

SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.

WORKING PARTY ON TECHNICAL ARTICLES

Summary Record of the Eleventh Meeting held on
Thursday, 22nd May 1947, at 10.30 a.m. in the
Palais des Nations, Geneva.

Chairman: H.E. ERIK COLBAN.

1. Article 21 - Publication and Administration of Trade
Regulations.

Approval was given to the report of the Sub-Committee (document WP.1/AC/SR/2) recommending the insertion of a new paragraph after paragraph 1 and the deletion of paragraph 3, subject to the right of the members of the Sub-Committee to propose further alterations when the Article is discussed in Executive Session.

2. Article 37 - General Exceptions to Chapter V.

Sub-paragraph (j). The delegate for NEW ZEALAND withdrew his suggestions in the Drafting Committee that the words following upon "natural resources" should be deleted and that the words "or other" be added before "resources". The delegate for INDIA maintained his suggestion that the words following upon "natural resources" should be deleted. The delegate for BRAZIL modified his suggestion at the Drafting Committee by stating that he would accept this sub-paragraph if the words "are taken pursuant to international agreements or" were deleted and said that he required time for further study. Accordingly the sub-paragraph was adopted, without alteration, subject to the Indian reservation and the provisional reservation of Brazil.

Sub-paragraph (k). Consideration was given to a proposal to delete the words "or restoration", but it was decided to make no change.

Proposed new sub-paragraph. The Working Party then discussed the proposal of the Canadian delegation contained in document W/28 Corr.1 to add the following sub-paragraph: "Relating to the importation of goods, the production of which was prohibited in the country of importation prior to 1st July 1939". The CHAIRMAN drew attention to the fact that a similar suggestion had been made by the Canadian

delegate to the Drafting Committee as recorded in the General Comments of the Report. It was agreed not to add this subparagraph, and the delegate for CANADA stated that he would sustain his reservation. The delegate for INDIA declared that he maintained his suggestion under (e) in the "General Comments" to Article 37 in the report of the Drafting Committee (page 31).

Transfer of sub-paragraphs (c), (d), (e) and (k). It was decided that the proposal of the UNITED STATES delegate to remove four of the sub-paragraphs from Article 37 and to draft a new Article to be inserted elsewhere in the Charter (document W/23) was beyond the terms of reference of the Working Party. It was, however, agreed to recommend to the Executive Committee that this transfer should be made and that a new Article should be drafted on the lines proposed by the delegate for the UNITED STATES.

Re-arrangement of Articles. Similarly, the Working Party was of the opinion that the proposals of the French and Benelux Delegations (document W/45) to re-arrange the last Articles of Chapter V so that Articles 37 and 38 would appear after Article 33 should be referred to the Executive Committee for consideration. The object of the suggested change, it was pointed out by the delegate for FRANCE, was to render it clear that Article 35 and the procedure of appeal prescribed therein should cover the "general exceptions" now specified in Article 37.

Preamble. The preamble to Article 37 was approved without alteration.

3. Article 15 - National Treatment on Internal Taxation and Regulation.

The Working Party discussed the best procedure for dealing with the large number of amendments proposed for Article 15. Several delegates supported the proposal of the delegate for the UNITED STATES that a Sub-Committee should be appointed by the Working Party to study the amendments and to recommend a draft Article (possibly with alternative paragraphs) to the Executive Committee. In favour of this proposal it was stated that a small sub-committee could develop and clarify the major issues and dispose of points of minor importance; such a Sub-Committee could focus attention on the main problems without attempting to reach agreement and could thus facilitate subsequent discussion in the Executive Committee.

A number of other delegates, however, supported the view of the Australian delegation that the whole of Article 15 and all the amendments proposed should be referred direct to the Executive Committee to be taken up in conjunction with Article 14; it was stated that the issues involved in Article 15 be discussed in the first instance on the political rather than on the technical level.

In view of this difference of opinion it was decided to refer the question of procedure to the Steering Committee

on Charter Discussions and to obtain their decision whether a Sub-Committee should be appointed by the Working Party or whether the Article and the proposed amendment should be referred to the Executive Committee. Authority was given to the Chairman, in the event of the Steering Committee deciding that a Sub-Committee should be appointed by the Working Party, to convene a meeting of the Sub-Committee proposed by the UNITED STATES delegation, comprising the delegates for Australia, Belgium (or, alternatively, the NETHERLANDS), Brazil, China, India, Norway, the United Kingdom and the United States.

The Secretariat was asked to prepare a revision of the annotated agenda for Article 15 incorporating all the amendments now proposed.

4. Proposed Article 15 A. It was agreed that the United States proposal to insert a new Article after Article 15 (document W/23), together with the Brazilian suggestion of an addition to that proposed new Article (document W/105), should be treated in the same manner as and along with the proposed amendments to Article 15.

5. Sub-Committees. It was agreed that the Sub-Committee on Article 17 would continue its deliberations at 3 p.m. that same afternoon and that, when these were completed, the Sub-Committee on Article 18 would begin its study of the questions of valuation.

6. Article 19 - Customs Formalities. It was noted that the Report of the Sub-Committee on Article 19 (document W/103) had been distributed that same morning. The CHAIRMAN of the Sub-Committee mentioned that the last item in the final paragraph, namely, "(i) port facilities", should be deleted.

The CHAIRMAN announced that the duties of the Working Party had now been discharged; the original plan to undertake the Second Reading of the ten Technical Articles had been altered and further discussion would take place in meetings of the Executive Committee. Accordingly, the two sub-committees on Articles 17 and 18 would report direct to the Executive Committee and the report of the Sub-Committee on Article 19 would also be referred direct to the Executive.

The Meeting then concluded at 1.10 p.m. with a vote of thanks to the Chairman for the conduct of the meetings.

