

SECOND AND THIRD COMMITTEES

JOINT SUB-COMMITTEE ON ARTICLES 15, 16 AND 42

STATEMENT BY THE DELEGATION OF IRAQ

In the proceedings for the termination of the Mandate and the admission of Iraq to the League of Nations in 1932, the Government of Iraq gave several undertakings, one of which was the most-favoured-nation clause, in its trade relations with other Members of the League. However, in view of previous international recognition and close historical and cultural relations between territories which formed part of the Ottoman Empire, the League of Nations recognized to Iraq the right to make an exception to the most-favoured-nation treatment in respect of any territory which formed in 1914 an integral part of the Ottoman Empire in Asia. The text of the undertaking regarding the most-favoured-nation clause, together with the exception contained in the Proceedings of the League of Nations is as follows:

1. Subject to reciprocity Iraq undertakes to grant to members of the League most-favoured-nation treatment for a period of ten years from the date of its admission to membership to the League of Nations.

Nevertheless, should measures taken by any member of the League of Nations, whether such measures are in force on the above mentioned rate or are taken during the period contemplated in the preceding paragraph, be of such a nature as to disturb to the detriment of Iraq the balance of trade between Iraq and the member of the League of Nations in question, by seriously affecting the chief exports of Iraq, the latter, in view of its special situation, reserves to itself the right to request the member of the League of Nations concerned to open negotiations immediately for the purpose of restoring the balance.

Should and agreement not be reached by negotiation, within three months from its request, Iraq declares that it will consider itself as freed, vis-a-vis of the member of the League in question, from the obligation laid down in the first sub-paragraph above.

/2. The undertaking

2. The undertaking contained in paragraph 1 above shall not apply to any advantages which are, or may in the future be, accorded by Iraq to any adjacent country in order to facilitate frontier traffic or to those resulting from a customs union concluded by Iraq. Nor shall the undertaking apply to any special advantages in customs matters which Iraq may grant to goods, the produce or manufacture of Turkey, or of any country whose territory was in 1914 wholly included in the Ottoman Empire in Asia.