Having considered the facts put forward by the Delegation of the Union of South Africa at the 16th meeting of the Thirteenth Session relating to conditions affecting the paper industry in South Africa, the CONTRACTING PARTIES

(a) Welcome the decision of the Union of South Africa to seek the advice of the CONTRACTING PARTIES before proceeding to adopt measures to deal with the situation, and

(b) On the basis of the facts, as presented by the Union of South Africa, concur in the view of the South Africa Government that it would be less restrictive of international trade if South Africa were to offset the unfair advantage enjoyed by certain exporters by the existence of differential freight rates on a particular shipping route for some paper products, instead of raising the normal rate of duty which South Africa would be entitled to do having regard to the fact that the rate is not bound under the General Agreement.