

GATT/AIR/173

18 DECEMBER 1959

SUBJECT: SECRETARIAT FACTUAL REPORT ON THE PROBLEM OF MARKET DISRUPTION

1. IT WILL BE RECALLED THAT AT THE MINISTERIAL MEETING DURING THE FIFTEENTH SESSION IN TOKYO ATTENTION WAS CALLED TO THE PROBLEM OF DISRUPTION OF MARKETS CAUSED BY A SUDDEN INFLUX OF IMPORTS. IT WAS POINTED OUT THAT SHARP INCREASES IN IMPORTS, OVER A BRIEF PERIOD OF TIME AND IN A NARROW RANGE OF PRODUCTS, COULD HAVE SERIOUS ECONOMIC, POLITICAL AND SOCIAL REPERCUSSIONS IN THE IMPORTING COUNTRIES AND THAT THE PROBLEM WAS TO FIND THE MEANS TO ALLEVIATE THE ADVERSE EFFECTS OF SUCH ABRUPT INVASIONS OF ESTABLISHED MARKETS WHILE CONTINUING TO PROVIDE STEADILY ENLARGED OPPORTUNITIES FOR TRADE. AT THE SEVENTEENTH MEETING OF THE SESSION THE CONTRACTING PARTIES AGREED THAT THE QUESTION SHOULD BE INCLUDED IN THE AGENDA FOR THE SIXTEENTH SESSION AT WHICH TIME THEY WOULD DECIDE ON THE PROCEDURE TO BE ADOPTED FOR DEALING WITH IT AND WOULD CONSIDER WHETHER IT WOULD BE APPROPRIATE TO ESTABLISH A PANEL OF EXPERTS. IN THE MEANTIME, THE SECRETARIAT WAS INSTRUCTED "TO SUBMIT A FACTUAL REPORT TO THE CONTRACTING PARTIES AND TO CONSULT WITH GOVERNMENTS WITH A VIEW TO ENSURING THAT THIS REPORT WAS COMPLETE". (SEE SR.15/17)
  
2. IN THE LIGHT OF THIS INSTRUCTION IT WOULD BE APPRECIATED IF CONTRACTING PARTIES WOULD SUPPLY WHATEVER INFORMATION IS AT THEIR DISPOSAL. THE SECRETARIAT WILL THEN PREPARE ITS REPORT ON THE BASIS OF SUCH INFORMATION AND OF OTHER DATA AVAILABLE FROM OTHER SOURCES. CONSEQUENTLY, YOUR GOVERNMENT IS HEREBY REQUESTED TO SUPPLY BY 15 MARCH 1960 INFORMATION ON THE FOLLOWING QUESTIONS:
  - I.(a) HAS YOUR GOVERNMENT EXPERIENCED SPECIFIC CASES OF DISRUPTION OF PARTICULAR MARKETS OF THE TYPE DESCRIBED IN PARAGRAPH 1? IF SO, DESCRIBE THE PARTICULAR CIRCUMSTANCES OF EACH CASE, INCLUDING THE PRODUCTS INVOLVED, THE SOURCE OF SUPPLY AND DATA RELATING TO PRICES. IN THIS LATTER CONNECTION GIVE, IF POSSIBLE, THE PRICES QUOTED FOR THE PRODUCTS FROM THE SOURCE OF SUPPLY IN QUESTION AND THE PRICES OF LIKE GOODS IMPORTED FROM OTHER SOURCES. INDICATE, IN PARTICULAR, WHETHER THE DISRUPTION WAS DUE TO ISOLATED IMPORTS FROM PARTICULAR FIRMS OR WAS THE RESULT OF A SPECIAL COMPETITIVE SITUATION OF THE BRANCH OF INDUSTRY AS A WHOLE IN THE SUPPLYING COUNTRY.
  
  - (b) HAS YOUR GOVERNMENT TAKEN SPECIFIC MEASURES TO DEAL WITH THE SITUATION OR SITUATIONS DESCRIBED? IF SO, DESCRIBE THE MEASURES TAKEN. IF NO SPECIFIC MEASURES WERE TAKEN BY YOUR GOVERNMENT HOW WAS THE PROBLEM RESOLVED?

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(c) HAS YOUR GOVERNMENT, CONSIDERING THAT SOME BRANCHES OF INDUSTRY MIGHT FACE A DISRUPTIVE SITUATION OF THE TYPE DESCRIBED IN PARAGRAPH 1 UNLESS RESTRICTIONS WERE PLACED UPON IMPORTS FROM CERTAIN SOURCES OF SUPPLY, TAKEN ANY RESTRICTIVE MEASURES? IF SO, DESCRIBE THE MEASURES TAKEN, THE PRODUCTS COVERED AND THE SOURCES OF SUPPLY TO WHICH THE MEASURES WERE APPLIED.

II.(a) ARE THE EXPORTS OF YOUR COUNTRY OR SOME OF YOUR EXPORTS SUBJECT TO RESTRICTIVE MEASURES, IN THE TERRITORIES OF ANOTHER CONTRACTING PARTY OR PARTIES, WHICH HAVE BEEN, OR APPEAR TO HAVE BEEN, IMPOSED OR MAINTAINED ON THE GROUNDS THAT SUCH EXPORTS HAVE GIVEN OR MIGHT GIVE RISE TO A DISRUPTIVE SITUATION AS DESCRIBED IN PARAGRAPH 1? IF SO, DESCRIBE THE PRODUCTS AFFECTED AND THE SPECIFIC MEASURES INVOLVED.

(b) HAS YOUR GOVERNMENT TAKEN ANY ACTION TO LIMIT EXPORTS OF PARTICULAR PRODUCTS TO PARTICULAR MARKETS IN ORDER TO AVOID THE DEVELOPMENT OF A SITUATION SUCH AS THAT DESCRIBED IN PARAGRAPH 1 IN THOSE MARKETS?

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