

SUMMARY RECORD OF SPECIAL MEETING OF THE EXECUTIVE COMMITTEE
OF THE INTERIM COMMISSION FOR THE INTERNATIONAL TRADE ORGANIZATION

Held at the Marine Spa, Torquay, England,
on Friday 24 November 1950 at 3 p.m.

Chairman: Mr. E. Wyndham White (Executive Secretary)

Representatives present: Mr. Tonkin (Australia)
Mr. Cassiers (Benelux)
Mr. Castro Menezes (Brazil)
Mr. Wright (Canada)
Dr. Vazna (Czechoslovakia)
Mr. Ahmed Fuad (Egypt)
Mr. Dawson (El Salvador)
Mr. Lecuyer (France)
Mr. di Nola (Italy)
Mr. Castellanos (Mexico)
Mr. Solberg (Norway)
Mr. Leckie (United Kingdom)
Mr. Weiss (United States)

Subject discussed: Repayment of loans from the United Nations
Working Capital Fund.

The CHAIRMAN said that the terms of office of the Chairman and Vice-Chairman of the Executive Committee had expired. It seemed unnecessary at this meeting to appoint officers of the Executive Committee for a further term of one year and he therefore suggested that a chairman be nominated for this meeting only.

Mr. WRIGHT (Canada) seconded by Mr. FUAD (Egypt) nominated the Executive Secretary. This was approved.

The CHAIRMAN thanked the Committee. This meeting had been called in order to consider the problem which had arisen as a result of the non-ratification of the Havana Charter and the fact that the ITO did not yet exist. When the Interim Commission was set up it had been assumed that only a short period would elapse before the entry into force of the Charter and that the functions of the Commission would be limited entirely to preparations for the first Conference. The terms of reference of the Interim Commission made no provision for a budget to be provided by contributions from member governments. It had instead been agreed that the expenses would be met from funds loaned by the United Nations subject to reimbursement. Application had accordingly been made to the Secretary General and a number of advances agreed to and taken up. The question of repayment had been considered before by the Executive Committee and, acting on instructions, the Executive Secretary had informed the Secretary General that these advances would be reimbursed by the ITO from its first budget. In view of the delay in the establishment of the ITO the Secretary General had, upon the request of the Executive Committee, recommended in 1949 to the General Assembly that the normal two-year period for the repayment of the 1948 loans be extended by one year. This had

been agreed to. Nonetheless, these loans were becoming due for repayment during 1951 and it was furthermore almost certain that the first ITO Conference would not be convened in that year. The representative of the United Nations had communicated with the Executive Secretary drawing his attention to the dates for repayment and pointing out that, since it was unlikely that the first conference of the ITO would take place before July when the first repayment was due, it might be appropriate to explore the question well in advance of the due dates in order to give some information to the General Assembly at its current session. The suggestions by the Secretariat were contained on pages 3 and 4 of document ICITO/1/29.

Mr. TONKIN (Australia) referred to the figure of \$97,629.44 in paragraph 10 which he assumed included the last authorised advance shown at the top of the page on which no drawing had yet been made. He inquired whether, under the procedure suggested in paragraph 12 (c), the amount owable to the United Nations would in effect be the estimated total expenditure, i.e. \$248,860.56.

The CHAIRMAN said that was correct.

Sub-paragraphs (a), (b), (c), (d) and (e) of paragraph 12 were approved.

Sub-paragraph (f). Mr. LECUYER (France) referred to the last sentence of this paragraph and inquired what the assistance was that the Executive Secretary hoped to obtain from the Secretary General.

The CHAIRMAN replied that the situation might arise where the Interim Commission wished to perform certain services for the Contracting Parties at a time when the Contracting Parties were unable immediately to reimburse the Interim Commission and the possibility of short term advances had been considered as a solution.

In reply to a question from Mr. CASSIERS (Benelux) the CHAIRMAN said that the letter to the Secretary General would be circulated to members of the Interim Commission.

Mr. CASTELLANOS (Mexico) said that his Government considered that it would be difficult in the future to justify the continued existence of the Interim Commission in view of the present circumstances of uncertainty as to the establishment of the ITO and he thought that it was important that governments should be consulted for their opinion on this question.

The CHAIRMAN thought that serious consideration would have to be given by Governments to the question raised by the Delegate of Mexico but that it would perhaps be difficult to discuss it at this meeting which had been called at short notice and for one specific purpose. If the Mexican Government would communicate its views formally to the Secretariat these would be circulated to all members of the Executive Committee and a meeting might be called at a later date specifically to study this problem. The Chairman wished to assure the Mexican Delegate that there was no question in any event of additional expenditure being incurred after 1 January 1951, by the Secretariat on behalf of the Interim Commission.

Mr. CASTELLANOS (Mexico) thanked the Chairman for his remarks.

Sub-paragraph (e) was approved.

The CHAIRMAN said that the letter to the Secretary General would be drawn up in accordance with the decision of the Executive Committee and circulated to the Interim Commission.

The meeting adjourned at 3.45 p.m.