

THIRD COMMITTEE: GENERAL COMMERCIAL POLICY

DRAFT CHARTER

CHILE: PROPOSED AMENDMENTS

Chapter IV

Article 16

Add at the end of paragraph 1 the following:

"with the exception of the arrangements contemplated in Article 15."

Article 17

Amend paragraph 2 as follows:

"If any Member considers that any other Member has failed to fulfil its obligations under paragraph 1 of this Article, such Member may refer the matter to the Organization which, after investigation, shall make appropriate recommendations to the Members concerned. If the Organization finds that a Member has failed without sufficient justification, having regard to its economic position, to the state of its balance of payments, monetary reserves and fiscal revenues, and to its need to afford proper protection to industries still in the initial stages of development and to the provisions of the Charter as a whole, to carry out negotiations within a reasonable period of time.."

(the rest of the text to remain in its present form).

Article 20

Add a new sub-paragraph (a) to paragraph 2 to read as follows:

"(a) import restrictions on industrial products applied by Member countries in an early stage of economic development for the sole purpose of protecting the growth of industries which are necessary for their sound and normal development and raising the living and consumption standards of its population."

Replace the letter (a) by (b), (b) by (c) and (c) by (d).

Add the following at the end of paragraph 2:

"Restrictions applied under (d) (formerly (c)) of the present Article shall be strictly limited to periods during which the circumstances referred to therein prevail and shall not be imposed on seasonal articles of consumption when like domestic products are not available."

/Article 21

Article 21

Paragraph 2

Replace paragraph 2 (a) (i) by the following:

"to forestall the positive threat of, or to stop, a serious or persistent decline in its monetary reserves."

Article 32

The beginning of paragraph 2 to read as follows:

"Without prejudice to such arrangements as Members may agree upon among themselves and in regard to their own trade,...(the rest of the text continues as in its present form).

Article 34

Add at the end of sub-paragraph (b) of paragraph 3 the following:

"It is understood that those countries which at present maintain a system of periodically establishing the 'actual value' of merchandise, on the basis of the mean of values ascertained, provided that an adjustment of such 'actual value' is made whenever a considerable price fluctuation in the price of a product occurs, will also comply with the requirements laid down in this sub-paragraph."

Article 36

Amend paragraph 7 to read as follows:

"The Members shall co-operate with each other and through the Organization with a view to preventing the use of trade names in such manner as to misrepresent the true origin of a product, to the detriment of the distinctive regional or geographical names of products of a Member country which are protected by the legislation of such country. The above-mentioned purpose shall be considered as having been fulfilled if the name of the producer country using the geographical of regional name in question appears in a legible manner on the label of the product.

Article 42

Add the following at the end of sub-paragraph (b) of paragraph 2:

"The plan proposed may be developed on the basis of reductions in increasing percentages, in the overall tariff of neighbouring countries, leading ultimately to its elimination; or on the basis of the total or partial cancellation of the duties on some products, such cancellation being progressively widened and extended to other products until the customs frontiers are eliminated."

Delete sub-paragraphs 3 (b) and 3 (c).

-----