

**United Nations**  
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**CONSEIL**  
**ECONOMIQUE**  
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E/PC/T/C.6/46  
6 February 1947  
ORIGINAL: ENGLISH

DRAFTING COMMITTEE OF THE PREPARATORY COMMITTEE  
OF THE INTERNATIONAL CONFERENCE ON TRADE AND EMPLOYMENT

SUB-COMMITTEE ON TARIFF NEGOTIATIONS

SUMMARY RECORD OF SECOND MEETING

Held at Lake Success on 6 February, 1947 at 2:45 p.m.

Chairman: Mr. B. N. ADARKAR

The CHAIRMAN introduced the Draft Report of the Technical Sub-Committee (E/PC/T/C.6/55) on Articles 15-23 and 37 and suggested that the Sub-Committee will consider, at a later stage, to what extent these Articles should be incorporated in the General Agreement on Tariffs and Trade.

Article 24

The CHAIRMAN pointed out that the countries represented on the Preparatory Committee will have fulfilled their obligations under this article when the General Agreement will come into force. Consequently these obligations will arise only with regard to countries wishing to enter into negotiations at a later stage, but before the Charter will come into force, which procedure was permissible. It was, therefore, felt that the provisions of this Article should be included in an appropriate form in the General Agreement.

Articles 25-29

The CHAIRMAN suggested that the whole of the Section on Quantitative Restrictions and Exchange Control should be included in the General Agreement.

Mr. MA (China) informed the Chairman that he had no instructions from his Government and, therefore, wished to reserve this question for a decision of his Government.

Answering a question from Mr. MA, the CHAIRMAN pointed out that it was

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understood that if a certain Article was incorporated in any form in the General Agreement, all reservations made by Delegates were automatically included.

Mr. BAYER (Czechoslovakia) considered it necessary to incorporate the full text of the Charter in the General Agreement since almost every Article had some bearing upon the tariff negotiations and in view of the fact that the Agreement will be probably still in force after the Charter had been ratified.

The CHAIRMAN raised the question if Non-Members of the International Monetary Fund should enter into a special exchange agreement, as provided for in Article 29, simultaneously with their joining the General Agreement.

It was felt that an undertaking to enter into a special exchange agreement would be sufficient.

The Sub-Committee decided that Section C of Chapter V should be incorporated in an appropriate form in the General Agreement.

#### Article 13

In connection with Article 25, M. LECUYER (France) drew attention to the importance of Article 13 and it was agreed that this Article would be included in an appropriate form in the General Agreement. The Sub-Committee wished, however, to review this decision after consideration of the whole of Chapter V of the Charter.

#### Article 30

Mr. LEDDY (United States) was in favour of incorporating the first paragraph in the General Agreement. Concerning the rest of this Article, he pointed out that the executive authority of his Government did not permit an undertaking with regard to export subsidies.

It was agreed to incorporate paragraph 1 in the General Agreement, and to refer the rest of this Article for further consideration at the Second Session of the Preparatory Committee.

#### Articles 31-33

The general sense of the discussion was that Article 31, paragraph 1 (b)  
/and paragraph

and paragraph 2 of Article 32, should be incorporated in an appropriate form in the General Agreement. The inclusion of Article 33 would be considered if and when a country with a complete state monopoly of import trade entered into the General Agreement.

Articles 34-35

The Sub-Committee was of the opinion that these Articles should be incorporated in an appropriate form in the General Agreement.

Article 36

Since this Article was referred to the Second Session of the Preparatory Committee, no decision was taken on the incorporation in the General Agreement.

Article 37

This Article will be considered after the Technical Sub-Committee has completed its report.

Article 38

It was decided to incorporate this Article in an appropriate form in the General Agreement.

The Sub-Committee discussed provisionally the tentative suggestion made by the United Kingdom Delegation (E/PC/T/C.6/W.40).

Next Meeting: on Monday at 2:45 p.m.

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