

Any Member applying restrictions on the importation of any product pursuant to this sub-paragraph shall give public notice of the total quantity or value of the product permitted to be imported during a specified future period and of any change in such quantity or value. Moreover, any restrictions applied under (i) above shall not be such as will reduce the total of imports relative to the total of domestic production, as compared with the proportion which might reasonably be expected to rule between the two in the absence of restrictions. In determining this proportion, the Member shall pay due regard to the proportion prevailing during a previous representative period, and to any special factors which may have affected or may be affecting the trade in the product concerned.

3. Throughout this Section the terms "import restrictions" or "export restrictions" include restrictions made effective through State-trading operations.

Article 21

Restrictions to safeguard the Balance of Payments

1. Notwithstanding the provisions of paragraph 1 of Article 20, any Member, in order to safeguard its external financial position and balance of payments, may restrict the quantity or value of merchandise permitted to be imported, subject to the provisions of the following paragraphs of this Article.

2. (a) No Member shall institute, maintain or intensify import restrictions under this Article except to the extent necessary—

(i) To forestall the imminent threat of, or to stop, a serious decline in its monetary reserves, or

Article 20.

The Cuban Delegation reserved its position in view of the rejection of its proposal for excepting restrictions up to 50% of domestic consumption for promoting the maintenance, development or reconstruction of an industry.

The Chinese and Lebanese Delegations reserved their position in respect of the proposal by the Chinese Delegation to add a sub-paragraph 2 (d) providing a procedure for releasing a Member, without the prior approval of the Organization, from the obligation to refrain from import restrictions when the industry in question is of vital importance.

Paragraph 2 (c).

The Chilean Delegation reserved its position.

The term "in any form" in this paragraph covers the same products when in an early stage of processing and still perishable, which compete directly with the fresh product and if freely imported would tend to make the restriction on the fresh product ineffective.

Paragraph 2: last sub-paragraph.

The term "special factors" includes changes in relative productive efficiency as between domestic and foreign producers, or as between different foreign producers, but not changes artificially brought about by means not permitted under the Charter.