

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/480

28 March 1956

Limited Distribution

## SUBSIDIES

### Notifications to be submitted under Article XVI

Under Article XVI of the General Agreement contracting parties are required to notify any subsidies they grant or maintain, including any form of income or price support, which operate directly or indirectly to increase exports or to reduce imports. Pursuant to the practice established by the Decision of 2 March 1950, notifications of measures in force should be submitted to the secretariat not later than 1 August 1956, and any measures instituted thereafter should be notified as soon as possible.

As agreed by the CONTRACTING PARTIES at the Ninth Session (Third Supplement, page 225), notifications should include the following information for each commodity:

- I. Nature and extent of the subsidy.
  - (a) Background and authority.  
(The reason for the subsidy and the legislation under which it is granted.)
  - (b) Incidence.  
(Whether paid to producers, to exporters, or in some other way; whether a fixed amount per unit, or fluctuating; if the latter, how determined.)
  - (c) Amount of subsidy.  
(Total cost estimated or budgeted or, when this is not feasible, cost in preceding year.)
  - (d) Estimated amount per unit.
- II. Effect of subsidy.  
(Estimated effect on the quantity imported or exported in relation to a previous representative period.)

