

and the Annex give wider scope. With the exception of paragraphs (e) and (f), discrimination can only be applied by Members which are in general balance-of-payments difficulties and operating under Article 21 :—

- (a) Temporary discriminatory measures in respect of a small part of a Member's trade, provided the benefits resulting can be shown to outweigh the damage done to other Members' trade. Approval of the I.T.O. is required in these cases.
- (b) Discrimination applied in favour of trade between a group of territories which are separate for trade purposes but are treated as a single unit in respect of membership of the I.M.F., and therefore can be considered to have a common monetary reserve.
- (c) Discrimination, during the period up to 31st December, 1951, to assist a country whose economy has been disrupted by war.
- (d) Discrimination applied to exports in cases where a special " export drive " is needed to earn " hard " currencies.
- (e) Discrimination against imports from countries whose currencies have been formally declared " scarce " by the I.M.F.
- (f) Preferential quota arrangements applied by United Kingdom in respect of meat imports from Canada, Australia, and New Zealand, and referred to in Annex A to this Charter. Under the provision in Annex A such quota preferences are to be subject to negotiation in the same way as tariff preferences for their elimination or replacement by tariff preferences. In the meantime their continuation is permitted.

Paragraph 1 (e) of Article 23 provides that, while Members may be entitled in the special circumstances of the post-war period to use discriminatory measures, they are expected at the same time to promote as far as possible an early restoration of multilateral trade and the removal of restrictions on trade and payments.

Article 24 : Relationship with the International Monetary Fund and Exchange Arrangements

In international trade, matters of commercial policy are necessarily bound up with monetary matters. To virtually every trade transaction there is a monetary aspect. In so-called normal times no special problem arises on this account, but when countries are applying restrictions on their external trade, and particularly when there is a widespread disorganization of normal trading relationships, the inter-relation of trade and finance is very close. It has already been recognized, in Articles 21 and 23, that restrictions on imports are often necessitated by abnormal monetary situations, and that such restrictions may, also for monetary reasons, be discriminatory in character. In