

SECOND COMMITTEE: ECONOMIC DEVELOPMENT

SUB-COMMITTEE C ON ARTICLES 13 AND 14

NOTES ON THE SEVENTH MEETING

Held at the Capitol, Havana, Cuba, on Friday, 23 January 1948,  
at 10.30 a.m.

Chairman: Mr. GUTIERREZ (Cuba)

The Sub-Committee continued its consideration of the draft text proposed by Working Party I, but was unable to reach agreement concerning the words in brackets in paragraph 2 (c).

The representative of China proposed the following amendment to the final proviso of the text:

"It is recognized that such contractual relationships generally involve reciprocal advantages, and therefore any other Member with whose contractual rights such action conflicts, and whose trade is materially affected by the action, may suspend the application to the trade of such Member of such substantially equivalent obligations or concessions under Chapter IV the suspension of which the Organization does not disapprove. Any Member intending to suspend such application shall consult the Organization before doing so."

The representative of Cuba proposed the following addition to paragraph 2 (a) (ii) referred to in document E/CONF.2/C.2/C/W.6.

"If an agreement is not reached among the Members concerned, the Organization, within a period not exceeding days beginning from the expiration of the terms fixed by its time schedule and in case it would have chosen to intervene in the negotiation, may decide whether or not the applicant Members is released of its obligations and, in the affirmative case, the opportunity, nature and degree of the release. In case the Organization had been requested to take a decision formulated at said opportunity, it shall decide on the release on the form before mentioned."

The Sub-Committee agreed to establish a second Working Party, the terms of reference of which would be to try to reconcile the different views which had been expressed in relation to the phrases in brackets in paragraph 2 (c)  
/of the draft

of the draft text proposed by Working Party I and to the Chinese and Cuban amendments. It was agreed that Working Party 2 would be composed of the representatives of Australia, Brazil, China, Mexico, the United Kingdom and the United States.

After a short discussion, the Sub-Committee decided to proceed with the consideration of the procedure concerning all measures inconsistent with non-negotiated commitments.

It was agreed that the Secretary would provide a brief statement concerning the progress which was being made by the Sub-Committee of the Third Committee on Articles 20 and 22.

The meeting rose at 1.00 p.m.

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