

SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE  
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENTANNOTATED AGENDA RELATING TO THE SCHEDULES  
TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE

This agenda is to be read in conjunction with the proposals of the Tariff Negotiations Working Party, E/PC/T/153. It will be noted that the paper presented by the Working Party has taken account of Sections E and G of Annexure 10 to the Report of the First Session, (E/PC/T/33), and of Part III of the Report of the Drafting Committee relating to the General Agreement (E/PC/T/34).

The agenda has been prepared by the Secretariat on the basis of amendments and other proposals received from Delegations up to noon Saturday, September 6. Where appropriate, underlining has been provided to indicate additions to, and square brackets to indicate deletions from, the text proposed by the Tariff Negotiations Working Party.

1. Identification of Schedules (see pages 1 and 2 of E/PC/T/153).

No comment.

2. Covering Statement Relating to each Schedule (see page 5 of E/PC/T/153 and the substitute paragraph 1 suggested on page 4 of the same document, for cases in which the territory is negotiating exclusively on maximum margins of preference).

Paragraph 1.

The French Delegation considers that this paragraph is unnecessary in view of the provisions of Paragraph 1 of Article II of the General Agreement and in view of the following redraft of paragraph 2 of Article II (E/PC/T/W/287) proposed by the French Delegation:

"2. No Contracting Party shall adopt measures likely to impair, directly or indirectly, the effect of the concessions provided for in the tariff Schedule annexed to this Agreement, whether by introducing or increasing duties and charges (other than customs duties and fees for services rendered) imposed on, or in connection with importation, unless such measures are prescribed by legislation currently in force, or by altering its method of determining dutiable value, or of converting currencies for calculating this value."

The United Kingdom Delegation suggests that the end of the first sentence should be amended to read, "subject to the terms, conditions or qualifications therein set out" (E/PC/T/W/295).

The United Kingdom Delegation suggests the deletion at the end of the paragraph of the words "or required to be imposed ... that day" (E/PC/T/W/295).

#### Paragraph 2

The French Delegation considers this paragraph unnecessary since, in its view, the matter should be covered by paragraph 3(a) of Article I and by the addition to that Article of a mention of margins of preference. (E/PC/T/W/287).

The United Kingdom Delegation proposes that the end of the first sentence should read, "subject to the terms, conditions or qualifications therein set out" (E/PC/T/W/295).

The United Kingdom Delegation suggests also the deletion at the end of the paragraph of the words "or required to be imposed ... that day" (E/PC/T/W/295).

#### Paragraph 3(a)

The French Delegation considers this paragraph unnecessary since the matter is covered by Article III (E/PC/T/W/287).

The United Kingdom Delegation suggests that the paragraph should be amended to read: "a charge equivalent to an internal tax imposed, consistently with the provisions of Article III, paragraph 1, of this Agreement, in respect of the like domestic product or in respect of an article of the kind from which the imported product has been manufactured or produced in whole or

in part, or". (E/PC/T/W/295).

Paragraph 3(b)

The French Delegation considers the paragraph unnecessary since in its view the matter is covered by Article V (E/PC/T/W/287).

Paragraph 3(c)

The French Delegation considers that this paragraph should be unnecessary in view of the amendment which it has proposed to paragraph 2 of Article II (E/PC/T/W/287).

New Paragraph

The Czechoslovak Delegation proposes the insertion of the following provision into its schedule and would have no objection if a similar clause were attached to any other schedules as far as specific rates are concerned (E/PC/T/W/286):

"The value of the Czechoslovak crown in which the agreed specific rates of duties are expressed is understood to be the par value as accepted by the International Monetary Fund at the time of the signature of this Agreement. In case this currency is depreciated in accordance with the Articles of Agreement of the International Monetary Fund the Czechoslovak Government reserves its right to adjust the specific rates of duty in proportion to the depreciation of its currency."

The French Delegation associates itself with this proposal of the Czechoslovak Delegation and considers it essential to insert in the French schedule a text similar to that proposed by the Czechoslovak Delegation (E/PC/T/W/310).

3. Parts I and II (see pages 6 and 7 of E/PC/T/153 and also the explanatory notes on pages 2 and 3 of the same document concerning various types of concessions.)

The French Delegation suggests that Part I should be headed "Most-Favoured-Nation Tariff" and that Part II should be headed "Preferential Tariffs" (E/PC/T/W/287).

The Czechoslovak Delegation considers that the notes and

explanatory remarks now accompanying individual items in the draft of Tariff Schedules contained in document E/PC/T/153, should appear in an annexed protocol rather than in the schedules proper (E/PC/T/W/286).

The Netherlands Delegation observes that certain changes are required in paragraph 3 of Article I in order to bring that paragraph into harmony with the draft schedules in which provision is made for

- (a) the scheduling of the preferential margin only, the m.f.n. rate and the preferential rate remaining unscheduled, and
- (b) the scheduling of the preferential rate, the m.f.n. rate remaining unscheduled (E/PC/T/W/296).

The Netherlands Delegation considers that the note on internal taxes mentioned under Tariff Item No.331 (page 6 of document E/PC/T/153) requires redrafting in the light of the new text of Article III of the General Agreement (i.e., the article corresponding to Article 15 in the New York Draft Charter). Furthermore, the Netherlands Delegation considers that the present wording of the note does not make it clear whether it intends to refer only to rates of internal taxes which are preferential for the products from one or a few countries as opposed to those from all other countries, or whether it also refers to discrimination in the rates for domestic products on the one hand and all imported products on the other hand.