Measures which affect exports

1. In the context of the objective of a progressive reduction of export subsidy measures (including export restitutions) there are a number of possibilities for concrete action which if adopted in the course of negotiations, could lead to an ultimate objective of the complete elimination of all such governmental aids to exports. These possibilities include:

(a) Solutions based on price discipline through the establishment of minimum prices on international markets in particular within the framework of international commodity agreements where appropriate, and

(b) Solutions based on limitations through the establishment of overall ceilings on the total value of export assistance granted by individual governments on export assistance granted to individual products or groups of products or on the maximum unit value of assistance for particular products, including an obligation that export assistance would not be granted so as to result in export prices below export prices of countries that do not grant export assistance to the products concerned. The harmonization of export assistance measures would be an objective in the consideration of possible solutions.

2. In the course of consideration of these possible solutions, consideration should also be given to the classification and strengthening of existing provisions of Article XVI relating to primary products including the concepts of "harmful effects", "equitable share of world export trade" and "previous representative period" as well as prevention of injury to countries which do not have recourse to export assistance measures. Consideration should also be given to the mandatory use by importing countries of countervailing duties under Article VI when export assistance measures had harmful effects on third supplying countries in order to complement the content of Article XVI.
3. Action in regard to measures which affect exports should have regard for the interests of developing countries and any revision of Article XVI should take account of the provisions of Article XXXVI, particularly paragraph 3 of that Article.

4. In the course of their normal activities the CONTRACTING PARTIES should consider undertaking such activity regarding notification of and consultation about governmental aids to exports.