

Contracting Parties

Third Session

SUMMARY RECORD OF THE 31st MEETING

Held at Hotel Verdun, Annecy
on Monday, 4 July 1949, at 10 a.m.

Chairman: Hon. L. D. WILGRESS (Canada)

Subjects discussed:

1. Report of Working Party 3 on Consultation under Articles XII, XIII and XIV, excluding Article XII, 4 (a)
2. Draft Protocol Modifying Article XVI of the General Agreement.
3. Report of the Third Session of the Contracting Parties

The Chairman called upon Mr. PERRY (Canada) as Chairman of the Working Party to introduce the report.

Mr. PERRY outlined the contents of the report and added, on instructions of the Working Party, that where the term "special session" of the Contracting Parties had been used, although this terminology found no place in the General Agreement, it had been felt that the meaning given to the term justified its use. There was however no suggestion to amend Article 25 in this connection.

He had further been asked by the Working Party to call the attention of the Contracting Parties to a personal view which had been submitted by the representative of the International Monetary Fund, that the Chairman of the Contracting Parties should be free to invite an individual contracting party for consultation under the appropriate paragraph of the Agreement. The Working Party could

only accept this view with the proviso that the views of the Contracting Parties be first ascertained by a canvass which the Chairman would be authorized to take.

The report was then examined paragraph by paragraph.

Paragraphs 1 and 2 were approved.

An amendment to paragraph 3 proposed by Dr. AUGENTHALER (Czechoslovakia) to delete "ordinary session" and substitute therefor: "next session decided upon by the Contracting Parties at their previous session or otherwise" was adopted.

Paragraph 3 as amended was approved.

The amendment proposed by Mr. COELHO (India) that the second sentence of paragraph 4 should read:

"In the view of the Working Party the following cases could be considered within this group to the extent indicated in paragraphs 14, 15, 22, 23 and 24 of this report:

Article XII - paragraph 4 (c)

Article XIV - paragraph 2

Annex J - proviso to paragraph 3."

was approved.

Paragraph 4 as amended was approved.

Paragraphs 5 to 7 were approved.

Mr. COELHO's re-draft of paragraph 8 as follows:

"The Working Party considered that in the above cases a canvass would be initiated by the Chairman either on the basis of official information reaching him, or on receipt of written communications from Contracting Parties. In the conduct of a canvass the Chairman should provide Contracting Parties with as complete information as possible in order that the Contracting Parties would be in a position to furnish their views as to the urgency of the consultation and the course of action most favoured"

was approved.

A new paragraph as follows:

"In the expression of such views on a canvass Contracting Parties should take into account the nature of the reference and the particular provisions of the Article under which the case arises."

was proposed by Mr. COELHO and was approved as paragraph 9, the existing paragraph 9 and the subsequent paragraphs to be renumbered accordingly.

The Chairman proposed to read out the articles according to the numbers appearing in the report.

Paragraph 9 was approved.

Paragraph 10 as amended by a proposal of Dr. AUGENTHASER that the words:

"in the sense of paragraph 2 (c) of Article 78 of the Havana Charter"

be inserted after: "(representative of the CONTRACTING PARTIES)" was approved.

Paragraphs 11 to 17 were approved.

A proposal by Mr. COELHO to add, in the third sentence after "in cases of this nature", the words: "and also in other cases" was approved, this sentence to appear as a separate paragraph.

The proposal of Mr. SHACKLE (U.K.) to add, as a further paragraph to the report, the text contained in document A/W/11 gave rise to a discussion in which Mr. SHACKLE (U.K.), Mr. LEWIS (U.S.) and Mr. PERRY (Canada) took part.

In view of the references to document GATT/CF.3/30 and of opinions raised by some delegates in favour of the wording of paragraphs 13 and 14 of the latter document, Mr. CASSIERS (Belgium) proposed that the Executive Secretary be asked to merge into one the two reports of the

Working Party. The meeting agreed to the proposal and Mr. PERRY was asked to draft a wording for the new paragraph which would reconcile the different views.

The annex was approved with the addition of the following words to the title:

"for the purposes of procedure under Articles XII, XIII and XIV."

The meeting then proceeded to the composition of the selected committee. The Chairman said that he had composed a slate in accordance with paragraph 2 (c) of Article 72 of the Havana Charter. With respect to the doubts expressed by Mr. AUGENTHALER as to whether a membership of ten would be sufficient, he accepted Mr. AUGENTHALER's proposal to submit his selection to the meeting as a basis for discussion.

He had in mind the following:

Australia

Belgium

Brazil

Canada

Chile

Czechoslovakia

France

India

U.K.

U.S.A.

Mr. SHACKLE (U.K.) mentioned South Africa as being representative of a particular type of economy as indicated in Article 78 and also as having had special experience of the consultation procedure.

Mr. AUGENTHALER (Czechoslovakia) expressed his general agreement with the Chairman's selection. In suggesting a committee of twelve himself, he had had in mind China, as one of the Great Powers, and Norway as a representative of the Scandinavian countries.

In the ensuing discussion Mr. W. KING (China), Mr. JOHNSEN (New Zealand), Mr. CASSIERS (Belgium), Mr. MOBARAK (Lebanon), Mr. HASNIE (Pakistan), Mr. AUGENTHALER (Czechoslovakia), Mr. SCHOYEN (Norway), Mr. TRABOULSI (Syria), Mr. LECUYER (France) took part. In the light of the opinions expressed it was agreed to limit the committee to the ten members proposed by the Chairman and to add as a note to the composition:

"The Chairman shall, however, have power to add as members of the Committee not more than three additional members from among China, Lebanon-Syria, Norway and South Africa."

Mr. PERRY (Canada) then presented his re-draft of the new paragraph to be added to the report of the Working Party, as follows:

"As outlined in GATT/CP.3/30 Rev.1, the interim procedures indicated in this report are intended to be resorted to only exceptionally and where most urgent circumstances require such action; and the powers intended to the Chairman in the ad hoc and selected committees would not include the right to conclude consultation on behalf of the CONTRACTING PARTIES, which would normally do this at their next session."

Paragraph 26 as redrafted was approved.

The report as a whole was approved as amended.

2. Draft Protocol Modifying Article XXVI of the General Agreement

The Executive Secretary in introducing his note said that the subject matter of the draft protocol had been dealt with in the Working Party on Accession, the report of which the Contracting Parties had already examined. The Working Party had felt that it was not only desirable but important that Article XXVI be brought in line with the Havana Charter, because as it stood at present, it might make it more difficult for the definitive functioning of the General Agreement.

It had been indicated that various delegations would have drafting changes to make so he thought it would be in order to defer the draft to the Working Party.

The suggestion contained in the note of the Executive Secretary was approved.

3. Report of the Third Session of the Contracting Parties

The Executive Secretary put forth the suggestion that the work of the Contracting Parties would have added value if there should exist a formal report at the end of each session, which might include some assessment of the results and be published for the information of the thoughtful reader who could not be content with the scant notices which reach him through the press. He would therefore like to be authorized to prepare, before the end of the Session a comprehensive report to be published as an official record of the Third Session.

Mr. MULLER (Chile) congratulated the Executive Secretary on his suggestion and suggested the inclusion of a review of the work of previous sessions.

The Chairman, in reply to Mr. CATUDAL (U.S.A.), who had also expressed his approval, said that if the Contracting Parties agreed, work could begin immediately.

Mr. HASNIE (Pakistan), Mr. MOBARAK (Lebanon) and Mr. CASSIERS (Belgium) expressed approval and made suggestions concerning the language in which the report was to be couched.

It was agreed that the report be drafted and circulated as soon as possible before the end of the Session in order that it might be approved by the Contracting Parties.

The meeting rose at 12.30 p.m.

