LIMITED B

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GENERAL AGREEMENT ON TARIFFS AND TRADE Contracting Parties

## Protocol Modifying Certain Provisions of the General Agreement on Tariffs and Trade

The Secretary-General of the United Nations has a vised that on 16th February the Union of South Africa signed the Havana Protocol Modifying Certain Provisions of the General Agreement, subject to a reservation of non-acceptance of Article XXXV.

Thus South Africa has accepted the invitation of the Contracting Parties at the Second Session which was put forward by the Chairman in the following terms:

".... that we invite the Government of the Union of South Africa to sign the Protocol modifying certain provisions of the General Agreement on Tariffs and Trade, but with a reservation that they do not accept Article XXXV. We can agree now that, if the Government of South Africa signs the Protocol between now and our next session, we shall give sympathetic consideration to approval of the South African reservation at our next session without altering the legal situation as it now exists. This could then have the effect that the other Contracting Parties would continue to regard themselves as bound by and having the right to apply the provisions of Article XXXV, which do not require any of them to apply the General Agreement, or alternatively Article II of that Agreement, to another contracting party if there have not been tariff negotiations between the two parties and if either of the parties had made a declaration to that effect, while South Africa would continue to regard themselves as not being bound and would presumably apply the General Agreement to all contracting parties, irrespective of whether or not tariff negotiations have taken place between the parties."

The above proposal of the Chairman was adopted by 15 votes to none, and the Chairman announced that the matter would be reviewed at the next session.

The Secretary-Coneral of the United Nations has stated that he will circulate the South African reservation to the Contracting Parties, requesting each Contracting Party to notify its acceptance of the reservation.