

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

Spec(80)31
17 October 1980

Committee on Balance-of-Payments Restrictions

DRAFT REPORT ON THE 1980 CONSULTATIONS WITH BANGLADESH, BRAZIL AND GHANA

1. The Committee on Balance-of-Payments Restrictions met on 14 October 1980 to consult with Bangladesh, Brazil and Ghana in accordance with the simplified procedures for regular consultations on balance-of-payments restrictions with developing countries approved by the Council on 19 December 1972 (L/3772/Rev.1) and the Declarations on Trade Measures Taken for Balance-of-Payments Purposes adopted by the CONTRACTING PARTIES on 28 November 1979 (L/4904).

2. The Committee had the following documents before it:

<u>Bangladesh:</u>	Statement submitted by Bangladesh	(BOP/211)
	Secretariat Background Paper	(BOP/W/44)
	IMF Recent Economic Developments, dated 14 December 1979	
	IMF Supplementary Background Material, dated 19 September 1980	
<u>Brazil:</u>	Statement submitted by Brazil	(BOP/209)
	Secretariat Background Paper	(BOP/W/42)
	IMF Recent Economic Developments, dated 18 June 1980	
<u>Ghana:</u>	Statement submitted by Ghana	(BOP/210)
	Secretariat Background Paper	(BOP/W/43)
	IMF Recent Economic Developments, dated 21 April 1980	

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3. On the basis of the above documents and taking into account paragraph 8 of the Declaration on Trade Measures Taken for Balance-of-Payments Purposes the Committee took the following decisions:

(a) Bangladesh and Ghana:

The Committee concluded that full consultations were not desirable and decided to recommend to the Council that Bangladesh and Ghana be deemed to have fulfilled their obligations under Article XVIII:12(b) for 1980.

(b) Brazil:

The Committee recognized that Brazil had, in the light of the conclusions reached on the occasion of the last consultation in 1978, taken measures to simplify and liberalize its import régime, among them the termination of the import deposit scheme on 7 December 1979. The Committee noted however that about two years had elapsed since the last full consultation and that a number of changes had been introduced in the import régime in 1980 which warranted a more detailed review in the Committee, such as in the tax on the sale of foreign exchange for import purposes imposed in May 1980 and the recent decision to make the issuing of import licences for a broad range of products subject to the availability of financing from abroad. The Committee also noted that there were indications that the nature of Brazil's balance-of-payments situation may have substantially changed since 1978, inter alia, due to the rise in energy prices. For these reasons the Committee decided that a full consultation should be held with Brazil in 1981 with the exact date to be fixed by the Chairman in consultation with interested parties.