

SECTION C.—SUBSIDIES

Article 25

Subsidies in General

If any Member grants or maintains any subsidy, including any form of income or price support, which operates directly or indirectly to increase exports of any product from, or to reduce imports of any product into, its territory, the Member shall notify the Organization in writing of the extent and nature of the subsidization, of the estimated effect of the subsidization on the quantity of the affected product or products imported into or exported from the territory of the Member and of the circumstances making the subsidization necessary. In any case in which it is determined that serious prejudice to the interest of any other Member is caused or threatened by any such subsidization, the Member granting the subsidy shall, upon request, discuss with the other Member or Members concerned, or with the Organization, the possibility of limiting the subsidization.

Article 26

Additional Provisions on Export Subsidies

1. No Member shall grant, directly or indirectly, any subsidy on the exportation of any product, or establish or maintain any other system, which subsidy or system results in the sale of such product for export at a price lower than the comparable price charged for the like product to buyers in the domestic market, due allowance being made for differences in the conditions and terms of sale, for differences in taxation, and for other differences affecting price comparability.

2. Notwithstanding the provisions of paragraph 1 of this Article a Member may exempt exported products from duties or taxes imposed in respect of like products when consumed domestically, or may remit such duties or taxes which have accrued. The use of the proceeds of such duties or taxes to make payments to domestic producers, however, shall be considered as a case under Article 25 except in so far as such payments subsidize exportation, in the sense of paragraph 1 of this Article, by more than the amount of the duties or taxes remitted or not imposed, in which case the provisions of paragraph 1 of this Article shall apply to such excess payments.

3. Members shall give effect to the provisions of paragraph 1 of this Article at the earliest practicable date, but in any event not later than two years from the day on which this Charter enters into force. If any Member considers itself unable to do so in respect of any specified