

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

Spec(75)40

6 November 1975

Multilateral Trade Negotiations

Group "Non-Tariff Measures"

Sub-Group "Quantitative Restrictions"

DRAFT SUMMING-UP BY CHAIRMAN AND RECORD OF DECISIONS TAKEN AT MEETING

1. The Sub-Group met on 28- October 1975. It invited the Secretary General of UNCTAD or his representative to attend this session of the Sub-Group as an observer.

1. QUANTITATIVE RESTRICTIONS (INCLUDING IMPORT PROHIBITIONS AND SO-CALLED VOLUNTARY EXPORT RESTRAINTS)

2. The Sub-Group recalled the agreement reached at its first meeting that as an initial step towards the working out of solutions, a process of information, examination and dialogue should be undertaken with respect to existing quantitative restrictions. The Sub-Group noted that the bulk of these consultations had not been concluded. The Sub-Group considered that it should be in a position at its next meeting to review the results of the consultations held and to move on to the next stage of its work, having regard to paragraph 6 of the Chairman's Summing-Up of the April meeting (MTN/NTM/2).

3. The Sub-Group heard a number of statements concerning the consultations or discussions that had been held so far and on the progress made. Several delegations stressed that the consultations had served a useful purpose in clarifying points of fact on the quantitative restrictions that had been notified. At the same time several delegations also stated that only a relatively small number of consultations had taken place, that some of these consultations had remained limited in scope, and that in some instances no progress had been made.

4. ...

5. A number of other problems relating to the scope of the consultations and to the mandate of the Sub-Group were mentioned. Certain delegations expressed their concern at the exclusion of textile and agricultural products from some of these consultations. Mention was also made of quantitative restrictions inconsistent with Article XIII, quantitative restrictions maintained for balance-of-payments reasons in cases where no consultations under Articles XII or XVIII had taken place in the Balance-of-Payments Committee, and quantitative restrictions maintained in accordance with Article XIX. It was also noted that the divergence of views on export restrictions as set out in paragraph 4 of MTN/NTM/2 remained unchanged.
6. Another problem which was raised was that some developing countries had indicated their inability to consult on notifications made against them by developed countries until such time when it could be ascertained that additional benefits would accrue for the trade of developing countries, under special procedures to be provided for them as stated in the Tokyo Declaration.
7. It was agreed that delegations should reflect on these issues with a view to seeing at the next meeting how these difficulties could be overcome.
8. Some developing countries considered that the consultations would not serve a useful purpose unless there was agreement on differential treatment in favour of developing countries. Several delegations from developing countries, while not opposing the consultation procedures established at the last meeting of the Sub-Group, stressed that the priority task of the Sub-Group as far as developing countries were concerned

remained to agree on differential measures for developing countries in the negotiations. In this respect some delegations from developing countries stressed the need for special procedures in their favour that would ensure the multi-lateralization of the negotiation and consultation process. The Sub-Group had an exchange of views on proposals put forward by some developing countries, referred to in paragraph 7 of MTN/NTM/2. Some delegations expressed preliminary views on the legal and substantive issues involved in such proposals. Other delegations felt that it would be premature to examine these proposals in detail at this stage before the consultations envisaged under the procedures adopted at the last meeting of the Sub-Group had taken place. Some delegations noted that the position taken by some developing countries that they were not prepared to participate in consultations would impede progress to this end.

9. Some delegations of developing countries suggested that a review be undertaken in due course of the GATT provisions relating to the use of quantitative restrictions from the point of view of the interests of developing countries.

10. The Sub-Group agreed to revert to these matters at its next meeting.

11. While taking note of the concerns expressed and the proposals made, many delegations stressed the importance of accelerating the process of consultation, and of taking account of proposals made for special procedures for developing countries.

12. To facilitate the work of the Sub-Group in carrying out the task mentioned in paragraph 6 of the Chairman's Summing-Up of the April meeting (MTN/NTM/2) the Sub-Group also agreed that delegations should endeavour, in advance of the next meeting, to send to the secretariat summary notes with respect to the consultations in which they had participated as exporting or importing countries. The secretariat would assemble and distribute these summaries so as to enable the Sub-Group to analyze the results.

B. IMPORT LICENSING PROCEDURES

13. The Sub-Group continued its discussion on import licensing procedures, on the basis of the two draft texts reproduced at pages 15-19 of document MTN/NTM/W/2, and communications from delegations, that had been circulated as documents MTN/NTM/W/11 and Addenda 1-6. In the discussion delegations were able to clarify and elaborate further certain views which had been expressed earlier, and also put forward new ideas and additional comments.

14. The Sub-Group agreed to continue the discussion at its next meeting and invited delegations to submit in writing to the secretariat sufficiently in advance of the next meeting any additional proposals on the two draft texts, including comments on problems or difficulties that might have been encountered in the field of automatic import licensing as well as in the field of licensing to administer import restrictions.

15. The Sub-Group requested the secretariat to establish a note for the next meeting, presenting in a systematic manner all the comments and proposals that had been made thus far by delegations or that might be received prior to the next meeting.

C. DATE FOR THE NEXT MEETING

16. The Sub-Group agreed to hold its next meeting [~ ~].