

12 January 1955

Working Party I on Quantitative Restrictions

Sub-Group B (Balance-of-Payment Restrictions)

RE-DRAFT OF REVISED ARTICLE XII:3(b) IN W.9/130

Submitted by the Special Drafting Group

- 3.(b) Contracting parties applying restrictions under this Article undertake
- (i) to avoid unnecessary damage to the commercial or economic interests of any other contracting party;
  - (ii) not to apply restrictions so as to prevent unreasonably the importation of any description of goods in minimum commercial quantities, the exclusion of which would impair regular channels of trade;
  - (iii) to minimize, to the greatest extent possible, the incidental protective effects of the restrictions, and
  - (iv) not to apply restrictions which would prevent the importation of commercial samples or prevent compliance with patent, trade mark, copyright, or similar procedures.

Interpretative Notes

Paragraph 3(b) (i)

Contracting parties applying restrictions will endeavour to avoid causing serious prejudice to exports of a commodity on which the economy of a contracting party is largely dependent.

Paragraph 3(b) (ii)

It is the intention of this provision that apart from exceptional circumstances the contracting party applying restrictions under Article XII will avoid the complete exclusion of any product for which foreign suppliers have established a market in its territory.

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