

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED
LIMITED C

GATT/CP.4/SR.8
28 February 1950

ORIGINAL: ENGLISH

CONTRACTING PARTIES
Fourth Session

SUMMARY RECORD OF THE EIGHTH MEETING

Held at the Palais des Nations, Geneva,
on Tuesday, 28 February, 1950 at 2.30 p.m.

Chairman: Hon. L.D. WILGRESS (Canada),

- Subjects discussed:
1. Proposal of the United Kingdom to re-validate the Geneva and Annecy Schedules, (cont.)
 2. Final adoption of the Agenda.
 3. 1950 Tariff Negotiations.

1. Proposal of the United Kingdom to re-validate the Geneva and Annecy Schedules (cont.)

Mr. MAYATEPEK (Turkey) referred to the remarks of the delegate of France that morning to the effect that a re-validation of the Geneva and Annecy concessions might encourage acceding governments to believe that they could benefit thereby on the strength of the general most-favoured-nation clause without offering equivalent benefits. The Turkish delegation felt that acceding governments would not be hindered by such a situation as much as by finding themselves confronted with the risk of lowering concessions which were in a fluid state and might be withdrawn.

Mr. ALFONSO (Chile) supported the proposal on the condition that it would be possible in the course of the Tariff Negotiations not only to negotiate new concessions but also to withdraw items from the Geneva and Annecy lists. Among other reasons, Chile might want to review the position in view of the effect on its balance-of-payments of the fall in the world price of copper.

Mr. CASDAGLI (United Kingdom) referred to the Norwegian statement, and to the French implication, that the United Kingdom proposal would not allow readjustments to be made until the date which it was prepared to substitute for 1 January, 1951. He assured the Contracting Parties that the United Kingdom delegation

had no intention of depriving themselves or anyone else of the right to make adjustments, although he was hopeful and confident that their number would be restricted to the absolute minimum. As for the acceding governments he felt they should be faced with an agreement of all Contracting Parties on what they had to offer. He would support reference to a Working Party.

Mr. SAW OHN TIN (Burma) informed the Contracting Parties that his delegation was much interested in the proposal, but thought that approval of their legislature would be necessary before Burma could give it effect. He would make no further comment until he received more definite instructions.

Mr. VAN BLANKENSTEIN (Netherlands) said that if, as had now been made clear, it was not the intention of the United Kingdom delegation to have the protocol signed before the Torquay negotiations, some of his difficulties would be removed, but he referred to the questions of principle raised by the delegate of Belgium which he would like to have the opportunity to discuss.

Mr. PHILIP (France) agreed to the proposal on the understanding that there would be no formal commitments before Torquay.

Mr. TUOMINEN (Finland), as representative of a country which would probably become a contracting party very soon, expressed his agreement with the proposal.

The CHAIRMAN considered that there had been an ample discussion which would afford a Working Party a good basis for the consideration of the proposal.

The Contracting Parties agreed to set up, under the chairmanship of Dr. VAN BLANKENSTEIN, a Working Party composed of the following countries to examine the proposal of the United Kingdom and report to the Contracting Parties: Australia, Belgium, Canada, France, Indonesia, Netherlands, Norway, United Kingdom and United States.

2. Final Adoption of the Agenda

(a) Inclusion of items 14 and 15. (GATT/CP.4/14).

The CHAIRMAN referred to the statement by the delegation of the United States concerning the inclusion in the Agenda of items 14 and 15 which had now been re-drafted and merged into one item, worded as follows: "Consideration of Quantitative Restrictions on Imports and Exports." After a discussion in which Mr. GRADY

(United States), Mr. WALKER (Australia) and Mr. SCHMITT (New Zealand) participated, Mr. H. SNIE (Pakistan) withdrew an amendment he had proposed to the terms of reference contained in document GATT/CP.4/17.

The Contracting Parties agreed to the inclusion of this item, worded as above, in the Agenda of the Fourth Session, and to the terms of reference (as contained in document GATT/CP.4/17) for the Working Party which would be set up to consider the matter.

(b) Inclusion of item 13 in the Agenda.

Mr. COUILLARD (Canada) proposed the broadening of this item to read as follows: "Arrangements for regular Reporting in accordance with paragraph 2 Annex J and for Reporting in accordance with Article XVI. "

Mr. SHACKLE (United Kingdom) suggested that document GATT/CP.4/15 should be sent directly to the financial Working Party. He felt that this matter arose directly out of the provisions of Article XIV paragraph 1 (g).

Mr. STEYN (South Africa) said his delegation had no objection to the consideration of this item and supported the proposal of the delegate of the United Kingdom.

The CH. IFMAN pointed out that the matter for discussion was the inclusion of the item in the agenda and that consequently there was no question of referring it to a working party which had not yet been set up.

Mr. SHACKLE (United Kingdom) said he had made his suggestion because the subject matter was so essentially technical that much time would be saved if this procedure were followed. A way out could be found by holding up consideration of the paper until the relevant item was discussed and then refer it to the working party which would be set up.

Mr. CASSIERS (Belgium) pointed out that the proposal had been submitted in due form for inclusion in the Agenda and that there was no reason why any item which was relevant to the terms of the General Agreement should not be discussed. This applied to the formal aspect of the question; as to the substance, he felt it most certainly should be discussed.

Mr. SHACKLE (United Kingdom) referring to the proposed broadening of the item to include reporting under Article XVI,

objected to the merging into one item of reports of such different types as those envisaged by the proposals before them.

Mr. COUILLARD (Canada) did not think the difference was so great as to demand separate consideration.

The inclusion in the Agenda of item 13, as amended, was approved.

(c) Statement by United States Delegate.

Mr. GRADY (United States) expressed his concern and disappointment that such a long discussion should have been necessary to obtain the inclusion in the Agenda of items fully relevant to their work and which had been proposed in due form, and that representatives had embarked on a discussion of the substance of the questions instead of keeping to the proposal that they be placed on the agenda.

Mr. WALKER (Australia) said he, for one, had questioned the inclusion of these items because his Delegation was concerned to ensure that all matters placed on the Agenda were strictly within the terms of the General Agreement which, it should be remembered, was still in provisional application; there were many matters which would require discussion, and which most certainly would be discussed by an International Trade Organization, but were not necessarily eligible for discussion in meetings of the Contracting Parties at this stage.

3. 1950 Tariff Negotiations - (i) Enquiry from Switzerland re participation (GATT/TN.2/3)

The CHAIRMAN thought there was no doubt in the mind of the contracting parties about the desirability of Switzerland participating in the Tariff Negotiations and acceding to the Agreement; and that the best manner to attempt to deal with the problem of the special Swiss position would be to set up a small Working Party.

On the proposal of Mr. SHACKLE (United Kingdom) it was agreed that the records of the Sub-Committee of the Executive Committee of the ICITO, which had studied the matter in 1948, in relation to Swiss membership of the International Trade Organization should be made available to the Working Party.

The Contracting Parties agreed to set up a Working Party to examine the question composed of representatives of Brazil, Canada,

France, the United Kingdom and the United States, under the Chairmanship of Mr. SUETENS (Belgium) who had also presided over the Sub-Committee of ICITO.

(v) Other Plans and Arrangements.

Considering that this Session would be the last occasion given to contracting parties for the finalisation of arrangements for the Torquay Tariff Negotiations, the Chairman thought they should take the opportunity to discuss any points which might require action. He referred to document GATT/TN.2/6 which gave the present position concerning the exchange of lists of products. He drew the attention of representatives to the small number of lists which had to date been exchanged, although all lists should have been exchanged by January 15th. He also referred to document GATT/TN.2/2 and Addenda, which gave the position regarding the exchange of tariffs and statistics.

Mr. SHACKLE (United Kingdom) referring to the exchange of lists of products, said it had been the understanding of the Working Party that this preliminary stage was not essential in all cases, and that lists of products need not be exchanged between countries which agreed to waive this procedure.

The CHAIRMAN stated that the constitutional procedures^{of some} of some countries required the presentation of such lists. He felt however, that no objections could be raised against eliminating this stage whenever there was mutual agreement. This might perhaps explain part of the gap which existed between the possible 703 bi-lateral exchanges and the actual 121 which had taken place to that date. He thought it might be useful to ascertain the intentions of participating governments with regard to all other governments.

Mr. BOEKSTAL (Netherlands) pointed out that his Government had not received all the necessary documentation, in the form of statistics and tariffs, which should have been sent by the 25th November, 1949. From Western Germany they had only received the customs nomenclature, which did not specify the actual rates of duty. He proposed that the Secretariat send telegrams to all governments that had not yet complied with the instructions contained in the Memorandum on Tariff Negotiations, in order to make up as much as possible for the delays already incurred.

The CHAIRMAN informed Mr. BOEKSTAL that the Western German Government, under a misapprehension, had only sent tariffs to those countries to which they had sent lists of products. They were now taking steps to remedy this omission. He added that it would be difficult for the Secretariat to do more than they had done, and recommended that representatives approach their colleagues with the object of obtaining what they still lacked.

Mr. MAYATEPEK (Turkey) assured the contracting parties that although they had not yet sent their lists of products, his government wished to make requests to other governments, and would do so before 15th June.

Mr. EICHORN (Western Germany) said that lists of products had been dispatched to a number of countries through the channel of the Allied High Commission, and that if other countries wished to make requests to Western Germany they would be prepared to negotiate. As to their Customs Tariff, he was authorized by his Government, in agreement with the Allied High Commission, to state:

- (1) that the Federal Government would do its utmost to submit to other representatives by the middle of May, 1950, their draft customs tariff, approved by the Government.
- (2) That the Federal Government would endeavour to obtain approval of the draft customs tariff by their legislature by the beginning of the Tariff Negotiations in September.

Mr. CLARK (Australia) stated that the recent change of Government had made it difficult to submit lists of products, particularly in view of the early departure of his delegation from Australia. A list had been sent to the United States to meet their procedural requirements, but he could say no more about the other lists. He asked the Chairman whether it would be possible for bi-lateral negotiations to take place before they all met at Torquay.

The CHAIRMAN replied that there was nothing to prevent this, provided their lists of offers were filed on arrival at Torquay.

Mr. STEYN (South Africa) said that tariffs and statistics had been sent only to the new acceding countries because they were now out of print. The documents sent to the Annecy acceding governments could, however, be considered as up to date.

Mr. BOEKSTAL (Netherlands) informed the Chairman that he could only approach those acceding governments which were here represented by observers, and repeated his request that something be done by the Secretariat to accelerate the procedure for those countries which could only be reached through the post. He also asked whether it would not be possible to obtain in advance, sections of the Western German tariff as they were completed. He realized that a customs tariff was a harmonious whole, but felt that a provisional draft, for instance the section on agricultural products which constituted the first part of the German tariff, would be most useful to his government in preparing requests.

Mr. EICHORN (Western Germany) replied that he would be glad to submit the Netherlands request to his Government, but he considered it unlikely that they would be able to accede to it because, as had been said, a customs tariff was a single unit and furthermore, government approval had to be secured for the text before it could be circulated.

The CHAIRMAN suggested that representatives inform the Secretariat of the information and documentation they still had not received. He also suggested that governments should make use of their diplomatic channels to contact governments directly.

Mr. LECUYER (France) said that his Government had sent lists of products to all countries except Western Germany; they would like to receive lists from those countries which desired to negotiate with France but would not insist on receiving them from those countries which had stated they did not consider it important to exchange these lists.

Mr. SVEINBJORNSSON (Denmark) said that his position was the same as that taken by the United Kingdom delegate and that they had sent lists only to the United States. He strongly supported the proposal made by the Netherlands that the German tariff be distributed piecemeal as sections of it were completed. He also wished to mention that as far as he was aware the German tariff was not precisely fixed and that the rates of duty were dependent on import prices; he was not sure whether this would be compatible with the terms of the General Agreement.

Mr. SHACKLE (United Kingdom), reinforcing the plea of the Netherlands and Denmark, drew the attention of representatives to the fact that the West German draft tariff had been promised for

a date which would leave governments only one month for the preparation of request lists. Any provisional draft would be a great help, particularly in view of the entirely new shape which the West German tariff would take.

Mr. NICOL (New Zealand) said that his government did not intend to send requests to governments other than those to which they had sent products lists, and asked whether it would be necessary for his country to maintain a delegation at Torquay for the whole period of the negotiations.

The CHAIRMAN replied that, although New Zealand had sent lists only to a few countries, he felt sure that many other countries would wish to request concessions from New Zealand. He suggested, however, that the New Zealand delegation might complete its negotiations at Torquay at the earliest possible date, after which it would not be necessary for a delegation of negotiators to be present.

The meeting adjourned at 5.40 p.m.

