointed out that the Office Commercial du Ravitaillement (OCRA) was not in his opinion a State-trading enterprise and that the Government could not take decisions on the importation of dairy products. It had, however, been found impossible to have a completely free market in view of the international situation in this field. He said that the decrease in imports was due to a decrease in consumption of dairy products in Belgium as well as to an increase in yield.

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1This list is being circulated as an addendum to this document.
5. With regard to fresh vegetables the representative of Belgium recalled that several items had recently been liberalized. The Government of Belgium would examine the possibilities of liberalizing at an early date the items the importation of which were still subject to limitations.

6. The Working Party noted that the Government of Belgium envisaged the possibility of removing the remaining import restrictions on apples and pears before the end of 1962. The Belgian representative explained that if it should not prove possible to remove the restrictions on all qualities of apples and pears, a special effort would be made to liberalize extra quality fruit before the end of 1962. One member noted that these were products on which the EEC had given tariff concessions to his country and that in his opinion the possible maintenance of the restrictions beyond the date of expiry of the Waiver could be considered to impair the benefits of the concessions.

7. One member of the Working Party said that the Belgian restrictions on the importation of hops adversely affected imports from his country. He pointed out that this was an item on which the EEC had given tariff concessions to his country. The representative of Belgium said that the import possibilities of hops into Belgium significantly exceeded the demand. There were plans for the organization of a national market for hops; and, when these had been implemented, the imports would be liberalized.

General

8. The representative of Belgium said that his Government would make every endeavour to abolish the import restrictions so far as possible before the expiry of the Waiver on 31 December 1962. The Belgian representative explained that if some restrictions remained in force after that date, these restrictions would be notified to the CONTRACTING PARTIES in accordance with the procedure relating to residual import restrictions.

9. In reply to questions from members of the Working Party the representative of Belgium said that the impossibility of removing all restrictions before the expiry of the Waiver was due partly to the agricultural crisis which had developed in 1962 and which had its roots in the social as well as the economic conditions prevailing in Belgium. It was also due partly to the deterioration in the world market for agricultural products.

10. Members of the Working Party agreed that the widespread protectionism in the agricultural field had serious effects on world trade and was one of the important factors behind the current world commodity situation. They did not, however, regard this as a justification for a continuation by Belgium of quantitative restrictions beyond the expiration of the Waiver, nor for the replacement of quantitative restrictions by other measures having a similarly restrictive effect on import trade in agricultural products.

11. In reply to a question by a member of the Working Party the representative of Belgium said that a licensing procedure was in force for some completely liberalized products for purely administrative reasons, and the arrangements had no restrictive effects.
Conclusions

12. The Working Party welcomed the assurances given by the Government of Belgium that it was making every endeavour to dismantle the remaining restrictions before the expiration of the Waiver on 31 December 1962. The Working Party expressed its disappointment that it had not been possible to remove the remaining restrictions to a greater extent and urged that prompt action by the Government of Belgium be taken for their speedy elimination.

13. Members of the Working Party recalled that the main objective of the Waiver of the obligations under Article XI had been to enable domestic industries having received incidental protection from import restrictions (imposed during a period of balance-of-payments difficulties) to adjust themselves to the situation which would be created by the removal of the quantitative restrictions. In their view this objective had not been achieved. Some members referred in particular to the replacement of quantitative restrictions by other measures having a similar restrictive effect on import trade and which denied to contracting parties the right of access which at the time of agreeing to the Waiver they had felt they were entitled to expect to follow its termination.