

WORLD TRADE ORGANIZATION

RESTRICTED

WT/BOP/R/28

28 May 1997

(97-2240)

Committee on Balance-of-Payments Restrictions

REPORT ON THE SIMPLIFIED CONSULTATIONS WITH BANGLADESH

1. The Committee met on 2 May 1997, under the Chairmanship of Mr. P.R. Jenkins (United Kingdom), to conduct a consultation with Bangladesh under the simplified procedures for regular consultations with developing countries (BISD 20S/47) and the Understanding on Balance-of-Payments Provisions of the GATT 1994.

2. The Committee had the following documents before it:

WT/BOP/G/1 Written Statement by the Government of Bangladesh

WT/BOP/S/1 Background paper by the Secretariat

IMF Recent Economic Developments, 25 March 1997

Recent Economic Developments, 21 March 1996

Selected Issues, 19 July 1996.

3. Members recognized that, since the last consultation, the balance-of-payments situation had deteriorated and remained precarious. Noting a reduction in the number of quantitative restrictions in recent years, some Members commended Bangladesh for not intensifying restrictions but continuing with its programme of trade liberalization.

4. Members called for further information and clarification, in accordance with Paragraph 11 of the Understanding, regarding the legal basis, system and effects of restrictions and observed that, under Paragraph 1 of the Understanding, Members were committed to announcing time-schedules for the removal of restrictions taken for balance-of-payments purposes. They pointed out that technical assistance in drawing up the appropriate documentation was available on request from the Secretariat.

5. Noting that full consultations had never been held with Bangladesh, the Committee determined that full consultations would be desirable, as a means of clarifying the balance-of-payments situation and promoting greater transparency. The Committee invited the Government of Bangladesh to consider holding such full consultations in the autumn of 1998, or, in any case, before May 1999.