

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

Spec(82)64
19 October 1982

Committee on Balance-of-Payments Restrictions

DRAFT

NOTE ON THE MEETING HELD ON 11 OCTOBER 1982

Chairman: Mr. J. Feij (Netherlands)

1. The Committee on Balance-of-Payments Restrictions met on 11 October 1982.
2. The Committee adopted the following agenda:
 - A. Possible Contribution of the Committee to the Preparation of the Ministerial Meeting
 - B. Procedures of the Committee
 - C. Other Business
- A. Possible Contribution of the Committee to the Preparation of the Ministerial Meeting
3. The Committee discussed a Chairman's Note on this subject, which - revised in the light of the discussion - was subsequently circulated as document BOP/W/61 under the Chairman's own responsibility.
- B. Procedures of the Committee
4. The Committee agreed that the secretariat should from now on prepare, in addition to the reports on the balance-of-payments consultations, notes on the Committee's discussions of any other business, in particular discussions on follow-up action on previous consultations and on notifications of trade measures taken for balance-of-payments purposes.
5. The Committee discussed the possibilities of covering in its consultations restrictive measures of other countries, which adversely affect the balance-of-payments position of the consulting country. The representative of Hungary suggested that, in view of the broad mandate of the Committee, the documentation prepared by the consulting country, by the secretariat and by the IMF should, whenever appropriate, cover also protective measures of other countries. The representative of the European Economic Community replied that the Committee should avoid extensive analyses and discussions of matters which fell under the jurisdiction of other GATT bodies. The Chairman, referring to the plan of discussion for consultations (BISD 18S/52) and to paragraphs 11 and 12 of the Declaration on Trade Measures Taken for Balance-of-Payments Purposes, said that the present procedures clearly authorized the Committee to discuss such other measures. Paragraph 7 of the Declaration also made it clear that the Committee should take a decision as to whether the secretariat note should deal with this question.
- C. Other Business

Follow-up on previous Committee meetings

At the request of the Chairman, the secretariat reported as follows on the notifications and actions which the Committee had requested from

consulting countries and the secretariat in the fall 1981 consultations and at the meeting of the Committee on 25 June 1982:

"Yugoslavia. The Committee asked the secretariat to prepare a paper on the trade aspects of the Yugoslav exchange allocation system (BOP/R/122, para.18). The secretariat is presently preparing this study on the basis of information collected by a secretariat mission which went to Belgrade from 20 to 24 September 1982.

Brazil. The Committee asked Brazil to provide, for circulation by the secretariat, additional information to cover fully the points listed in Annex II of the consultation procedures (BOP/R/124, para.27). In response Brazil submitted to the secretariat a copy of the CACEX Communication No.80/35, which describes the import licensing procedures as of 29 December 1980. This Communication has in the meantime been superseded by a new CACEX Communication on the same subject (No.82/7 of 4 March 1982), which was sent to the secretariat on 30 September 1982 and is presently being processed.

Greece. The Committee requested Greece to submit annually relevant information on the gradual abolition of the import deposit scheme (BOP/R/128, para.16). At its last meeting, the Committee was informed by the representative of Greece that the deposit rates had been reduced on 1 January 1982 in accordance with Greece's accession treaty with the EEC. The deposit rates (security deposit plus prepayment requirement) for the various import lists were reduced as follows:

<u>List</u>	<u>Applicable Rate</u>	
	<u>1 January 1981</u>	<u>1 January 1982</u>
F50/1	52.5	35.0
F50/2	16.8	11.2
F100/1	105.0	70.0
F100/2	33.6	22.4

Nigeria. At its meeting of 25 June 1982, the Committee, noting that Nigeria appeared to have taken a number of restrictive import measures in response to balance-of-payments difficulties, asked the secretariat to seek information on the measures in accordance with paragraph 3 of the Declaration on Trade Measures Taken for Balance-of-Payments Purposes and to make it available to all contracting parties unless Nigeria notified the measure itself. The secretariat has been in contact with the Nigerian mission and is expecting a notification by Nigeria shortly." (The notification has in the meantime been circulated as document L/...).

Notification by Brazil

The representative of Brazil informed the Committee that his government had recently imposed new restrictive trade measures for balance-of-payments reasons. These measures, which were to be applied for a very short period only, would be notified to the GATT in the next few days. (The notification has in the meantime been circulated as document L/...).

Notification by Hungary

The representative of the European Economic Community expressed regret that the notification by Hungary on trade measures taken for balance-of-payments purposes (L/5363) did not contain information on the product coverage of the quantitative restrictions and surcharges nor on the countries to which the measures were applied. The representative of Hungary replied that further details on the measures would be notified to the GATT shortly. (The notification has in the meantime been circulated as document L/...).

Temporary measures applied by Uruguay

The Committee requested the secretariat, in accordance with paragraph 3 of the Declaration on Trade Measures Taken for Balance-of-Payments Purposes, to seek further information on the trade measures notified by Uruguay in document L/5355 in particular as to the Article of General Agreement Uruguay wished to invoke to justify the measures.

Schedule of future meetings

The Committee agreed that the consultations with Israel, Bangladesh, Ghana, and the Philippines (C/W/379) would be held on 30 November 1982 and the consultation with Hungary (L/5363) early next year.