

20 October 1955

PLAN FOR A CONSULTATION UNDER ARTICLE XII

The following list of topics was proposed by the Chairman of the CONTRACTING PARTIES in connexion with the consultation initiated with Australia in April 1955 pursuant to paragraph 4(b) of Article XII. It was principally based on the provisions of paragraph 4(a) of Article XII, in which the subject matters for consultations under paragraph 4(b) were enumerated, namely: the nature of the balance-of-payments difficulties, alternative measures that may be available and the effects of the restrictions on the trade of other contracting parties. The plan was referred by the Inter-sessional Committee to the Working Party appointed to conduct the consultation for its guidance. The experience of the Working Party showed that future consultations would be greatly facilitated by advance preparation and by the use of a plan of this kind, suitably amended and adapted on each occasion (L/370, paragraph 5).

I. Circumstances leading to the Intensification

1. Changes in exports and imports;
2. Changes in other external receipts and payments;
3. The resulting changes in gold and foreign exchange reserves;
4. Effects of governmental policies on the balance of payments;
5. Prospects for the future.

II. Alternative Measures to restore Equilibrium

6. Internal fiscal and monetary measures to preserve or restore equilibrium (see Article XII:3(c)(i));
7. Long-term measures, e.g. to raise productivity and export capacity, to reduce structural disequilibrium or rigidities;
8. Measures expected to have more immediate effect on the balance of payments;

III. Nature and Extent of the Intensification

9. Categories of goods affected; changes in quotas, and treatment of goods for which no quotas are provided;
10. Treatment of exports from different countries or currency areas; increase or reduction in discrimination;

11. Level of restrictions resulting from the intensification in relation to the need for restrictions (see Article XII:2(a));
12. Expected duration of the intensified restrictions; possibility of alleviation or modification in the near future.

IV. Effects on Trade

13. Expected changes in imports as a result of the intensification (total and from different currency areas);
14. The avoidance of unnecessary damage in accordance with Article XII:3(c)(iii) including steps:
 - (a) to alleviate hardships by admitting goods under firm order placed before the intensification;
 - (b) to preserve the normal channels of trade, through admitting token imports, avoiding total prohibition, etc;
15. Steps taken to reduce the protective effects of the restrictions;
16. Effects of the restrictions on particular commodities of interest to individual contracting parties.