

AGREEMENT ON INTERPRETATION AND APPLICATION OF  
ARTICLES VI, XVI AND XXIII OF THE GENERAL AGREEMENT  
ON TARIFFS AND TRADE

The signatories <sup>1</sup> to this Agreement,

*Noting* that Ministers on 12-14 September 1973 agreed that the Multi-lateral Trade Negotiations should, *inter alia*, reduce or eliminate the trade restricting or distorting effects of non-tariff measures, and bring such measures under more effective international discipline,

*Recognizing* that subsidies are used by governments to promote important objectives of national policy,

*Recognizing* also that subsidies may have harmful effects on trade and production,

*Recognizing* that the emphasis of this Agreement should be on the effects of subsidies and that these effects are to be assessed in giving due account to the internal economic situation of the signatories concerned as well as to the state of international economic and monetary relations,

*Desiring* to ensure that the use of subsidies does not adversely affect or prejudice the interests of any signatory to this Agreement, and that countervailing measures do not unjustifiably impede international trade, and that relief is made available to producers adversely affected by the use of subsidies within an agreed international framework of rights and obligations,

*Taking into account* the particular trade, development and financial needs of developing countries,

*Desiring* to apply fully and to interpret the provisions of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade <sup>2</sup> (hereinafter referred to as "General Agreement" or "GATT") only with respect

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<sup>1</sup> The term "signatories" is hereinafter used to mean Parties to this Agreement.

<sup>2</sup> Wherever in this Agreement there is reference to "the terms of this Agreement" or the "articles" or "provisions of this Agreement" it shall be taken to mean, as the context requires, the provisions of the General Agreement as interpreted and applied by this Agreement.