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GENERAL AGREEMENT ON TARIFFS AND TRADE

CONTRACTING PARTIES
Tenth Session

SUMMARY RECORD OF THE SEVENTH MEETING

Held at the Palais des Nations, Geneva,
on Thursday, 3 November 1955 at 2.30 p.m.

Chairman: Mr. L. Dana WILGRESS (Canada)

Subjects discussed:
1. European Coal and Steel Community Waiver
2. Article XVIII releases - Haiti
3. Anti-dumping duties

1. European Coal and Steel Community Waiver (L/419 and Add. 1-2 and L/425)

The CHAIRMAN referred to the third annual report (L/419) of member States of the European Coal and Steel Community required by paragraph 7 of the Decision of the CONTRACTING PARTIES of 10 November 1952.

This report described the measures taken by the six governments towards the full establishment of the common market for coal, iron ore, scrap, ordinary steel and special steels and stated that the governments had made very little use of the transitional exceptions provided for under the Treaty for the progressive establishment of the common market. It was reported that the harmonization of the customs tariffs would be carried out by the close of the transition period.

In a supplement to their report (L/414/Add.1) the member States provided information on production of coal and steel and on trade in these products between the member States and with third countries. This supplement also provided data on recent trends in export prices and described the steps taken towards establishing close co-operation with non-member countries and international organizations As in the past two years, the secretariat, at the request of the CONTRACTING PARTIES, had submitted a Note (L/425) furnishing facts and figures intended to facilitate the examination of the report of the member States. This Note gave details of changes in the customs duties and restrictions of member States applicable to their trade with third countries and also gave a statistical analysis of production and trade in Treaty products and of the development of export prices for steel.

The Chairman found that the report included information of the type which the CONTRACTING PARTIES had requested at the past Session. Any questions of contracting parties to the High Authority should be submitted in writing as soon as possible as reference might have to be made to Luxemburg.

Mr. KLEIN (Germany) speaking on behalf of the Member States, recalled the previous reports, which had contained information on the measures taken for the establishment of the common market. Since 1 August 1954 the common market had existed for all products coming under the Treaty. That type of information could, therefore, be limited in the present report to the few fields where the Treaty still provided for exceptions during the transitional period. These related to the particular position of Benelux and Italy within the Community in the field of tariffs. In view of the interest at the Ninth Session in questions relating to the activity of the Community and its relations to third parties, the member States and the High Authority had deemed it appropriate to draw up a statement giving supplementary information and statistical data on these points.

The year under review had been marked by general prosperity. The production of coal and steel had considerably increased, as had trade in these products within the Community and with third parties. The increased demands of the Community had necessitated higher imports of scrap iron, and a further limitation of exports which, owing to the relatively small quantities available within the Community, had never assumed large proportions. The Community had taken measures to ease the supply position by substituting pig-iron for scrap iron and to avoid tensions in the field of supply and prices. The increased demand resulting from the general prosperity prevailing in the period had had repercussions on prices, but the Community had exercised its influence to keep price increases within limits economically defensible and to prevent prejudicial or unjustified price movements. In the light of the discussion last year on the export prices of the Community, the member States had paid special attention to this question in their statement and had submitted data on the development of export prices and on the attendant circumstances. These data showed that this development as compared with that in the main producers outside the Community had remained within equitable limits. In the view of the Community, the price policy pursued by it and by its members had exercised a stabilizing influence and had had the effect of reducing the great differences which formerly existed between export and internal prices.

Quantitative restrictions had not been applied to imports from third parties in the past year nor had the tariff levels been changed. The efforts of the member States to reduce the rates of duty for steel in accordance with the Treaty had not yet achieved the results hoped for as negotiations could not be held, despite the readiness of the member States to participate.

The Community represented a new form of integration between several States and the problems of this integration exceeded the limits of matters covered by the General Agreement. The statement, therefore, also contained a brief summary of the measures taken in the field of transport towards the establishment of the common market. The experience of the Community showed that certain difficulties could more easily be solved within such a market than within national markets. The common market had contributed to stabilisation of the coal and steel market, introducing a general factor of stability and expansion in an important sector of the European economy from which all the contracting

parties would derive benefit. The Governments of the member States wished to establish close relations with third parties and welcomed the Agreement of 21 December 1954 concerning the relations between the Community and the United Kingdom. They wished to emphasize that by establishing the common market of the ECSC they had, in their view, contributed to the achievement of the objectives of the GATT particularly to those contained in Article XXIV: 4. This belief was strengthened by the fact that the Treaty was open to adherence by other European countries and that the measures taken to establish the Community were supplemented by the measures taken in other fields to lessen barriers to trade.

Mr. KASTOFT (Denmark) recalled that, as a considerable share of Denmark's supplies of solid fuel and steel were imported from the Community, its price policy was to an important extent influencing the economic position of his Country. During the Ninth Session Denmark has raised the question of the equitability of prices quoted by the European Steel Export Cartel and the matter was after discussed with the High Authority. It had not been possible, however, during these negotiations to reach agreement on the criteria on which the comparison of the export prices and the Community prices should be based, mainly due to the fact that the High Authority could not agree to compare the export prices with the average common market prices. The discrepancy between these prices at the beginning of 1955 appeared to be less significant than originally assumed, by the Danish Government had noted with concern that since then the price difference had been increasing, and that the Steel Cartel had on the whole been able to strengthen its position. His Government had several comments of a technical nature to make on the section of the report dealing with steel prices, perhaps more appropriately in the Working Party.

In view of the discussion at the Ninth Session, the report concentrated quite naturally on steel prices, but the Danish delegation felt that developments in other fields of primary interest to the Community as well as to third parties would have warranted equally intensive attention. During the year export prices of coke to Denmark had increased considerably, and had affected the Danish price index, which had resulted in a general increase in wages and in the Danish price level as a whole. This was a matter of serious concern to his Government, which had taken the opportunity of raising an additional question regarding the relationship between the export prices for coke delivered to Denmark and the corresponding common market prices. This question had also been raised during bilateral discussions with the High Authority in Luxemburg. He hoped that after further information from the Community had been received there would be an opportunity to discuss this question in more detail in the Working Party.

The Danish Government had hoped that some attention would be given in the report to the policy of the High Authority with respect to the cartels which were still in existence within the community. During the Ninth Session the

representative of the High Authority had informed the CONTRACTING PARTIES that they were studying various measures with a view to increasing competition. However, it would appear that there were considerable difficulties and that the efforts to increase competition within the coal and steel market had not resulted in any important changes. When the waiver was granted in 1952, several contracting parties had pointed out that it was clearly understood that the Community would follow a liberal policy, viz. the statement in the report on the waiver (First Supplement, page 87) that "before agreeing to the surrender of some of their rights under the Agreement, their Governments needed definite assurances that the Community would follow a liberal policy and that their vital interests would be fully safeguarded". It was therefore the understanding of the Danish delegation that, under the waiver, the member States had accepted commitments beyond the scope of obligations undertaken by the contracting parties under the General Agreement and that in discharging their obligations to report on the measures taken toward the full application of the Treaty they should be prepared to give information not only on measures of commercial policy but on the progress made in the achievement of the objectives of the Treaty regarding the prevention of restrictive or discriminatory practices which impeded normal competition.

Mr. SAHLIN (Sweden) said that the CONTRACTING PARTIES had a duty to examine in full and frank discussions the way in which the member States and the High Authority had fulfilled the conditions and obligations of the waiver. This exchange of views should take place in an atmosphere of mutual trust and comprehension with the emphasis rather on the spirit in which the waiver was granted than on a narrow interpretation of its terms. The Swedish delegation were appreciative of the way in which the member States and the High Authority had this year responded to the wish expressed by the CONTRACTING PARTIES at previous Sessions for fuller and more detailed information about the development of the Community and of its problems. It had been a source of satisfaction to read of the progress made during the present transitional period towards the full establishment of a common market and that so far fairly limited use had been made of transitional arrangements. This progress was no doubt facilitated by the favourable economic conditions prevailing and his Government hoped that the Community would fare equally well in this respect should economic conditions change. Some transitional measures had, however, been introduced, in particular the tariff protection accorded to Italy which created problems for third parties. One of the tables annexed to the Report showed the steps taken with a view to eliminating Italian duties on commerical iron, but there was no comparable reference in the Report to special steel. They had noted on the other hand with satisfaction the undertaking in Paragraph 13 of the Report that the Community would continue to see that harmonization of tariffs applicable to imports from third countries was carried out by the close of the transition period. His Government would have liked to see the policy of the Community in this regard explained in greater detail particularly whether and to what extent parallelism was envisaged in eliminating the Italian duties he had referred to and harmonizing the Community duties on the level almost of the Benelux duties. His Government would regret if the margin of discrimination increased in Italy in relation to third parties as the tariff protection enjoyed by Italy within the Community in the field of iron and steel was being reduced.

With regard to the scrap problem, the report did not seem to be sufficiently informative, although a general reference was made in the supplement to the drop in exports. The Note by the Executive Secretary, however, contained a detailed statement on this question, supported by recent statistical data. The Community had been a traditional suppier of scrap to Sweden but, as shown in Table 6 of the Note, there had been in the last two years a radical fall in these exports, and during the first half of the current year they had been negligible. The Note reported an improvement of the scrap position within the Community this year and it would be interesting the know whether this would lead to a re-consideration of the restrctive export policy followed by the Community.

The Executive Secretary's Note had usefully completed the information supplied by the Community and the study of steel prices and the development of the Community's export prices and those of the United Kingdom and United States was particularly interesting. A discussion of the undertakings given by the Community with regard to prices charged to third countries should be of interest to the CONTRACTING PARTIES. The Danish representative had drawn attention to the price differentials applied by the Community aw between the internal and export prices for iron and steel and also coke. The Scandinavian countries were the most important customer of the Community for the latter commodity, and his Government had followed with concern the trend of the Community's export prices for coke, as compared with internal price developments. This matter needed further elucidation and he would support the setting up of a working party which should consider the particular points regarding tariff policy and scrap exports

Mr. STANDENAT (Austria) referred in particular to the section of the report dealing with relations with non-member countries. It was then indicated that the High Authority and the Austrian Government had opened negotiations in 1954 on special steels which had not reached a satisfactory conclusion and which the Community was prepared to continue. The position of the Austrian Government in this matter was the following. The members of the Community had always formed the most important market for Austria in the field of steel, especially of special steels. The creation of the common market and the elimination or progressive reduction of tariff barriers had changed the conditions of competition, and the Austrian Government had entered into negotiations with the High Authority in order to safeguard its vital interests. The High Authority had shown understanding for the interests of Austria as a producing and exporting country. However, the possibility of concessions from the Community had been made dependent upon the acceptance of conditions by Austria with regard to the terms to be applied to Austrian exports to the common market, which were unacceptable to the Austrian negotiators. The position of Austria in this matter regarding the principle involved was that under the waiver, the High Authority had assumed the obligation to safeguard the interests of third parties which could be considered as the counterpart to the renunciation on the part of third countries of the most-favoured-nation clause. This obligation was in principle an absolute one and should not depend upon subsequent concessions by third parties. Unfortunately, this had not been taken sufficiently into

account when the common market was created, sepecially in the field of special steels. Austria was only able to maintain her position on the Community market as a result of conditions of present economic prosperity and by accepting additional charges. In this connexion, the most serious problem was presented by the Italian market which, owing to the progressive elimination of rates of duty on exports from the member States, was becoming increasingly inaccessible to Austrian exports. The increase in the preference margin thus created might have serious consequences and his delegation was of the opinion that the CONTRACTING PARTIES should study this matter.

With regard to the scrap problem, already referred to by the Swedish delegate, Mr. Standenat said that imports of scrap from Germany had always been important for the Austrian steel industry. In 1950, they reached a figure of 75,000 tons, in 1951 56,000 tons, in 1952 34,000 tons, in 1953 20,000 tons, and in 1954 31,000 tons. In 1955, the German exports had been stopped, German exporters having invoked their obligations towards the Community. The loss of Germany as a source of supply presented a problem to Austria in view of the world shortage in this field. His delegation felt here also that the problem of safeguarding the interests of third countries was involved. The Austrian delegation reserved the right to raise additional matters in the light of the detailed study of the documents and this could perhaps best be done in the working party. He would, however, appeal to the members of the Community to take full account of the interests of third countries, in accordance with the obligations they had accepted when the waiver was granted.

Mr. MACHADO (Brazil) considered that the report did not give sufficiently exact information on matters which had been raised last year, particularly the important question of the duties of contracting parties toward the Agreement and of the High Authority toward member States. There were situations where the High Authority was prevented by the Treaty from acting in certain fields of interest to the GATT, as for example cartels and prices. While the present report provided more information about steel prices, action by the High Authority in this field was taken or considered after the fact, whereas clearly the obligations of the member States as contracting parties should require action to prevent the practices involved. Mr. Machado referred to the Ninth Session report where it was made clear the importance attached to achieving the Treaty objective of eliminating restrictive practices impeding normal competition within the Community (3rd Supplement, page 152). All contracting parties were directly concerned in the activities of export cartels and other producers' arrangements. There was also the question of the fact that the common market continued to be based on allocations and quantitative restrictions. All these fields of conflict with the principles of the Agreement should be gone into thoroughly. It was dangerous to maintain a situation where the duties of the member States became subordinate to the High Authority in conflict to their obligations under the GATT.

Mr. L.K. JHA (India) said that when the waiver request had first been submitted to the CONTRACTING PARTIES attention had been concentrated on whether the creation of the common market would prevent other countries from competing in that market, and insufficient consideration was given to the problem of those countries who wanted to import from the Community. India was not directly

concerned with coal and coke but viewed with alarm the situation with regard to steel supplies. The Community was one of the most important sources of steel for India, and his Government were anxious to be assured that the rising trend of prices was not the result of anything arising out of the CONTRACTING PARTIES' waiver. The report stated that the price increases in the Community had not been very different from those of the other main exporters, the United Kingdom and the United States. Which, however, was cause and which effect? India's costs had gone up, but not nearly to the same extent as world prices in the recent past, and in fact the Indian Government had to subsidize imports of steel by a levy on the domestic industry. In view of this, India felt entitled to a clearer assurance on the price and expert policies of the Community than had been furnished in the documents. Indeed there seemed a certain reluctance on the part of the High Authority to offer information not specially covered by the precise terms of the waiver. This was a more serious situation than a precise, legalistic reading of the letter of its provisions, and he hoped the terms of reference of the working party considering this matter would be sufficiently broad to permit a study of the problem from the point of view of its basic principles. Could, for example, the fact that the Community's export prices to the United States and Canada were lower than to the rest of the world be regarded as fair and in accord with those principles?

Mr. LEDDY (United States) said that the attitude of the United States to the Coal and Steel Community had been and continued to be one of support. The third annual report of the member States, particularly the statement by the member States and the High Authority, contained full information and threw light on a number if not all of the points which had been raised at the preceding Session, particularly regarding the movement of steel prices. His delegation appreciated the extent to which account had been taken of the recommendations of last year's Working Party.

Mr. KLEIN (Germany) thanked the various representatives who had spoken. He thought any comments might best be made in the Working Party.

The CHAIRMAN said the discussion had shown appreciation for the detailed information provided by the Community and their effort to meet the various requests and queries of the last Session. The Working Party would wish to consider all the points raised in this discussion, among others the safeguarding of the interests of third countries in relation both to imports from and exports to the Community, the comparison of export prices with the average common market prices and among each others, Italian duties on special steels, scrap policy and the cartel situation. They would wish to examine the further progress towards achieving the objectives of the Treaty. A general desire had been shown in the debate that the Working Party should consider the matter from the broad view of the principles underlying the waiver.

It was agreed to set up a Working Party with the following membership and terms of reference:

Chairman: Mr. Toru Haguiwara (Japan)

Members:

Australia	Denmark	India	Sweden
Austria	Dominican Republic	Italy	Turkey
Belgium	France	Luxemburg	United Kingdom
Chile	Germany	Netherlands	United States

Terms of Reference:

To examine, in the light of the statements made at the Plenary Meeting of 3 November and all other relevant data, the Third Annual Report of the Member States of the European Coal and Steel Community, and to report thereon to the CONTRACTING PARTIES.

2. Article XVIII releases - Haiti (L/445)

The CHAIRMAN referred to the communications from the Government of Haiti (L/379/Add.2 and L/445). In 1950, the CONTRACTING PARTIES had authorized the Government of Haiti in terms of Article XVIII to maintain for five years an import licensing system for imports of leaf tobacco, cigars and cigarettes. That authorization would expire during the current session, and the Government of Haiti had asked for an extension for a second period. The licensing of imports was exercised in connexion with the State monopoly control of the tobacco trade. The CONTRACTING PARTIES would no doubt wish to refer the application to the Working Party on Article XVIII Applications.

Mr. FONBRUN (Haiti) referred to the notification in June 1949 of the existence of a State monopoly created by a law of 16 February 1948 according to which the Haitian Tobacco Régie enjoyed the exclusive right of purchase and the sale of leaf tobacco, cigars and cigarettes. At the same time, it had requested authorization for the Régie to pursue its operations in accordance with those terms of the General Agreement which provided for the application of exceptional measures in such cases. Haiti had been granted a waiver in this respect for a period of five years which would expire on 27 November 1955, and had requested an extension of the waiver granted under Article XVIII:12. A further study of the problem had, however, raised the question whether the institution and the maintenance of a tobacco monopoly in fact came within the provisions of Article XVIII, and whether a request should therefore not rather be made for an examination of the position of the Régie in relation to the General Agreement. Article XVIII provided for the case where a contracting party proposed to institute or maintain measures contrary to the provisions of the General Agreement, but the operations of the Régie did not involve the imposition of quantitative restrictions on imports. The law of February 1948 (CP.3/40) permitted the continuance of private enterprises under the control of the Régie. Those private enterprises were therefore the agents of the Régie for imports on the basis of an authorization, which did not constitute a licence granted within a restrictive framework but which was intended to facilitate administrative control. The commercial policy of the Régie was not restrictive, as under the terms of

the law, it was obliged to facilitate imports to the extent necessary to satisfy the demands of the home market. It would be seen that the tobacco monopoly did not contravene the provisions of the General Agreement and did not operate within the framework of Article XVIII:12, but within the exception contained in Article XX:1(d). In Article 17 of the 1948 law, provisions were made for mixing imported tobacco with local products. These provisions were not contrary to the Agreement as they fell within the provisions of paragraphs 5 and 6 of Article III, the regulations having come into being prior to 24 March 1948. His delegation was at the disposal of the contracting parties for any additional information they might require.

Mr. LEDDY (United States) said that his delegation also questioned whether these were restrictive arrangements which should be considered under Article XVIII, or whether they should not more properly be considered as enforcement measures of a monopoly operated under Article XVII.

Mr. PHILIP (France) wondered also whether the original grant of the waiver under Article XVIII:12 had been correct and thought the Working Party should examine the matter afresh. Since this was a question of a tobacco monopoly where, although certain elements of the industry remained in private hands, purchases and sales were in fact under the control of the Régie, and since the policy of the Régie was not restrictive, since the law provided that it must import so as to meet the demands of the internal market, it followed that this was the case of the normal functioning of a monopoly where, in accordance with Article XX, no restriction to international trade was involved.

Mr. MACHADO (Brazil) shared the view that the original decision might not have been correctly taken and thought the Working Party should examine the matter.

The CHAIRMAN said that the discussion showed some support for the legal argument put forward by Haiti that this was a case of an import monopoly which might not fall under Article XVIII, and that the Working Party should look into this question.

It was agreed to refer the matter to the Working Party on Article XVIII Applications to be considered in the light of this discussion.

3. Rules for anti-dumping and countervailing duties (L/409)

The CHAIRMAN referred to the proposal by the Norwegian delegation that the CONTRACTING PARTIES should take the first steps towards instituting a survey of problems connected with the imposition of anti-dumping and countervailing duties. This would consist of a request that each government should submit to the secretariat before the Eleventh Session a copy of its laws and regulations regarding such duties. If there were agreement, a time-limit should be fixed for the submission of this documentation, and the secretariat might be instructed to present an analysis to assist the CONTRACTING PARTIES in discussing the matter at the Eleventh Session.

Mr. KOHT (Norway) referred to the proposals of the Norwegian delegation at the Review Session for paragraphs to be added to Article VI providing for study by the Organization towards standardization in this field. The amendment had not been incorporated in the Agreement, although it was received sympathetically, and instead the report on the Organizational Agreement stated that the Organization could undertake studies in various fields including the standardization of rules and procedures relating to anti-dumping and countervailing duties. Expansion of trade and increased competition over the past years was likely in some cases to take the form of dumping and extended subsidization. His country's experience of this had led them to adopt laws the terms of which conformed to Article VI. The Norwegian Government had, however, found the provisions of that Article difficult to apply and that there was need to elaborate the rules contained therein. Some of the problems in this connexion had been solved by the report of the Panel at the last Session on Swedish anti-dumping duties, but other aspects also required consideration and it would be helpful if standard rules could be worked out by the CONTRACTING PARTIES. The basis of any study was of course a comprehensive knowledge of the different legislations, and his delegation's proposal was that copies of legislation and regulations regarding the levying of anti-dumping and countervailing duties or other measures to the same effect be supplied to the secretariat and, when collected, a body established by the CONTRACTING PARTIES should go through this documentation to see whether there was any basis for the elaboration of more standardized rules regarding the application of Article VI. The secretariat could perhaps formulate a draft resolution to cover this.

Mr. SAHLIN (Sweden) said that at the Review Session the Swedish delegation had put forward similar proposals in this field. It was now clear that some time would pass before the Organization was established, and his Government felt it would be appropriate already to start the collection of material and to begin preliminary studies of the problem of anti-dumping and countervailing duties. This was a matter to which they attached great importance and they supported the Norwegian proposal. In order to enable the secretariat to make a full study of the problem, it would be useful if the material collected were to include not only the laws and regulations concerning anti-dumping and countervailing duties, but also information as to the experience contracting parties had had of the application of this legislation in their own and other countries.

Mr. THORNTON (United Kingdom) thought the proposal should be considered with caution. It would involve much work and it was not clear that the result would be correspondingly useful as it was unlikely that a survey of the different customs regulations, etc. would bring more standardization than was already provided for by Article VI. His delegation would not, however, oppose such a study.

Mr. HOCKING (Canada) said that more than the actual legislation was involved, and no clear picture could be obtained unless the administration and practice were also looked into. He questioned whether the secretariat was in a position to go into the matter sufficiently thoroughly to enable a useful study to be made. He was not, however, opposed to it.

Dr. NAUDE (South Africa) hesitated to approve this suggestion, as a mere collation of documents would not advance matters, and he doubted the secretariat's ability at present to deal adequately with the matter and was sceptical that there would be any change in the level of contributions. Perhaps if it were desired to progress in this field, the Norwegian Government could conduct the investigation themselves and come forward with proposals.

The EXECUTIVE SECRETARY said that if he understood the proposal correctly, the secretariat's rôle would be confined at the start to the collection of information, and that later they would have the assistance of experts from contracting parties to examine the information, and the CONTRACTING PARTIES would decide as to the appropriate use to be made of the information. There would be no difficulty for the secretariat to do this. If it were later decided to proceed in a manner that would call for a greater contribution from the secretariat, that could be considered then.

Mr. PHILIP (France) agreed that a study of the legislation alone would be insufficient and that at a later stage it would be necessary to go further into this matter. The only thing at present asked for was that the contracting parties should supply legislation in this field. This was a useful proposal and a necessary first step.

Mr. MACHADO (Brazil) felt that such a study would only elicit the fact that there was nothing to be found. Any infringements of Article VI would after all be complained of to the CONTRACTING PARTIES. The Article did not call for anticipatory action by the CONTRACTING PARTIES.

Mr. WARWICK SMITH (Australia) thought the Norwegian proposal a modest one and that the collection of such material would perform a useful service to contracting parties and invite study of these difficult and somewhat obscure matters. No commitment was involved that ultimately there should be standardization in this field. It seemed likely that the reports already being supplied under Article XVI would become more important in the future, and clearly action under Article VI was closely related to this. He saw no objection to embarking on this first step.

Baron BENTINCK (Netherlands) agreed that a mere study of legislation would not clarify all the implications involved. It would, however, be helpful to have such legislation before the CONTRACTING PARTIES and see how far by study and an exchange of views these matters could be elucidated. He supported the Norwegian proposal.

Mr. JHA (India) said that under Article VI which condemned but did not declare illegal dumping a contracting party could only take measures of defence in the form of anti-dumping duties. Although some countries no doubt had a body of legislation and practice governing the levying of such duties this was not the case for all of the contracting parties and some such study would be helpful and useful. It was not yet time for the CONTRACTING PARTIES to consider whether or not standardization should be embarked on but the study, apart from serving as a basis for considering that question, might also elicit some information as somewhat to discourage the practise of dumping. He supported the proposal.

Mr. M.U. AHMAD (Pakistan) said that his country was one of those which did not maintain any anti-dumping or countervailing measures or a set of laws and regulations on this subject. This study did not seem to him unduly complicated in that the number of contracting parties having such measures might be limited and even in the case of those contracting parties who maintained more extensive legislation and regulations for the purpose, their nature might not be so complex as to deter the CONTRACTING PARTIES from undertaking the proposed study. He was glad to hear that the secretariat did not foresee any difficulty in fulfilling its part. The study was a useful one, no commitment was involved at the present stage and his delegation supported the proposal.

Mr. EICHHORN (Germany) supported this first step as proposed by Norway and would suggest the collection from governments not only of their relevant legislative enactments but also the administrative regulations.

Mr. LEDDY (United States) said that the proposal would be acceptable to his delegation if to the majority of contracting parties.

Mr. HAGUIWARA (Japan) supported the proposal. Discretion should be left to the Executive Secretary for the preparation of the questionnaire as the result would depend much on its presentation and he thought the suggestions to request regulations as well as legislation and also information as to practical experience were useful. Once the replies were received and an analysis made by the secretariat, the Intersessional Committee could decide on the further steps.

Mr. STANDENAT (Austria) said that obtaining a study of legislation would do no harm and the study might also go into whether the legislation in force conformed to Article VI.

Mr. GARCIA OLDINI (Chile) said that the documentation was merely the first step, which would be followed by drawing conclusions from the replies submitted. He saw no difficulty in requesting the legislation but whatever action the CONTRACTING PARTIES took should take care not to be based on GATT provisions not yet in force (as the revised Article XVI for example) but simply on a decision of the CONTRACTING PARTIES based on the existing text.

Mr. KOHT (Norway) said that the Executive Secretary's view of the secretariat duties in connexion with his proposal was correct. The CONTRACTING PARTIES could decide to undertake this study by a resolution and he found useful the suggestions that both laws and administrative measures be requested and also information

concerning the experience of individual contracting parties with anti-dumping and countervailing legislation.

Mr. MACHADO (Brazil) wished to be clear as to what exactly was being requested. Was it specific measures directly related to dumping or would it include preventative measures taken for a possible eventuality.

The CHAIRMAN said the debate showed a majority in favour of the Norwegian proposal and those who had expressed misgivings had not opposed it. The secretariat might accordingly be instructed to draw up a Decision for approval by the CONTRACTING PARTIES specifying the information which would be asked from governments and which should include laws, administrative regulations and notes on the experience of governments of the application of anti-dumping and countervailing legislation not only in their own countries but in others. No commitment at this stage was involved beyond that of furnishing information. The information should be supplied by 30 June 1956. The Intersessional Committee would study the results of this collection before the Eleventh Session, and make recommendations as to any further action by the CONTRACTING PARTIES.

The proposal for a study to be made of anti-dumping legislation was approved and the CONTRACTING PARTIES would revert to the matter when a draft Decision had been prepared.

The meeting adjourned at 5.30 p.m.