

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

NOTE BY THE BELGIAN DELEGATION ON THE WORK OF THE  
SUB-COMMITTEE ON ARTICLES 26 AND FOLLOWING.

(Chairman : Mr. PHILLIPS)

The Belgian Delegation, being desirous of complying with the recent recommendation by the Chairman's Committee regarding work in sub-committees, that time for discussion be reserved as far as possible for members of the sub-committees, has confined itself to following the discussions. It believes, however, that it would be helpful at this point to communicate its observations and suggestions, so that they may be taken into account for the better preparation of the discussions in plenary session.

1/ Article 26 in general. We suggest that the sub-committee make a clear statement to the plenary session on the utility of Article 26. Our delegations will have to answer before their Governments, and they in turn before their Parliaments, the inevitable objection that Article 26 is valueless because the matter is already covered by the Statute of the International Monetary Fund.

The existence of two statutes governing the same matter in two different ways will be criticised as leading to duplication of effort, conflicts of authority and the abusive practice of playing off one text against the other, despite all precautionary co-ordinating measures.

P.T.O.

Should the sub-committee, however, still be of the opinion that there are grounds for retaining two statutes governing the same matter, then the sub-committee would do the plenary committee a service if it drew up a table listing, and if possible commenting on, the various conclusions which might be arrived at if, in the case of a difficulty over balance of payments, the following were applied;

- a) the Statute of the International Monetary Fund,
- b) or Articles 26 and following of the Charter, as they stand,
- c) or the two statutes simultaneously,
- d) and according to the different periods.

2/ Article 26, paragraph 4: We wish to stress most emphatically, that this provision vitiates the whole Charter, and is a radical defect which destroys any advantages to be found elsewhere in this document.

This provision allows a country to restrict its imports to essential products, provided that it imports token quantities of the others. Thus the Charter removes from the field of discussion and consolidates the very worst kind of restrictive practice. It perpetuates in an instrument of international law that separation of countries into watertight compartments which it was our duty to fight against.

3/ Article 28, paragraph 1, sub-paragraphs (d) and (e); It seems hardly necessary to draw attention to the extremely confused wording of these sub-paragraphs, which need to be completely overhauled.