

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
LIMITED B
GATT/CP.5/SR.15
29 November 1950
ORIGINAL: ENGLISH

CONTRACTING PARTIES
Fifth Session

SUMMARY RECORD OF THE FIFTEENTH MEETING

Held at the Marine Spa, Torquay, England
on Monday, 27 November 1950, at 10.30 a.m.

Chairman: Mr. A. DI NOLA (Italy)

- Subjects discussed:
1. Interim Report of Working Party "A"
(GATT/CP.5/25 and Add. 1)
 2. Report of Working Party "C" (GATT/CP.5/28,
and Corrs. 1 and 2)

In accordance with Rule 11 of the Rules of Procedure which provides that a Chairman should be elected for the meeting if the Chairman of the Contracting Parties is absent and the Vice-Chairman is not available, Mr. DI NOLA (Italy) was unanimously elected on the proposal of Mr. BROWN (United States of America) seconded by M. LARRE (France).

1. Interim Report of Working Party "A" (GATT/CP.5/25 and Add. 1).

Mr. HEWITT (Australia) summarized Part 1 of the Report relating to the measure notified by Haiti and recommended its adoption.

Part 1 of the Report was approved.

In paragraph 6 of the Report the Contracting Parties adopted the following decision:

THE CONTRACTING PARTIES, having agreed that the measure notified by Haiti satisfies the requirements of Article XVIII of the Agreement,

DECIDE that a release be granted, for a period of 5 years, under paragraph 12 of Article XVIII for the maintenance of the measure insofar as it requires importers to obtain an import permit.

Mr. HEWITT, presenting the second part of the Report, and drawing attention to an amendment put forward by the Danish delegation, said that no formal decision was required of the Contracting Parties on this point. He suggested that the Contracting Parties note its contents: the measures for protection and development had been absorbed into a system of restrictions which came under Article XII. No decision was, therefore, required under Article XVIII as long as the measures were covered by Article XII. It should also be noted that following the precedent established in the case of Chile, if and when the measures in question cease to be applied under Article XII, the Danish Government might notify the Contracting Parties, in advance of that time, under Article XVIII.

Part II of the Report was therefore approved.

2. Report of Working Party C (GATT/CP.5/28 and Corrs. 1 and 2)

Mr. PASTORIZA (Dominican Republic), introducing the report, pointed out that the Working Party had reduced the estimates submitted by the Executive Secretary by \$42,000 or by about 10%. In view of the fact that the additional burden resulting from the proposed revision of the arrangements of the Interim Commission for the International Trade Organization would have to be taken into account for 1951, the appropriations would not allow of any substantial change in the structure of the Secretariat, though they would enable the Executive Secretary

to fill a few vacancies which for reasons of economy were not filled in 1950. The financing of the activities of the contracting parties would, for the first time, be on a fully self-supporting basis.

As regarded the Executive Secretary's proposal to set up a Working Capital Fund to meet fluctuations and the delays in the receipt of contributions, the Working Party had not felt able at the present stage to recommend its adoption, but strongly recommended that the matter be taken up at the next session.

He also stressed the recommendations of the Working Party to all contracting parties to send in their contributions as early as possible, and, in any case, not later than April 30, 1951. As some acceding governments might not become contracting parties early in 1951, with a consequent possible delay in the payment of their contributions, the Working Party recommended that they should be apprised of the necessity for an early payment of their contributions for 1951, and should endeavour to secure from the appropriate authorities the necessary powers to remit their contributions as soon as they became contracting parties.

Although they had been concerned only with the financial problems of 1951 he wished to bring to the attention of the contracting parties the fact that, even if no increase in their activities were contemplated in 1952 it would not be possible to keep the contributions at the present level. In fact, in budgeting for 1951 they had been able to make use of substantial savings effected on the 1950 Budget, but it was doubtful whether they would find themselves in the same favourable situation at the end of 1951. He thought he would point this out as some governments would have to take into consideration the probability of increased contributions to the GATT in 1951 when they prepared their own budget estimates.

Finally, with regard to the scale of contributions, the Working Party had considered it undesirable to revise the present scale so long as the financing of GATT expenditure remained on a provisional footing. He wished to stress that the Working Party had been able to reach that decision thanks to the conciliatory spirit shown by the representative of Czechoslovakia.

In conclusion, though there remained a number of problems to be cleared at the next session, he felt that substantial progress had been made in the financial arrangements of the Contracting Parties.

The CHAIRMAN complimented Mr. PASTORINI on the work done by his Working Party and felt sure the Contracting Parties would be gratified by the progress made in this important matter of financing their activities.

Mr. BROWN (United States of America) and Mr. MAIR (India) associated themselves with the Chairman's remarks.

The Report and the recommendations contained therein, which summarised the discussions held, were approved.

The Resolution on the expenditure of the Contracting Parties in 1951 and the ways and means of meeting such expenditure, together with Annexes A, B and C, was approved.

The Meeting rose at 11.45 a.m.