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SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.

UNITED STATES DELEGATION

The following amendments to Articles 15 to 23 and Article 37 of the New York Draft Charter are proposed by the United States Delegation:

(1) Article 15 should be revised as follows (square brackets [] indicate deletions, underlining indicates additions):

"Article 15.

National Treatment on Internal Taxation
and Regulation

[1. The Members agree that neither internal taxes nor other internal charges nor internal laws, regulations or requirements should be used to afford protection directly or indirectly for any national product.]

[2.1. The Products of any Member country imported into any other Member country shall be exempt from internal taxes and other internal charges of any kind higher than those imposed, directly or indirectly, on like products of national origin. Moreover, in cases in which there is no substantial domestic production of like products of national origin, no Member shall impose new or higher internal taxes on the products of other Member countries for the purpose of affording protection to the production of competitive products.

3. 2. The products of any Member country imported into any other Member country shall be accorded treatment no less favourable than that accorded to like products of national origin in respect of all laws, regulations or requirements affecting their internal sale, offering for sale, purchase, transportation, distribution, exhibition or use of any kind whatsoever. The provisions of this paragraph shall be understood to preclude the application of internal requirements restricting the amount or proportion of an any imported product permitted to be mixed, processed exhibited, or used, Provided that any such requirement in force on the day of the signature of this Charter may be continued until the expiration of one year from the day on which this Charter enters into force, or, in the case of laws, regulations or requirements relating to cinematograph films, until the expiration of three years from the day on which this Charter enters into force. Which period may be extended Such requirements may be continued for additional periods in respect of any product if the Organization concurs that the requirement concerned is less restrictive of international trade than other measures permissible under this Charter. after consultation with the other Members whose trade is substantially affected by the requirement, determines that in the special circumstances alternative measures permissible under this Charter would not be practicable. Requirements permitted to be maintained under the foregoing proviso this paragraph shall be subject to negotiation for their liberalization or elimination in the manner provided for in respect of tariffs and preferences under Article 24.

4. The provisions of paragraphs 1 and 3 of this Article shall not be construed to prevent the application of internal laws, regulations or requirements, other than taxes, relating to the distribution or exhibition of cinematograph films. Any laws, regulations or requirements so applied shall, however, be subject to negotiation for their liberalization or elimination in the manner provided for in respect of tariffs and preferences under Article 24.]

5 3. The provisions of this Article shall not apply to the procurement by governmental agencies of [supplies] products purchased for governmental [use] purposes and not for commercial purposes such as resale [nor for] or use in the production of goods for sale."

(2) A new Article should be inserted between Articles 15 and 16, reading as follows:

"Article 15A

The products of any Member country exported to any other Member country shall not be subject to any measure imposed by either the exporting or the importing country requiring such exports to be financed, shipped or insured by enterprises of any prescribed nationality."

(3) Article 16: Delete the second sentence of paragraph 6.

(4) Article 17:

A. Paragraph 1 of Article 17 should be revised as follows :

"1. No anti-dumping duty or charge shall be imposed on any product of any Member country imported into any other Member country in excess of an amount equal to the margin of dumping under which such product is being imported. For the purposes of this Article, the margin of dumping shall be understood to mean the amount by which the price of the product exported from one country to another is less than ~~the~~(a) the comparable price for the like product ~~to buyers~~ for consumption in the domestic market of the exporting country, or, in the absence of such domestic price, is less than either (b) the highest comparable price at which for the like product is sold for export to any third country in the ordinary course of commerce, or (c) the cost of production of the product in the country of origin plus a reasonable addition for selling cost and profit; with due allowance in each case for differences in taxation, and for other differences affecting price comparability in the ordinary course of commerce."

B. The second sentence of paragraph 2 of Article 17 should be revised as follows:

"The term 'countervailing duty' shall be understood to mean an additional or separate duty imposed for the purpose of offsetting any bounty or subsidy..." etc.

C. Delete paragraph 6 of Article 17.

(5) Article 18: Delete sub-paragraph 2(c) and re-letter (d) as (c).

(6) Article 19:

A. At the end of paragraph 1 of Article 19, add the following sentence:

The Organization is authorized to investigate and recommend to Members specific measures for the simplification and standardization of customs formalities and techniques and for the elimination of unnecessary customs requirements.

B. Item (d) of paragraph 4 of Article 19 should be revised as follows:

"(d) Foreign exchange regulations transactions;"

C. A new item should be added to the list included in paragraph 4, as follows:

"(i) Port facilities."

This would necessitate transferring the word "and" from sub-paragraph (g) to the end of (h) and changing the period to a comma.

(7) Article 21: In paragraph 3, line 8, add the words "retroactively or" after the word "applied".

(8) Article 37: It is proposed that items (c), (d), (e), (j) and (k) be removed from Article 37, which relates only to Chapter V, and that a new Article be inserted at an appropriate place toward the end of the Charter which would make these items general exceptions to the entire Charter. It is proposed that the new Article contain the following introductory language:

"Nothing in this Charter shall be construed to prevent the adoption or enforcement by any Member of measures (the foregoing would be followed by a list of the items transferred from Article 37).