

SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENTAmendment proposed by the United KingdomDelegation to Articles 2 and 88.ARTICLE 2

1. The following shall be Members of the Organisation:-
 - (i) States represented at the United Nations Conference on Trade and Employment, whose Governments accept this Charter in accordance with Article 88(2) or, if this Charter shall not have entered into force by 194 , agree to bring it into force in accordance with the proviso in Article 88(4);
 - (ii) any State, Member of the United Nations, not represented at the United Nations Conference on Trade and Employment, whose Government accepts this Charter in accordance with Article 88(2);
 - (iii) any State not a Member of the United Nations and not represented at the United Nations Conference on Trade and Employment, whose Government accepts this Charter in accordance with Article 88(3) after its proposed Membership has been approved by the Organisation.
2. The following not being entitled to Membership under paragraph 1 of this Article, shall become an Associate:-
 - (i) any separate Customs territory invited to the United Nations Conference on Trade and Employment, upon notification by the competent Member to the Director General, provided that it has been declared by the competent Member to be autonomous in the conduct of its external commercial relations and the other matters provided for by this Charter, and that the competent Member has accepted this Charter on its behalf in accordance with the provisions of Article 88(6);
 - (ii) any separate Customs territory, not invited to the United Nations Conference on Trade and Employment, which is declared by the competent Member to be autonomous in the conduct of its external commercial relations and of other matters provided for by the Charter, and on behalf of which the competent Member has accepted this Charter in accordance with the provisions of Article 88(6) after its admission as an Associate has been approved by the Organisation.

3. The Organisation shall determine the conditions on which
 - (a) trust territories administered by the United Nations;
 - (b) the Free territory of Trieste shall participate in the Organisation.
4. The rights and obligations of Associates shall be determined by the Organisation.

ARTICLE 2

Amendment proposed by the United Kingdom Delegation

COMMENTS

1. In recent discussions in the Chairman's (Heads of Delegations) Committee it has been recognised that there are certain separate customs territories possessing full autonomy in the conduct of their external commercial relations and the other matters provided for by this Charter. Such territories are Burma, Ceylon and Southern Rhodesia. The United Kingdom believes that it is highly desirable that such territories should undertake and implement the obligations of I.T.O., since ideally the International Trade Organisation should include all countries which participate appreciably in World Trade. Since they are self-governing in respect of these obligations, the metropolitan country having formal international responsibility for them cannot undertake the obligations on their behalf or secure their implementation. Although the metropolitan country acts as the channel through which their acceptance is deposited, the decision to accept the obligations and the power to implement them rests entirely with the Governments of the separate customs territories. The United Kingdom Delegation is therefore of the opinion that it is equitable, and indeed necessary, that they should be able to participate in the work of the Organisation whose obligations they have accepted.
2. The United Kingdom Delegation therefore proposes that such territories should be associates. This preserves a distinction in the Charter between independent sovereign states and territories which have not yet attained that status. In the opinion of the United Kingdom Delegation it would be for the Organisation when set up to determine the exact status of associates (see paragraph 4 of the proposed amendment).
3. Paragraph 1 of the proposed re-draft deals with independent sovereign states, under three categories:-
 - (i) States invited to the World Conference which automatically become members under the procedure laid down in Article 88(4).
 - (ii) States, members of United Nations, which do not accept the invitation to the World Conference, but later decide to adhere to I.T.O. These can become members by depositing an instrument of acceptance in accordance with Article 88(2).

(iii) States, not members of the United Nations which, either because they did not accept or because they did not receive an invitation, did not attend the World Conference, but which later wish to adhere to I.T.O. This category of states have to obtain the approval of the Organisation before becoming members.

4. Paragraph 2 deals with separate customs territories not fully independent, but possessing full autonomy in the conduct of their external commercial relations and the other matters provided for by the Charter, in two categories:-

(i) Those invited to the World Conference, which if they so desired, would automatically become members when the metropolitan state having international responsibility for them complied with the procedure laid down in Article 88(6).

(ii) Those not invited to the World Conference which could only become associates after the Organisation had approved their application.

5. The United Kingdom Delegation considers that it will be necessary to make special provision not only for trust territories administered by the United Nations but also for the Free Territory of Trieste when the Trieste Statute enters into force.

6. The references to Article 88 in this note are to the amended version of that Article proposed by the United Kingdom Delegation, of which a copy follows, for ease of reference, (see E/PC/T/W.202).

ARTICLE 88

1. This Charter shall remain open for signature until 194.... and shall be subject to acceptance.

2. Each Government accepting this Charter shall deposit an instrument of acceptance with the Secretary-General of the United Nations, who shall inform all Governments represented at the United Nations Conference on Trade and Employment and all other Members of the United Nations not so represented, of the date of deposit of each instrument of acceptance and of the date on which this Charter enters into force under paragraph 4 of this Article. After this Charter has entered into force, each Government which has deposited an instrument of acceptance shall thereupon become a Member of the Organisation.

3. The Government of any country whose proposed Membership of the Organisation has been approved by the Conference under paragraph of Article 2 shall deposit an instrument of acceptance with the Secretary-General of the United Nations, and shall thereupon become a Member of the Organisation.

4. This Charter shall enter into force on the sixtieth day following the day on which the number of governments

represented at the United Nations Conference on Trade and Employment which have deposited instruments of acceptance pursuant to paragraph 2 of this Article shall reach twenty, and the instrument of acceptance of each other accepting government shall take effect on the sixtieth day following the day on which it is deposited, Provided that, if this Charter shall not have entered into force by 194 , any of the governments which have brought into force the General Agreement on Tariffs and Trade dated 194 , together with any other governments represented at the United Nations Conference on Trade and Employment, may agree to bring this Charter into force among themselves in accordance with arrangements which they may agree upon. Any instrument of acceptance deposited with the Secretary-General of the United Nations shall be taken as covering both procedures for bringing this Charter into force, unless it expressly provides to the contrary or is withdrawn.

5. Each Government accepting this Charter does so in respect of its metropolitan territory and of any other territories for which it has international responsibility: Provided that it may at the time of acceptance declare that any separate Customs territory for which it has international responsibility possesses full autonomy in the conduct of its external commercial relations and other matters provided for by the Charter, and that acceptance does not relate to such territory.

6. Each Member may, at any time, accept this Charter in accordance with paragraph 2 of this Article on behalf of any such separate Customs territory willing to undertake the obligations of the Charter. Acceptance on behalf of such territory shall take effect on the sixtieth day following the deposit of the instrument of acceptance.

7. Each accepting Government shall take such reasonable measures as may be available to it to assure observance of the provisions of this Charter by subsidiary governments within its territory.