

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Corrigendum to the Summary Record

Pages 30-31

The statement by the representative of Canada should read as follows:

"Mr. REISMAN (Canada) recalled that from the very inception of GATT it had been necessary to introduce special provisions to deal with trade in agricultural commodities. These provisions permitted the imposition of quantitative restrictions in certain defined conditions to reinforce domestic production and marketing controls. Since that time almost every session of the CONTRACTING PARTIES had been confronted with special problems in the agricultural field which had led to the granting of a variety of waivers and derogations to individual countries which found themselves unable to live up to the full requirement of GATT in this sector of their trade. Whatever might be the views of contracting parties, it seemed that problems of agricultural trade would occupy a good deal of attention in the years to come and special arrangements would likely be required to deal with them. When considering the agricultural provisions of the Rome Treaty it was essential, as a practical matter, to keep this background in mind. In his view what was required was an approach which recognized the difficulties of the Six, while at the same time safeguarding the essential trading interests of third countries.

He then referred to the proposal made by the delegate for Australia for undertaking a review of those provisions of the General Agreement relating to trade in agricultural products. He stated that his delegation wished to reflect further on that proposal, but was prepared to participate in discussions on the merits of this approach. Before proceeding with the review suggested by Australia, his delegation would like to be sure that it would achieve results that were more effective than the present rules and the various derogations from them.

The provisions of the Treaty dealing with trade in agricultural products were not yet fully formulated, and they merely provided a framework for the development of policies during the years to come. It was difficult to know in any precise way what would be involved and

what commodities would be affected. However, there were two particular aspects which the Canadian delegation would wish to look at carefully: first, whether the provisions relating to the internal arrangements among the Six during the transitional period, as well as in the long run, would conform with the terms of Article XXIV; and secondly, whether the provisions covering trade between the Six and third countries were within the terms of Article XXIV as well as other relevant Articles of the General Agreement. In order to resolve these questions there appeared to be a strong case for a careful examination of the relationship between the provisions of the Rome Treaty and the GATT.

Concerning trade with third countries, Mr. Reisman stated that his Government feared there might emerge a level of protection in the proposed Community which would be greater than the sum of all the existing measures of protection being applied. The Rome Treaty seemed to envisage that the Six would not only retain a considerable element of protection with respect to one another, but that there would also be a new element of protection in respect of their agricultural trade with third countries. The technique of the managed market in agriculture would seem to allow a member of the European Economic Community to give its own farmers a preference in disposing of their products in the national market; a second preference would be given to producers of the other members of the Community. Thirdly, preference would be provided to producers in the associated countries and territories. A fourth preference might be handed to third countries who negotiated long-term contracts with the EEC. After these interests had been satisfied the remainder of the market, if any, would be opened to producers from third countries on normal commercial principles. Canada and other third countries had important trading interests in the market of the Six with respect to key commodities and he would not wish to see these interests impaired. His delegation expected that the Six would bear in mind the material interests of third countries and make appropriate arrangements for safeguarding them. If this were done he was hopeful that a satisfactory solution could be found."

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The last two sentences of the statement by Mr. Corse (United States) should read as follows:

"His delegation shared the Canadian view that practical solutions should be sought in this field. It was his opinion, if the provisions of the Rome Treaty were implemented in accordance with the spirit and objectives of the Treaty and the General Agreement, it would contribute to an expansion of trade between the Six and third countries as well as among the Six. Mr. Corse also expressed the view that, while it would be helpful for the Sub-Group to examine the question of trade impact, a complete analysis was not possible at this time. Therefore, he thought it was necessary to develop continuing arrangements for further consideration and consultation with regard to the agricultural provisions of the Rome Treaty."