Multilateral Trade Negotiations
Group "Non-Tariff Measures"
Sub-Group "Quantitative Restrictions"

SUMMING-UP BY CHAIRMAN OF THE MEETING
HELD 29-31 MARCH 1976

1. The Sub-Group met on 29-31 March 1976. It invited the Secretary-General of UNCTAD or his representative to attend this session of the Sub-Group as an observer. At the end of the meeting the Chairman, on his own responsibility, gave the following summing-up.

A. QUANTITATIVE RESTRICTIONS (including import prohibitions and so-called voluntary export restraints)

2. The Sub-Group heard oral reports and comments from delegations on the consultations in which they had participated as exporting or importing countries under the procedure agreed by the Sub-Group at its meeting in April 1975 (MTN/NTM/2, paragraph 6(i)-(iii)). The Sub-Group also had before it summary notes from a number of delegations, submitted in accordance with the agreement reached in the Sub-Group at its October/November 1975 meeting (MTN/NTM/9, paragraph 9), concerning their consultations (MTN/NTM/1/40 and Addenda 1-4). It was noted that a number of consultations had not been concluded.

3. Some delegations expressed disappointment at the pace of the consultations and the content of those which had been held thus far. Other delegations had found the consultations to be useful, especially in that they had enabled countries to clarify factual information pertaining to the import régime for certain products.

4. A number of problems experienced by delegations with respect to the scope of the consultations were raised. It was noted that some of these had come up earlier in connexion with the mandate of the Sub-Group. Reference was made by some delegations to an agreement in another MTN Group concerning the treatment of quantitative restrictions on agricultural products. Some other delegations affirmed their readiness to consult on quantitative restrictions on all products under the procedure adopted by the Sub-Group.
5. Some delegations considered that the consultations carried out had provided useful information with respect to the purposes for which existing quantitative restrictions were being used by governments and their relationship to the General Agreement. In the light of such information a general approach to the elimination of quantitative restrictions could be developed. The view was also expressed that until the consultation process had been terminated and summary notes had been circulated it would be premature to attempt an analysis of the existing situation. Another view expressed was that the consultation procedure had to be regarded as a step in a general process aimed at taking action with regard to quantitative restrictions. Some delegations noted that a variety of valid socio-economic factors had been shown to lie behind some quantitative restrictions, and considered that restrictions based, for example, on health and safety or balance-of-payments reasons would present particularly difficult problems.

6. There was widespread support for the view that the consultations should be kept open, but that the process should be accelerated and that delegations should endeavour, in advance of the next meeting, to send to the secretariat summary notes with respect to the consultations in which they had participated.

7. The Sub-Group had an initial discussion on the possibility of formulating additional procedures for bilateral and/or plurilateral negotiations, and the possibility of working out a general formula or formulae of automatic application. One member suggested that the Sub-Group should attempt to formulate a genuine multilateral approach to the liberalization of quantitative import restrictions. Such an approach might involve a general undertaking that from a specified date, all restrictions, except for certain measures which would be subject to a consistent set of disciplines, would be eliminated. Quantitative restrictions maintained under protocols of provisional application, waivers or protocols of accession should be embraced by such a general undertaking. A number of comments were made and reservations expressed concerning this proposal. In this connexion, the view was expressed that, at any rate, discriminatory quantitative restrictions should be phased out forthwith.

8. The Sub-Group noted a proposal made by one delegation (MTN/NTI/14/W/29) concerning differential treatment for developing countries and special negotiating procedures in accordance with paragraph 10 of the Tokyo Declaration. A number of comments were made and questions raised relating to this proposal. Some delegations expressed broad support for some of the elements contained in this proposal. References were also made to earlier proposals concerning differential treatment in favour of developing countries. Some delegations felt that it would be premature to examine these proposals in detail before the consultations had been completed; others stated that it was necessary to embark on a substantive discussion on this point before procedures could be agreed with respect to the treatment of individual restrictions.
9. The Sub-Group discussed the question of ensuring that there was an accurate and complete data base on quantitative restrictions. The importance of incorporating information, particularly with regard to quantitative restrictions affecting the exports of developing countries, which was made available in the context of the Sub-Group, into the data base was stressed. The Sub-Group agreed to keep the matter under consideration. It was understood that each member of the Sub-Group would retain the right to have quantitative restrictions which affect its exports included in the Inventory of Non-Tariff Measures in accordance with established procedures.

10. The Sub-Group heard a statement concerning a review of the GATT provisions relating to the use of quantitative restrictions from the point of view of the interests of developing countries.

11. The Sub-Group agreed to revert to these matters at its next meeting.

B. IMPORT LICENSING PROCEDURES

12. The Sub-Group had a further discussion on import licensing procedures on the basis of the two draft texts reproduced at pages 15-19 of document MTN/NTM/W/2, communications from delegations that had been circulated as document MTN/NTM/W/11 and Addenda 1-7, and a note by the secretariat presenting in a systematic manner all the comments and proposals made by delegations (MTN/NTM/W/39/Rev.1).

13. The Sub-Group agreed to continue the discussion at its next meeting and invited delegations to submit in writing to the secretariat, in time for the next meeting, any new or additional proposals and comments on the two draft texts and on the proposals already received (MTN/NTM/W/11 and Addenda). The secretariat was requested to update document MTN/NTM/W/39/Rev.1 taking these proposals into account.

C. DATE FOR THE NEXT MEETING

14. The Sub-Group agreed that the date for the next meeting would be fixed by the Group "Non-Tariff Measures" at its April meeting.