

United Nations
CONFERENCE
ON
TRADE AND EMPLOYMENT

Nations Unies
CONFERENCE
DU
COMMERCE ET DE L'EMPLOI

RESTRICTED
E/CONF.2/C.2/C/W.12
11 February 1948
ORIGINAL: ENGLISH

SECOND COMMITTEE: ECONOMIC DEVELOPMENT

SUB-COMMITTEE C ON ARTICLES 13 AND 14

NOTES ON THE TWELFTH MEETING

Held at the Capitol, Havana, Cuba, on Monday, 9 February 1948 at 3.00 p.m.

Chairman: Mr. GUTIERREZ (Cuba)

The Sub-Committee considered the amendments submitted to Article 14 by the delegations of Philippines, United Kingdom, Argentina, Italy, Uruguay and Turkey (pages 55 through 59 and page 63 of E/CONF.2/C.2/9), the amendment of Chile to Article 13 (E/CONF.2/C.2/9/Add.1) and of Uruguay (E/CONF.2/C.2/6/23).

The representative of the Philippines stated that he was withdrawing his amendment and would support any proposition which would make the procedure under Article 13 more expeditious, would provide for automatic approval of protective measures when they satisfied the criteria to be stated in the Charter or provide measures which would apply to transitional periods. He also supported the constitution of the Economic Development Committee.

The representative of Argentina stated that his amendments were aimed at giving all the possible elasticity which should be given to measures of transitional character contained in Article 14. ITO in his opinion should be merely an advisory organization.

The representative of the United Kingdom stated that the amendment of her delegation which consisted in establishing the same base date for all Members with regard to the maintenance of non-discriminatory protective measures, was motivated by a desire for equity as between non-signatories of the GATT and signatories. If no common base date were established, it would be a strong incentive for a country to delay joining the Organization and would thus give to that country unfair advantage. Once the base date had been decided upon, a change in the date at which notification would take place could be considered.

The representative of Mexico strongly opposed the United Kingdom amendment on the basis that it would force non-signatory countries of GATT to observe the obligations without having access to the benefits already derived by the signatories of GATT.

/The representative

The representative of Iraq asked for a clarification as to the legality of protective measures which governments would impose between 1 September 1947, and the date at which they became members of ITO. In answer the representative of the United Kingdom pointed out that this problem would exist even if the Geneva text were maintained, and that her delegation proposed to submit an amendment dealing with this point.

The representative of Canada stated that Article 14 did not provide an escape from Article 13 as the Organization under paragraph 1 (c) of Article 14 would review within a twelve months period after a country assumed membership already existing protective measures in order to see whether they were justified. He supported the United Kingdom amendment.

The representative of Brazil did not agree with the United Kingdom amendment and stated that the consideration of Article 14 should be made dependent on the outcome of Article 13.

The representative of Australia stated that a working party could consider means by which a country could impose quantitative restrictions before acquiring membership in the Organization with the assurance that this measure would not have to be abolished immediately upon entrance into the Organization. If countries were to abolish such measures immediately, this would have a delaying effect upon their entry into the Organization. He opposed the amendment submitted by Iraq to Article 13 as its effect would be to justify quantitative restrictions in almost any country and over a large range of products.

On the invitation of the Chairman, the representative of Turkey stated that his amendment to paragraph 1 (a) of Article 14 was aimed at establishing a legal link between the Members and the Charter. It seemed more appropriate to him that the date of ratification rather than the date of signing should be singled out because all countries which would sign the Charter might not necessarily ratify it. The representative of Iraq supported the Turkish amendment.

Concerning the Turkish amendment for an additional paragraph to Article 14 (E/CONF.2/C.2/9 page 63) the representative of Colombia asked whether in view of the new draft of Article 17 as devised by Sub-Committee A of Committee III, the Turkish representative wanted to maintain his amendment. The reply of the representative of Turkey was in the affirmative. The representative of Australia stated that as Article 14 referred to protective measures other than tariffs, he did not think that Article 14 would be the place to deal with it.

It was decided to establish a working party composed of Iraq, United Kingdom and Argentina to consider all the aforementioned amendments including the Turkish amendment last referred to.
