

(c) No contracting party shall prevent any enterprise (whether or not an enterprise described in subparagraph (a) of this paragraph) under its jurisdiction from acting in accordance with the principles of subparagraphs (a) and (b) of this paragraph.

2. The provisions of paragraph 1 of this Article shall not apply to imports of products for immediate or ultimate consumption in governmental use and not otherwise for resale or for use in the production of goods for sale. With respect to such imports, each contracting party shall accord to the trade of the other contracting parties fair and equitable treatment.

ARTICLE XVIII

Adjustments in connection with Economic Development

1. The contracting parties recognize that special governmental assistance may be required to promote the establishment, development, or reconstruction of particular industries or particular branches of agriculture, and that in appropriate circumstances the grant of such assistance in the form of protective measures is justified. At the same time they recognize that an unwise use of such measures would impose undue burdens on their own economies and unwarranted restrictions on international trade, and might increase unnecessarily the difficulties of adjustment for the economies of other countries.

2. (a) If a contracting party, in the interest of its programme of economic development or reconstruction, considers it desirable to adopt any non-discriminatory measure which would conflict with any obligation which it has assumed under Article II, or with any other provision of this Agreement, such applicant contracting party shall so notify the CONTRACTING PARTIES and shall transmit to them a written statement of the considerations in support of the adoption of the proposed measure.

(b) The CONTRACTING PARTIES shall promptly transmit such statement to all other contracting parties, and any contracting party which considers that its trade would be substantially affected by the proposed measure shall transmit its views to the CONTRACTING PARTIES within such period as shall be prescribed by them.

(c) The CONTRACTING PARTIES shall then promptly examine the proposed measure to determine whether they concur in it, with or without modification, and shall in their examination have regard to the provisions of this Agreement, to the considerations presented by the applicant contracting party and its stage of economic development or reconstruction, to the views presented by contracting parties which may be substantially affected, and to the effect which the proposed measure, with or without modification, is likely to have on international trade.

3. (a) If, as a result of their examination pursuant to paragraph 2 (c) of this Article, the CONTRACTING PARTIES concur in principle in any proposed measure, with or without modification, which would be inconsistent with any