

for the reappraisal of the special factors involved, or for the elimination of conditions, formalities, or any other provisions established unilaterally relating to the allocation of an adequate quota or its unrestricted utilization.

5. The provisions of this Article shall apply to any tariff quota instituted or maintained by any contracting party, and, in so far as applicable, the principles of this Article shall also extend to export restrictions and to any internal regulation or requirement under paragraphs 3 and 4 of Article III.

ARTICLE XIV

Exceptions to the Rule of Non-discrimination

1. (a) The contracting parties recognize that when a substantial and widespread disequilibrium prevails in international trade and payments a contracting party applying restrictions under Article XII may be able to increase its imports from certain sources without unduly depleting its monetary reserves, if permitted to depart from the provisions of Article XIII. The contracting parties also recognize the need for close limitation of such departures so as not to handicap achievement of multilateral international trade.

(b) Accordingly, when a substantial and widespread disequilibrium prevails in international trade and payments, a contracting party applying import restrictions under Article XII may relax such restrictions in a manner which departs from the provisions of Article XIII to the extent necessary to obtain additional imports above the maximum total of imports which it could afford in the light of the requirements of paragraph 2 of Article XII if its restrictions were fully consistent with the provisions of Article XIII, provided that—

- (i) Levels of delivered prices for products so imported are not established substantially higher than those ruling for comparable goods regularly available from other contracting parties, and that any excess of such price levels for products so imported is progressively reduced over a reasonable period ;
- (ii) The contracting party taking such action does not do so as part of any arrangement by which the gold or convertible currency which the contracting party currently receives, directly or indirectly, from its exports to other contracting parties not party to the arrangement is appreciably reduced below the level it could otherwise have been reasonably expected to attain ;
- (iii) Such action does not cause unnecessary damage to the commercial or economic interests of any other contracting party.

(c) Any contracting party taking action under this paragraph shall observe the principles of subparagraph (b) of this paragraph. A contracting party shall desist from transactions which prove to be inconsistent with that subparagraph, but the contracting party shall not be required to satisfy itself, when it is not practicable to do so, that the requirements of that subparagraph are fulfilled in respect of individual transactions.