
The Council

DECIDES

1. Member countries introducing or reinforcing quantitative restrictions on imports shall not apply such restrictions to goods shown to the satisfaction of their control authorities to have been despatched to their territories from the factory or other despatch point before the announcement of the restrictions. In all cases where such goods require import licences, the licences shall be issued without delay.

RECOMMENDS

2. In principle, Member countries introducing or reinforcing quantitative restrictions on imports should license imports provided for under contracts, not of a speculative nature, concluded in the course of normal business before the announcement of the restrictions. In particular, they should make provision, as soon as possible and to the fullest extent that the limits imposed by the exigencies of their economic and financial situation may permit, to license such imports in cases where it is shown to the satisfaction of their control authorities that by reason of the contract the exporter has, before the announcement of the restrictions, incurred substantial expenditure which he cannot reasonably be expected to recover either by disposing the goods concerned elsewhere or by retaining them for later delivery under licences to be issued to the importer in subsequent licensing periods.

3. In applying the provisions of paragraph 2, Member countries shall endeavour to comply with the provisions of paragraph 10.

4. Licences shall, so far as possible, be issued in time to permit the contracts to be performed at due date, especially where the goods are required for a seasonal market.

5. Licences issued to permit the performance of outstanding contracts may, in conforming with the conditions of paragraph 7, be counted against quotas or, as the case may be, allocations of foreign exchange allowed for the categories of goods to which the contracts relate.

6. Member countries introducing or reinforcing quantitative restrictions on imports shall announce, as promptly as possible, the licensing regime to be applied in respect of perishable goods and shall arrange for the prompt issue of licences for such goods. They shall also allow, in any distribution of quotas as between different periods of the year, for any seasonable variation in the market for the goods concerned.

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7. Where goods require a lengthy period of manufacture and payments in installments are provided for in the contract, the amounts to be taken into account in determining the import programme for any given licensing period should be limited to the payments actually due to be made in that licensing period, and where import licensing quotas are fixed for such imports the amounts to be charged against the quotas shall be similarly limited, unless the quota period be extended to take account of the long delivery period.

8. Administrative arrangements in connection with the issue of import licences shall be designed so as to enable applications to be dealt with as rapidly as possible. The new arrangements shall be widely publicised so as to enable importers readily to obtain details of the new procedure.

9. There shall be as short a period as possible between the imposition of new restrictions or the reinforcement of existing restrictions on the one hand, and the announcement of future licensing arrangements for the commodities concerned and the issue of licences in pursuance of these arrangements on the other. The provisions of paragraphs 1, 4 and 6 shall apply as soon as the liberalisation measures have been withdrawn or suspended or existing restrictions reinforced.

10. Member countries which introduce or reinforce quantitative restrictions on imports shall take due account of the need, in the general interest of all Member countries, to authorize the import of seasonal and perishable commodities, to preserve the traditional channels of trade (in particular, imports of goods manufactured specially for the market of the country concerned), and to ensure a fair distribution of business among exporters.

DECIDES

11. Should any difficulty arise in connection with the interpretation or application of this Decision, any Member country which has been unable to obtain satisfaction by bilateral consultations may submit the case to the Organization.

12. The cases referred to in the preceding paragraph shall be considered by the Steering Board for Trade in accordance with the procedure and time-limits fixed for the consideration by the Board of the cases referred to in Article 37 of the Code of Liberalisation.
1. Governments finding it necessary to introduce or intensify quantitative restrictions on imports or exports, or to call in for revalidation import or export licences already granted, should, indicate, at the time of announcing such action or as soon as possible thereafter, the conditions under which consideration would be given for the completion of contracts entered into with nationals of other countries prior to the date of the restrictive official action.

2. Delivery of goods other than those covered by recommendations 2 and 3 (of the existing Code of Standard Practices) proven to have been covered by confirmed prior order should be given prompt consideration on an individual case basis. In principle, completion of such contracts should be authorized to the fullest extent permitted by the exigencies of the economic and financial position or prospective exchange availabilities of the country of destination, in the case of imports, and to the fullest extent consistent with the shortage of supplies or security considerations, in the case of exports.

3. Special consideration should be given to transactions involving perishable and seasonal commodities.