

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED  
LIMITED B  
GATT/CP/86  
7 December 1950  
ORIGINAL: ENGLISH

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## CONTRACTING PARTIES

### FUTURE ADMINISTRATION OF THE GENERAL AGREEMENT

The following letter, dated 7 December 1950, has been received by the Executive Secretary from the Chairman of the United States Delegation:

"I would appreciate it if you could call to the attention of the Contracting Parties the following statement which was issued yesterday afternoon in Washington by the Department of State:

"The governments participating in the General Agreement on Tariffs and Trade, now meeting in Torquay, England, will shortly take up the question of the future administration of the Agreement.

"In anticipation of this discussion, the Executive agencies of this Government have reviewed the status of legislation affecting American participation in the General Agreement. This includes the Reciprocal Trade Agreements Act which is scheduled to expire on June 12, 1951, the proposals to simplify our customs laws and regulations, and the proposed Charter for an International Trade Organization.

"As a result of this review, the interested agencies have recommended, and the President has agreed, that while the proposed Charter for an International Trade Organization should not be resubmitted to the Congress, Congress should be asked to consider legislation which will make American participation in the General Agreement more effective. The many serious problems now facing our Congress and the legislatures of other countries require that we concentrate on the trade programs that are most urgently needed and will most quickly produce concrete results.

"We must, of course, continue the Trade Agreements Act. This has become a fundamental part of our foreign policy. In addition, we should continue to build upon the trade-agreements program by developing machinery for the administration of the General Agreement so as to permit it to operate more continuously and effectively.

"The General Agreement on Tariffs and Trade came into force provisionally on January 1, 1948. It is the first multi-nation trade agreement concluded under the Trade Agreements Act. It is a landmark in the history of international commercial relations and represents the most constructive effort ever undertaken for the simultaneous reduction of trade barriers among the nations of the free world. Thirty-two governments are at present parties to the Agreement and seven more are expected to join at the conclusion of the tariff negotiations now being conducted at Torquay, England.

"The General Agreement has achieved remarkable results. There has not, however, been any administrative machinery to permit continuing consultation among the participating countries on the problems that arise in interpreting and applying the Agreement. This has been a serious handicap, since it has been difficult to handle matters of this

