

PREPARATORY COMMITTEE OF THE INTERNATIONAL CONFERENCE
ON TRADE AND EMPLOYMENT

SUGGESTED AMENDMENTS BY THE CUBAN DELEGATION TO THE
PROPOSED NORTH AMERICAN CHARTER

COMMITTEE II

1. The Cuban Delegation proposes the following amendments to Section E (Subsidies), Chapter IV of the North American proposed Charter:

First: Delete the word "Export" in the heading of Article 25.

Second: Substitute the verb "affect" for the verb "reduce" in Article 25, paragraph 1, so as to read as follows:

"1. Except as provided in paragraphs 2 and 3 of this Article, if any member establishes or maintains any subsidy, including any form of income or price support, to the domestic producers of any product, which operates to increase the exports of such product from, or to affect the imports.....etc."

Third: Add at the end of paragraph 1 of Article 25, separating the final point by a comma, the following words:

" , as established in paragraph 4 of this Article."

Fourth: Amend paragraph 4 of Article 25 to read as follows:

"4. If any member considers that another member, as a consequence of maintaining this last subsidy, affects the imports of such member, in the territory of the other member or if the latter unduly increases its exports, the member deemed to be affected may refer the matter to the Organization and request that it declare that the subsidization be reduced or eliminated.

"The Organization shall investigate the matter and shall make the appropriate recommendations to the interested parties. If the Organization finds that a member has failed, without just cause, to reduce or suppress the subsidies, the Organization may decide that

the member affected (or in exceptional cases the members of the Organization in general) by such failure shall have the right to withdraw from the trade of the other member any of the tariff reductions which the complaining member (or members of the Organization in general, as the case may be) may have entered into in accordance with paragraph 1, Article 18. If such reductions are de facto withdrawn, such other member shall be at liberty to resign from the Organization, giving sixty days' notice in writing. The dispositions of this paragraph shall come into force in conformity with the prescriptions of Article 56."

2. The Cuban Delegation proposes the following amendment to Article 29, Section C, Chapter IV of the proposed North American Charter:-

"Any member against whom any of the measures referred to are adopted shall have the right to bring the matter before the Organization, and the Organization shall, within a period not exceeding ninety days, investigate the matter and shall make appropriate recommendations to the interested parties. If the Organization finds that the measures for withdrawing the concession, suspending the obligation or modifying the concession, have been adopted without just cause, the Organization may decide that the member affected by the measure (or, in exceptional cases, the members of the Organization in general) has the right to withdraw from the trade of the other member any of the tariff reductions which the complainant (or the members of the Organization in general, as the case may be) may have negotiated in accordance with paragraph 1, Article 18. If such reductions are withdrawn de facto, the member shall be at liberty to resign from the Organization, giving sixty days' notice of such intention in writing."