DRAFTING COMMITTEE OF THE PREPARATORY COMMITTEE
OF THE INTERNATIONAL CONFERENCE ON TRADE AND EMPLOYMENT

ARTICLE 27

NON-DISCRIMINATORY ADMINISTRATION OF QUANTITATIVE RESTRICTIONS

As Proposed by the Delegation of the United States

1. Subject to the provisions of Article 28, no prohibition or restriction shall be applied by any Member pursuant to this Section on the importation of any product of any other Member or on the exportation of any product destined for any other Member, unless the importation of the like product of all third countries or the exportation of the like product to all third countries is similarly prohibited or restricted.

2. Pursuant to the principle set forth in paragraph 1, Members undertake in applying import restrictions to observe the following provisions in applying import restrictions:

   (a) Wherever practicable, global quotas (whether allocated among supplying countries or not) should be fixed, and notice given of their amount in accordance with subparagraph 3 (b). The restrictions shall be applied in the form of global quotas, i.e., quotas not allocated among sources of supply.

   (b) In cases in which global quotas are not practicable, the restrictions may be applied by means of import licenses or permits without a global quota.

   (c) Import licenses or permits which may be issued in connection with import restrictions (whether or not within the limits of global quotas) shall not, save for purposes of operating quotas allocated /in accordance
in accordance with subparagraph (d), require or provide that the license or permit be utilized for the importation of the product concerned from a particular country or source.

(d) In cases in which these methods of licensing the methods provided for in subparagraphs (a), (b) and (c) are found impracticable or unsuitable, the Member concerned may apply the restrictions in the form of a quota allocated among supplying countries. In that event, the shares of the various Member supplying countries supplying the product shall in principle be determined in accordance with commercial considerations such as, e.g., price, quality and customary sources of supply. For the purpose of appraising such commercial considerations, the Member applying the restrictions may seek agreement with respect to the allocation of shares in the quota with all other Members having a substantial interest in supplying the product concerned. In cases in which this method is not reasonably practicable, the Member concerned shall allot to Member countries having a substantial interest in supplying the product, shares based upon the proportions of the total quantity or value of the product supplied by such Member countries during a previous representative period, due account being taken of any special factors which may have affected or may be affecting the trade in the product.

(e) (No change)

3. (a) (In line 1, change "where" to "in which"; in line 7, delete "as to"; in line 8, delete "however").

(b) (No change)

(c) (No change)

4. (No change)