REPLY BY PAKISTAN BRINGING UP-TO-DATE THE REPLIES
GIVEN TO THE QUESTIONNAIRE REGARDING BALANCE-OF-PAYMENTS RESTRICTIONS

Dated 9.10.56

Question No. 1: Methods of Restrictions

The methods of restrictions applied by Pakistan consist of the following:

(i) Outright prohibition on import of all items.

(ii) Fixation of global quotas for goods import of which is allowed by Government from time to time and issue of import licences within these quotas for specified values of goods.

(iii) Single country quotas are also fixed for small amounts under certain trade agreements.

Government's import policy is announced during each calendar year, for the first half and the second half of the year respectively through Public Notices. Copies of Public Notices No. 72(55)/Import and No. 139(55)/Import dated 16 August 1955 and 28 December 1955 relating to import policy of the first half of 1956 are enclosed. Public Notices No. 46(56)/Import and No. 55(56)/Import dated 1 June and 28 June 1956 respectively relating to import policy for July-December 1956 are also enclosed.1

2. The items for which licences are to be issued during a particular half year, and the total values to be licensed for them are decided in the light of the foreign exchange position, essentiality of the items, their availability within the country at the time of import, production and other relevant considerations.

3. All imports have remained subject to licensing as the balance-of-payments position remained difficult.

Question No. 2: Non-discriminatory Administration of the Restrictions

Except in case of small amounts provided under some bilateral trade agreements, licences issued are non-discriminatory in nature as they are valid for import from all countries of the world.

Question No. 3: Policy of Discrimination and 4: Methods of Discriminatory Restrictions

Please see answers to questions No. 1 and 2.

1 One copy of this is supplied and is available for consultation at the secretariat.

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Question No. 5: Measures taken to reduce the restrictions

The value of single country quotas allowed under the trade agreements was reduced considerably during the period under review.

Question No. 6: Effects of Discriminatory Administration of the Restrictions

As stated above the licences are mostly global and do not thus affect the diversion of trade due to discriminatory administration of restrictions.

Question No. 7: Considerations affecting the Source of the Imports

Licences are issued on a global basis and importers are free to import from any country on competitive basis, except in case of countries where country wise quotas are issued under the agreement.

Question No. 8: Bilateral Commitments

The Trade Agreements concluded by Pakistan with other countries are mostly of a general nature involving no discrimination. Such agreements are at present in force with Belgium, Ceylon, India, Norway, Czechoslovakia, Hungary, Poland, U.S.S.R., Yugoslavia and Indonesia. Provision for issuing single country licences is made only in trade agreements with France, Federal Republic of Germany, Italy and Japan. The issue of single country licences under these agreements depends on the quantity of cotton to be imported by the countries concerned. No single country licences are thus earned under the agreement if import of cotton by the agreement countries falls short of the specific quantities provided under the agreement. The volume of trade covered by the agreement country licences compared to the total imports is insignificant.

Question No. 9: Import Restrictions through State Trading

As reported last year, there is no state trading as such in Pakistan. Only Governmental requirements and certain food items like wheat and sugar are imported on Government Account.

Question No. 10: Incidental Protective Effects of Restrictions

Restrictions on imports have incidental protective effect. This is, however, unavoidable.

Question No. 11: Action to avoid damage to trade of other Contracting Parties

As stated under reply to Question No. 1 above, the quantum of imports is determined by the balance of payments and essentiality of the goods required considerations. The licences issued are mostly global and thus keep open the competitive channels of import without impairing trade of any partical
countries and areas. No measures were taken during the period under review to amend the regulations relating to import of commercial samples as the regulations in force already aim at avoiding damage to trade of other contracting parties.

Question No. 12: Current Programme and the Prospects

No major changes are anticipated in the policy and programme for the coming year.