1. In preparation for the Panel's work, the Chairman of the Panel, in March 1962, sent a note to the Uruguayan delegation requesting certain specific information (Spec(62)103). In response to this request, the Uruguayan delegation has submitted: (a) a general note setting out its position in regard to all the cases to be considered by the Panel (see Spec(62)150) to supplement the general statements, etc. already made available by the Uruguayan authorities to the CONTRACTING PARTIES at the nineteenth session and to the Council in February 1962; and (b) certain material concerning its representations to and consultations with individual contracting parties. The present paper summarizes and reproduces such material relating to Belgium.

2. According to the material supplied by Uruguay, the Uruguayan delegation wrote, on 19 October 1961, to the delegation of Belgium requesting a consultation in terms of paragraph 1 of Article XXIII. The reply given by the Belgian Government to this request is noted in paragraph 2 of the attached notes on the consultation (Annex I).

3. The notes on the consultation which took place on 14 November 1961 are appended hereto as Annex I. The Government of Belgium has not confirmed its agreement with these notes, originally drafted by a member of the secretariat, who was present at the discussions.

4. According to the Uruguayan delegation, the list of the restrictions imposed by Belgium, as given in document L/1662, has been revised in the light of the discussions.

5. On 11 December the Uruguayan delegation wrote to the Belgian delegation reiterating its Government's request that the Belgian Government should give consideration to the elimination of restrictions and to expand Uruguay's access to that market. The exact terms of this further representation are reproduced in Annex II to this paper.
ANNEX I

Notes on the Consultation under Article XXIII:1 between Uruguay and Belgium

1. By letter, dated 19 October 1961, addressed to the head of the Belgian delegation, the delegation of Uruguay advised that the Uruguayan Government was desirous of carrying out consultations with Belgium under Article XXIII of the General Agreement in respect of import restrictions applied in Belgium to Uruguayan products.

2. The delegation of Belgium expressed doubt as to the appropriateness of starting a consultation under Article XXIII in the circumstances, particularly as Uruguay had not taken the prerequisite action leading towards the invocation of Article XXIII. The delegation of Belgium was prepared to engage in discussions with the Uruguayan delegation with a view to clarifying the nature and scope of the restrictions which the Uruguayan delegation had in mind as the subject of such a consultation. The delegation of Uruguay insisted that under the General Agreement a contracting party was entitled to initiate consultations under Article XXIII:1 without having had recourse to Article XXII. A consultation was consequently held. The discussion took place in the secretariat building on 14 November 1961.

3. At the outset of the consultation, the Uruguayan delegation explained that the consultation requested was part of a multilateral programme which included similar discussions with a number of other contracting parties and that it should not, therefore, be interpreted as being an action directed solely or mainly against Belgium. This multilateral programme adopted by the Uruguayan delegation had been motivated by a desire to seek improvement in the access to foreign markets for Uruguay's staple exports. Stagnation in Uruguayan exports had created serious problems for the Uruguayan economy and pressure from producers, labour and farmers had been placed on the Government for positive action to be taken in order to improve their lot. Uruguay at present applied no restrictions on imports from any country but its exports were being prevented from entering into foreign markets by a welter of restrictions and other measures.

4. In requesting the consultation, the Uruguayan delegation was not primarily interested in whether the restrictions in question were or were not consistent with the provisions of the General Agreement. Whether or not such restrictions happened to be consistent with GATT they all resulted in an adverse pressure on Uruguay's foreign exchange position and its ability to carry out economic development projects. In fact, they had created hardships for large sections of the economy and led to social instability. Urgent action was needed.
5. The Uruguayan delegation referred to the table of import restrictions in Spec(61)294 which it had circulated to contracting parties during the last Council meeting. This table contains indications of import restrictions and other measures affecting international trade applied, inter alia, by Belgium.

6. At the request of the Uruguayan delegation, the two delegations proceeded with a detailed examination of the accuracy of the information contained in that table concerning measures applied by Belgium. The delegation of Uruguay considered that this discussion had contributed to a better understanding of the restrictive measures of Belgium. In the light of the information thus obtained it would proceed to revise the text of the table. A revised version of Spec(61)294 would be made available by the Uruguayan delegation as soon as it had completed consultations with certain other contracting parties. The opportunity was also taken to obtain information on certain other measures affecting imports which were not listed in the table, such as customs tariffs, preferential arrangements, etc.

7. The Uruguayan delegation stressed the view that its exports were unduly affected by import restrictions and other measures affecting trade, including those applied by Belgium as shown in the table referred to above. It urged in terms of Article XXIII:1 that action should be taken by Belgium for the reduction and removal of such restrictive measures so that there might be a better balance in trade.
ANNEX II

Letter of 11 December 1961 from the Uruguayan Delegation to the Belgian Delegation

I have the honour to refer to my note No. 470/60/61-II.6 dated 19 October and to the consultation held between our respective delegations on 14 November, as well as to the statements made by the Uruguayan delegation and contained in documents L/1572, L/1647 and L/1679 and the chart which appears in document L/1662 above mentioned. These exchanges have confirmed the existence of certain measures in your country which have the effect of restricting the sale of some Uruguayan export products.

I am hereby reiterating the representations already made to the effect that your Government should be so good as to give its consideration to the convenience of doing away with these measures, which are deemed to have the effect of limiting Uruguay's trade possibilities in your market. In this connexion, we shall be delighted to engage in any further consultations or conversations that you may consider to be of use in attaining the ends which are indicated above.

Although the Uruguayan Government's position has been set out at length in the statements mentioned in paragraph 1 of this note, it may be of use to convey to you the continuing concern felt by the Government - from which new instructions were received today by this delegation - in regard to the widespread restrictions applied by many contracting parties to goods which are of fundamental importance within our export sphere. As you are aware, we are presently admitting goods from all countries, to any volume or value, without any discrimination. It is the Government's desire to move in the direction of equivalent treatment for Uruguayan goods and your Government's co-operation in promoting the effective access of our products to your market will be highly appreciated.