2. Members shall observe the following provisions in applying import restrictions:

(a) The administration of these restrictions should be carried out in such a way as to result in a distribution of trade which approaches as closely as possible to the share which the various Member countries might be expected to obtain as the result of international competition in the absence of restrictions.

(b) Wherever practicable, quotas representing the total amount of permitted imports (whether allocated among supplying countries or not) shall be fixed, and notice given of their amount in accordance with sub-paragraph (b).

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

(d) Import licenses or permits, whether or not issued in connection with quotas, shall not (save for purposes of operating quotas allocated in accordance with sub-paragraph (e)) require or provide that the license or permit be utilized for the importation of the product concerned from a particular country or source.

(e) In cases in which a quota is allocated among supplying countries, the shares of the various supplying Member countries should in principle be determined in accordance with commercial considerations such as,
e.g., price, quality and customary sources of supply. For the purpose of assessing 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.

3. The provisions of this Article shall apply to (a) any export restriction and (b) any tariff quota established or maintained by any Member.