

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED  
LIMITED B  
GATT/CP.6/SR.8  
24 September 1951  
ORIGINAL: ENGLISH

CONTRACTING PARTIES  
Sixth Session

## SUMMARY RECORD OF THE EIGHTH MEETING

Held at the Palais des Nations, Geneva  
on Friday, 21 September 1951 at 10.30 a.m.

Chairman: Mr. Johan MELANDER (Norway)

- Subjects discussed:
1. Appointment of a Working Party on the Administration of the Agreement.
  2. Statement by Cuba on the Negotiations with the United States under Article XXVIII.
  3. Appointment of a Working Party on Schedules.
  4. Arrangements for Tariff Negotiations.
  5. Torquay Protocol.
  6. Status of Protocols and Schedules.
  7. Brazilian internal Taxes.

At the opening of the meeting the CHAIRMAN announced that Austria had signed the Torquay Protocol on 19 September 1951 and would therefore become a contracting party with effect from 19 October 1951.

### 1. Appointment of a Working Party on the Administration of the Agreement

The CHAIRMAN said that the question of the continuing administration of the Agreement involved three points: financial arrangements in connection with the administration; establishment of a standing committee; and the site. The third question had not been discussed as it depended upon the outcome of the other two. He suggested that the question of the site should be postponed until the Contracting Parties had further examined the first two points and that the question of finance should not be referred to this Working Party at present but this could be done if found desirable after the Contracting Parties had discussed the question again.

This was agreed.

The Chairman suggested the following terms of reference and membership for the Working Party:

"To consider problems connected with the administration of the General Agreement in the light of the discussion in the plenary sessions of the Contracting Parties on item 6 of the agenda and to submit appropriate recommendations for consideration by the Contracting Parties."

Membership:

Chairman:	Mr. Max Suetens (in a personal capacity)
Australia	Italy
Canada	Netherlands
Chile	Norway
Cuba	Pakistan
France	South Africa
Germany	United Kingdom
India	United States.

This was approved.

2. Statement by Cuba on the Negotiations with the United States under Article XXVIII (GATT/CP.6/14/Add.1)

Mr. VARGAS GOMEZ (Cuba) referred to the statement in GATT/CP.6/14/Add.1, by the delegations of Cuba and the United States, and added that the discussions were continued after the close of the Torquay Conference but had not been completed by 1 July 1951. He hoped, however, that the outstanding questions would be settled satisfactorily soon, and he suggested that the Contracting Parties might authorize extension of the time-limit from 1 July 1951 to the opening date of the Seventh Session of the Contracting Parties.

*corr* X Mr. THORP (United States) said that a de facto solution satisfactory to both the parties had been found, but time was required for putting it in final form, and hence he supported the suggestion of the Cuban delegate. X

It was agreed to extend the time limit for the inclusion of these negotiations to the opening date of the Seventh Session.

3. Appointment of a Working Party on Schedules

The CHAIRMAN stated that items 10, 13, 14, 15 and 29 on the agenda were of a technical nature and it had been agreed to refer them to a working party without further discussion. He proposed the appointment of a working party with the following terms of reference and membership:

"To prepare a protocol or protocols to give effect to the modifications and rectifications of the schedules required by items 10, 13, 14 and 29 of the agenda and to prepare a text consolidating the Geneva, Annecy and Torquay schedules for publication".

Membership:

Chairman:	Mr. F. Donne (France)
Canada	Netherlands
Denmark	South Africa
France	United Kingdom
	United States

This was agreed

4. Arrangements for Tariff Negotiations (GATT/CP.6/2)

Mr. THORP (United States) said that his Government attached great importance to the proposals contained in document GATT/CP.6/2. The memorandum suggested a set of procedures for negotiations in the interval between two tariff conferences. The proposals embraced two things:

- (1) a means of arranging negotiations for countries seeking to accede to the Agreement without waiting for a general conference, and
- (2) a procedure to enable contracting parties to undertake further negotiations among themselves.

He would like to hear the views of delegations on the principles involved and thereafter he would suggest that the question be referred to a working party for examination of details.

Mr. TUOMINEN (Finland) supported the proposals of the United States.

M. PFLIMLIN (France) said that his delegation supported the proposal without reservation. The French Government had always favoured multi-lateral negotiations but the procedure was undoubtedly cumbersome and involved delay. The United States plan was an effort to combine the multilateral method with simplicity and speed.

Mr. DHARMA VIRA (India) supported the proposals. Tariff negotiations by their highly technical nature required the prolonged attendance of experts; these long absences could be avoided if the United States proposal was adopted.

*Corr 1*  
 X Mr. SAHLIN (Sweden) endorsed the proposal to refer the question to a working party. He thought that while negotiations should be within the framework of the Agreement, the idea to simplify the procedure was a good one. X

Mr. COPPOLA D'ANNA (Italy) supported the proposal. It would be useful to facilitate the accession of new countries and to enable existing contracting parties to hold further negotiations.

*Corr 1*  
 Mr. CALDER (United Kingdom) welcomed the proposal in principle. There were certain difficulties to which he wished, however, to draw attention. It was possible that in such negotiations between one or more contracting parties with new countries, other contracting parties would be unable to participate and the total of concessions obtained would be considerably smaller than had the negotiations been conducted on a full scale. X So far as the United Kingdom was concerned the procedure involved particular problems in the matter of preferences enjoyed by the Commonwealth. Negotiations could not be held unless all Commonwealth countries participated. Also much would depend on the particular country involved in the negotiations. X A procedure which might be satisfactory in the case of countries whose external trade was small, or limited to a few products, would probably not

be appropriate in the case of a country whose trade was of major importance. The case of Japan was one which would have to be considered as a separate issue, and in no circumstances would the United Kingdom be able to agree that the procedure proposed by the United States be applied to them. The Contracting Parties would have to decide in each case on the new country with whom it was proposed to negotiate for admission. His delegation supported the establishment of a working party.

Mr. ISBISTER (Canada) thought that this proposal was an important contribution to the work of this Session. It was desirable to make arrangements for contracting parties to negotiate with countries not parties to the Agreement. His delegation assumed that no change in principle with regard to accession would be effected and that the contracting parties would have an opportunity of saying whether they wished to negotiate with other governments and whether they should be brought in. He suggested that the Contracting Parties should not adopt a rigid set of rules but rather flexible arrangements which could be adapted as required.

Mr. HAGEMANN (Germany) supported the proposal.

Mr. VARGAS GOMEZ (Cuba) stated that his delegation welcomed any proposal to improve the present machinery on the understanding that it would not reduce the multilateral character of negotiations.

Mr. BORRESEN (Norway) supported the proposal for consideration by a working party.

M. CASSIERS (Belgium) reported that his delegation was in agreement with the United States proposal and thought that it came at the right moment.

M. DUHR (Luxembourg) said that his government had examined the proposal and fully endorsed it in principle.

Mr. DHARMA VIRA (India) said that he could not understand the contention of the United Kingdom delegate that the case of countries like Japan would have to be separately considered. The plan provided that the results of negotiations would be laid before the Contracting Parties at a regular session and a protocol would be drawn up which would require the approval of two-thirds of the contracting parties. In his opinion, therefore, there was no need for each case to be considered before negotiations started; any procedure should be applicable to all acceding countries.

FLETCHER

Mr. PHILLIPS (Australia) shared the views of the United Kingdom delegation but thought that all details could be discussed in a working party.

Mr. LECKIE (United Kingdom) referred to the point raised by the delegate for India in connection with Japan. It was not his intention that special rules should be framed for particular countries, but with reference to any particular country the contracting parties should have an opportunity to consider whether an invitation should be issued.

The CHAIRMAN said that the principle of the United States proposal appeared to be acceptable and that questions of detail could be studied by a working party. He proposed the following terms of reference and membership:

"To consider and report on proposals, including the proposal submitted by the United States in GATT/CP.6/2, for the conduct of tariff negotiations, at times other than during tariff conferences, among contracting parties or between contracting parties and other governments which may wish to accede to the General Agreement and to recommend the means of incorporating the results of such negotiations in the Agreement."

Membership

Chairman: Mr A. DI NOLA (in personal capacity)

Australia	Finland
Belgium	France
Brazil	Germany
Canada	Turkey
Ceylon	United Kingdom
Chile	United States

5. Torquay Protocol (GATT/CP.6/6 and Add. 1-3)

The CHAIRMAN recalled that the last day for signing the Torquay Protocol was 21 October 1951. Brazil, Denmark, Italy and the United Kingdom had requested an extension of the time limit, while among the acceding governments Korea and the Philippines had also asked for an extension. If the Contracting Parties were agreeable to these extensions, a formal resolution would be prepared by the Secretariat and submitted for approval. As for Uruguay, the Chairman explained that the Executive Secretary had learned from the Uruguayan delegate to the Economic and Social Council (there being no Uruguayan representative to the Contracting Parties) that delays in signature both of the Annecy and Torquay Protocols (for the former of which an extension had already been granted) were almost inevitable owing to certain constitutional revisions at present in progress. The Executive Secretary hoped to ascertain the intentions of the Uruguayan government before the close of the Session.

Mr. SVEINBJÖRNSSON (Denmark) said that the Danish Parliament might be able to decide the question before 21 October, but he could not be certain and suggested that 31 December 1951 would be acceptable.

Mr. ADARKAR (India) said that his delegation had no hesitation in accepting the proposal for granting the extension of time requested. His government had not yet signed the Protocol and if for any reason it was not possible to do so before 21 October he would also have to ask for an extension. He, therefore, suggested that the question should not be disposed of so that if necessary he could ask for an extension of time later.

The following extensions were agreed:

Brazil	31 December 1951
Denmark	31 December 1951
United Kingdom	31 December 1951
Italy	28 February 1952
Korea	31 March 1952
Philippines	22 May 1952

6. Status of Protocols and Schedules (GATT/CP.6/20)

The CHAIRMAN referred to the list of countries which had not yet signed the Torquay Protocol, and enquired whether those countries which had not asked for an extension of time would sign the Protocol before 21 October, the last date for signature.

Mr. FLETCHER (Australia) hoped to see Australia's name removed from the list before the end of the Session.

U SAW OHN TIN (Burma) said that he would ascertain his government's intentions before the 1st October.

Mr. SCHNAKE (Chile) said that he was in the same position as the delegate of Australia.

M. SCUTT (Haiti) said that his government had completed all the procedures necessary for signature and intended to sign in the very near future.

Mr. TAPIHERU (Indonesia) said that he had cabled to his government and hoped to have an answer early during the session.

Mr. PRESS (New Zealand) said that the intention was to sign when the acceding countries had signed. He added that he had cabled to his government and hoped to have the required information before the close of the Session.

There being no representative of Nicaragua present, the CHAIRMAN said that the Secretariat would inquire by cable as to its intentions.

*enr*  
\* Mr. KHAN (Pakistan) stated that the Protocol would be signed by his government before the closing date. ✓

Dr. BOTHA (Union of South Africa) said that steps had been taken to sign the Protocol before the 21st October.

The CHAIRMAN considered the position of Uruguay unsatisfactory and thought that the Contracting Parties should examine the position again in the event that Uruguay did not sign either the Ancey or Torquay Protocol before 21 October.

The CHAIRMAN then referred to the list of Status of Protocols contained in page 1 of the document.

Corr 1  
Mr. MELLO (Brazil) said that Protocol 2, modifying Article XXIV would soon be accepted by his government. X

U SAW OHN TIN (Burma) said that there were 8 protocols which had not been signed or accepted by Burma. He had received advice from his government that instructions had been issued for the signing of all of them before the close of the session.

Mr. SCHNAKE (Chile) said that he was waiting for information.

Mr. TAPIHERU (Indonesia), referring to the Fifth Protocol of Rectifications, hoped that the protocol would be signed in the course of this session.

The CHAIRMAN then referred to pages 3-9 of GATT/CP.6/20, Status of Schedules, and said that this had been issued by the Secretariat for the information of the Contracting Parties. It was possible that the information was not quite complete and that delegates might wish to make some amendments.

Corr 1  
X The CHAIRMAN suggested that the contracting parties might revert to these questions at a later stage and review all these matters before the close of this session.

This suggestion was approved. X

#### 7. Brazilian Internal Taxes

M. PFLIMLIN (France) said that the question had been fully examined at Torquay and a working party had reported (GATT/CP.5/37). The French Delegation had requested inclusion of this item on the Agenda for the present session in order to indicate the great importance they attached to it and to give the Brazilian Delegation an opportunity to report on developments since the Fifth Session.

Mr. MELLO (Brazil) said that the working party at Torquay had agreed that the draft Law No. 483/50 was the first step in a gradual process to remove all the alleged discriminatory taxes and had considered the draft law as a satisfactory solution. The Brazilian Congress was considering the draft law at present and he had no reason to believe that there would be any difficulty in its approval; there was no reason, except the slowness of legislative procedure, why the draft law had not yet received the approval of the Brazilian Congress.

M. PFLIMLIN (France) thanked the Brazilian delegate for his statement and expressed the hope that an appropriate law would be enacted at an early date.

It was agreed that this item should be kept on the Agenda until final information was received from the Brazilian delegation.

The meeting adjourned at 1 p.m.