The following sub-paragraph is suggested for addition to paragraph 2 of Article 19 of the United States Draft Charter.

**Quantitative Restrictions**

Article 19, Paragraph 2 - addition of sub-paragraph (f)

The provisions of paragraph 1 of this article shall not extend to the following:

(f) Quantitative control of imports on a selective basis applied by countries

(1) Which are heavily dependent on a high level of imports and exports, and

(2) Which are in need of a diversification of their economies in order to achieve and maintain full employment, and

(3) Which have a local market so small in relation to the productive capacity of an efficient manufacturing industry in the product or products concerned as to leave efficient local production unduly threatened with injury in the absence of such control.

Provided (1) that members shall notify the Organization

(a) as to the extent and nature of such control.

(b) as to the anticipated effect of the control on the quantity of the products imported into their territory.

(c) as to the conditions making the control necessary, and

(d) as to the reasons why a tariff or a subsidy would not be an appropriate instrument to meet such conditions.

And Provided (2) that in any case in which it is determined that serious injury to the trade of any member is caused or threatened by the operation of any such
control, the member imposing the control shall undertake to discuss the matter with other member or members concerned or with the Organization.

And Provided (3) that members availing themselves of the provisions of this paragraph undertake that total imports shall not be reduced, as a result of such control, below the level which could reasonably be expected in the absence of control."