

GENERAL AGREEMENT ON
TARIFFS AND TRADE

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CONTRACTING PARTIES

GENERAL AGREEMENT ON TARIFFS AND TRADE

DECISIONS, DECLARATIONS AND RESOLUTIONS
OF THE
CONTRACTING PARTIES

At the Special Session, Torquay, March-April, 1951 and
the Sixth Session, Geneva, September-October, 1951.

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DECISIONS1. DECISION OF APRIL 3, 1951, ON PROCEDURES FOR COMPLETING ARTICLE XXVIII NEGOTIATIONS UNFINISHED IN TORQUAY ¹

WHEREAS the CONTRACTING PARTIES have drawn up an amendment to Article XXVIII of the General Agreement which will be embodied in the Torquay Protocol to the Agreement and have invited all contracting parties to sign at the conclusion of the Torquay Conference a Declaration by which they would waive their right to invoke prior to January 1, 1954, the provisions of paragraph 1 of Article XXVIII of the General Agreement,

WHEREAS under the Torquay Protocol only those modifications of the Geneva and Ancey Schedules which have been agreed upon or to which no objection has been raised in the course of the Torquay Conference can enter into force without further consultation with the contracting parties concerned or action by the CONTRACTING PARTIES, and

WHEREAS, moreover, it has not been possible to reach an agreement in time to record in the Schedules annexed to the Torquay Protocol the results of the negotiations concerning the modifications of concessions with respect to the products listed in the Annex to this resolution, ²

The CONTRACTING PARTIES

DECIDE, pursuant to Article XXV:5 (a):

1. Notwithstanding signature of the Declaration on the Continued Application of the Schedules to the General Agreement on Tariffs and Trade and of the Torquay Protocol, the Governments of France, Cuba and Haiti shall be authorized to pursue the negotiations relating to modifications of concessions with respect to the products which are listed in the Annex to this Resolution with the contracting party or contracting parties with which each concession was initially negotiated and with the contracting parties which, during the Torquay Conference, have notified that they had a substantial interest in that concession.

¹ Cf. GATT/CPS/SR.5

² The Annex is not reproduced here.

2. The contracting parties concerned shall endeavour to reach an agreement on or before July 1, 1951, and to maintain a general level of reciprocal and mutually advantageous concessions not less favourable to trade than that provided for in the present Agreement.
3. Any modification on which agreement is reached before July 1, 1951, may be made effective by agreement of the negotiating parties, provided that at least thirty days' notice of the date on which the modification or modifications will become effective shall be given to the Executive Secretary.
4. If, prior to July 1, 1951, the negotiations referred to in paragraph 1 above have terminated without agreement having been reached, this fact shall be notified to the CONTRACTING PARTIES and the contracting party seeking the modification shall be free to put it into effect on or after the thirtieth day following such notification.
5. If, by July 1, 1951, no agreement has been reached on a proposed modification listed in the Annex to this Resolution, this fact shall be notified to the CONTRACTING PARTIES by the contracting party seeking the modification, and that contracting party shall be free to put into effect such modification on or after the thirtieth day following such notification.
6. If a contracting party is substantially affected by a modification made effective under paragraphs 4 and 5 of this Resolution, it will be free, not later than six months after such action is taken, to withdraw, upon the expiration of thirty days from the day on which written notice of such withdrawal is received by the CONTRACTING PARTIES, substantially equivalent concessions initially negotiated with the contracting party taking such action under 4 and 5 above.

2. DECISION OF OCTOBER 22, 1951, ON PROCEDURES FOR COMPLETING
ARTICLE XXVIII NEGOTIATIONS¹ BETWEEN THE UNITED STATES AND
CUBA UNFINISHED AT TORQUAY

WHEREAS the CONTRACTING PARTIES decided on April 3, 1951, that notwithstanding signature of the Declaration on the Continued Application of the Schedules to the General Agreement on Tariffs and Trade and of the Torquay Protocol, certain governments should be authorized to pursue specific negotiations, relating to modifications of concessions, which had been undertaken in the course of the Torquay Conference, and that the contracting parties concerned should endeavour to reach agreement on or before July 1, 1951; and

WHEREAS the Government of Cuba was unable to complete the negotiation, thus authorized, between Cuba and the United States on Item 253-B in Part II of Schedule IX before July 1, 1951, but expects soon to complete this negotiation,

The CONTRACTING PARTIES, acting under Article XXV:5 (a),

DECIDE that notwithstanding signature of the Declaration on the Continued Application of the Schedules, and the amendment to Article XXVIII of the General Agreement set forth in paragraph 6 of the Torquay Protocol, the Government of Cuba shall be authorized to continue the negotiation with the Government of the United States on Item 253-B in Part II of Schedule IX, under the procedures laid down in the Decision of April 3, 1951, and that for the purposes of this negotiation the date of July 1, 1951 in the said Decision shall be replaced by the date fixed for the opening of the Seventh Session of the Contracting Parties.

¹ Cf. GATT/CP.6/SR.20.

3. DECISION OF OCTOBER 22, 1951, EXTENDING THE TIME LIMIT
IN PART II OF ARTICLE XX¹

WHEREAS it is provided in Article XX that measures instituted under Part II of Article XX, which are inconsistent with other provisions of the General Agreement, shall be removed as soon as the conditions giving rise to them have ceased, and in any event not later than January 1, 1951,

WHEREAS the CONTRACTING PARTIES at their Fifth Session considered that the conditions due to the war had not improved at the rate and to the extent expected when the said provisions were drawn up and therefore waived the obligations of the contracting parties under Part II of Article XX until January 1, 1952, and

WHEREAS these conditions have still not improved sufficiently to permit the general removal of measures maintained under the said provisions,

The CONTRACTING PARTIES, acting under article XXV:5 (a);

DECIDE to waive until January 1, 1954, the obligation of contracting parties instituting or maintaining measures under Part II of Article XX to discontinue them or seek the approval of the CONTRACTING PARTIES for their continuance.

¹ Cf. GATT/CP.6/SR.20.

4. DECISION OF OCTOBER 22, 1951, EXTENDING THE TIME LIMIT
FOR BRAZIL TO NOTIFY ITS INTENTION TO APPLY SCHEDULE III
OF THE ANNECY PROTOCOL

CONSIDERING that paragraph 3 of the Annecy Protocol of Terms of Accession to the General Agreement on Tariffs and Trade provides that notifications of intention to apply the concessions provided for in the schedules contained in Annex A thereto shall only be effective if received by the Secretary-General of the United Nations not later than April 30, 1950,

CONSIDERING that the CONTRACTING PARTIES, by Decision of December 16, 1950, extended the time for such notifications to April 1, 1951,

CONSIDERING that the Government of Brazil, owing to unavoidable circumstances, was unable to submit notification by that date, and

CONSIDERING the desirability of affording an additional opportunity to the Government of Brazil to notify its intention to apply the concessions provided for in Schedule III in Annex A to the said Protocol,

The CONTRACTING PARTIES,

ACTING pursuant to Article XXXIII of the General Agreement and in view of the special circumstances referred to above,

DECIDE that, notwithstanding the provisions of paragraph 3 of the Annecy Protocol of Terms of Accession and of the Decision of December 16, 1950, notification by the Government of Brazil of intention to apply the concessions provided for in Schedule III in Annex A to the said Protocol shall be effective for all purposes of that Protocol if received by the Secretary-General of the United Nations not later than 31 December 1951, and

INSTRUCT the Executive Secretary to forward a copy of the present Decision to the Secretary-General of the United Nations.

¹ Cf. GATT/CP.6/SR.20.

5. DECISION OF OCTOBER 24, 1951, EXTENDING THE TIME LIMIT
FOR SIGNATURE OF THE TORQUAY PROTOCOL¹

CONSIDERING that paragraph 10 of the Torquay Protocol of the General Agreement on Tariffs and Trade provides that the Protocol would be open for signature by present contracting parties and acceding governments until October 21, 1951,

CONSIDERING that certain governments, for constitutional reasons or owing to other unavoidable circumstances, were unable to sign the Protocol by that date, and

CONSIDERING the desirability of affording an additional opportunity to those governments to sign the Protocol,

The CONTRACTING PARTIES,

ACTING pursuant to Article XXXIII of the General Agreement and in view of the special circumstances referred to above,

DECIDE that, notwithstanding the provisions of paragraph 10 of the Torquay Protocol, signature of the Protocol shall be deemed to be effective for all purposes of that Protocol, if affixed by a present contracting party not later than December 31, 1951, if affixed by the Government of the Republic of Korea not later than March 31, 1952 and if affixed by the Government of the Republic of the Philippines not later than May 22, 1952, and

INSTRUCT the Executive Secretary to forward a copy of the present Decision to the Secretary-General of the United Nations.

¹ Cf. GATT/CP.6/SR.22.

6. DECISION OF OCTOBER 24, 1951, EXTENDING THE TIME LIMIT
FOR URUGUAY TO SIGN THE ANNECY AND TORQUAY PROTOCOLS¹

CONSIDERING that paragraph 10 of the Ancey Protocol of Terms of Accession to the General Agreement on Tariffs and Trade provides that the Protocol would be open for signature until April 30, 1950 by acceding governments,

CONSIDERING further that by a Decision of November 9, 1950 the Government of Uruguay was granted an extension of the period to sign the Ancey Protocol until the final date for signature of the Torquay Protocol,

CONSIDERING that paragraph 10 of the Torquay Protocol to the General Agreement on Tariffs and Trade provides that the Protocol would be open for signature until October 21, 1951 by present contracting parties, acceding governments and Uruguay,

CONSIDERING that the Government of Uruguay, owing to unavoidable circumstances, was unable to sign these Protocols by that date, and

CONSIDERING the desirability of affording an additional opportunity to the Uruguayan Government to accede to the General Agreement,

The CONTRACTING PARTIES,

ACTING pursuant to Article XXXIII of the General Agreement and in view of the unavoidable circumstances referred to above,

DECIDE that, notwithstanding the provisions of paragraph 10 of the Ancey Protocol and paragraph 10 of the Torquay Protocol, signature of the Ancey Protocol or of the Torquay Protocol by Uruguay shall be effective for all purposes of those protocols if affixed not later than April 30, 1952, and

INSTRUCT the Executive Secretary to forward a copy of the present Decision to the Secretary-General of the United Nations.

¹ Cf. GATT/CP.6/SR.22.

7. DECISION OF OCTOBER 25, 1951, APPROVING THE FREE-TRADE
AREA TREATY BETWEEN NICARAGUA AND EL SALVADOR ¹

TAKING NOTE of the communication dated March 7, 1951 of the Government of Nicaragua and of the Treaty concluded on March 9, 1951 by the Governments of Nicaragua and El Salvador for the establishment of a free-trade area and made effective on August 21, 1951, and

TAKING NOTE FURTHER of the intention of the Government of Nicaragua that its action under the Treaty and specifically under Articles III and IV thereof will be limited to those consistent with the objective of maintaining a free-trade area as defined in paragraph 8(b) of Article XXIV of the General Agreement, and of the undertaking of the Government of Nicaragua to furnish to the CONTRACTING PARTIES on or before June 30th each year a report on action taken pursuant to Articles III and IV of the said Treaty and such additional information as would be of assistance to the CONTRACTING PARTIES,

The CONTRACTING PARTIES,

DECIDE, in accordance with the provisions of paragraph 10 of Article XXIV of the General Agreement, that the Government of Nicaragua is entitled to claim the benefits of the provisions of Article XXIV of the General Agreement on Tariffs and Trade relating to the formation of free-trade areas, and

DECIDE to review the above Decision if, at any time after study of the reports furnished by the Government of Nicaragua and of other relevant data, they find that the operation of the Free-Trade Treaty is not resulting in the maintenance of a free-trade area in the sense of Article XXIV of the General Agreement.

¹ Cf. GATT/CP, 6/SR.24.

8. DECISION OF OCTOBER 26, 1951, GRANTING A WAIVER FOR THE
CONTINUED APPLICATION BY ITALY OF SPECIAL CUSTOMS TREATMENT
TO CERTAIN PRODUCTS OF LIBYA¹

TAKING NOTE of the request of the Government of Italy for authorization to continue the special customs treatment applied to certain products originating in and coming from Libya when imported into Italian customs territory,

CONSIDERING that such special treatment was accorded by Italy to certain products of Libya both before the Second World War and, with certain modifications, since the War on a provisional basis, and

CONSIDERING that the termination of such special treatment on January 1, 1952, or on such earlier date as the United Kingdom of Libya obtains its independence, might result in serious economic difficulties for the new kingdom,

The CONTRACTING PARTIES, acting pursuant to Article XXV:5 (a),

DECIDE that the provisions of paragraph 1 of Article I of the General Agreement shall be waived, until September 30, 1952, to the extent necessary to permit the Government of Italy to continue to accord the special customs treatment at present in force to certain products of Libya when imported into the customs territory of Italy, without obligation to extend the same treatment to the like products of other contracting parties; and

REQUESTS the Government of Italy to present for consideration at the Seventh Session any further proposals on this matter that may be envisaged.

¹ Cf. GATT/CP.6/SR.27.

9. DECISION OF OCTOBER 26, 1951, EXTENDING THE TIME LIMIT
FOR BURMA TO TAKE ACTION PURSUANT TO ARTICLE XV:6¹

The CONTRACTING PARTIES

DECIDE that the time limit for action by the Government of Burma, pursuant to paragraph 6 of Article XV, to become a member of the International Monetary Fund or to enter into a special exchange agreement with the CONTRACTING PARTIES, be extended to the opening date of the Seventh Session of the CONTRACTING PARTIES.

¹ Cf. GATT/CP.6/SR.27.

DECLARATION

DECLARATION OF SEPTEMBER 27, 1951, FOR THE SUSPENSION OF
OBLIGATIONS BETWEEN CZECHOSLOVAKIA AND THE UNITED STATES
UNDER THE AGREEMENT I

CONSIDERING that the Delegation of the United States has declared that the Government of Czechoslovakia, through its actions, has nullified benefits which should have accrued to the United States under the General Agreement on Tariffs and Trade,

CONSIDERING that the Delegation of Czechoslovakia has declared that the Government of the United States, through its actions, has nullified benefits which should have accrued to Czechoslovakia under the General Agreement, and

CONSIDERING that a contracting party may not be held subject to the provisions of the General Agreement when the fulfillment of its obligations is rendered impossible by exceptional circumstances of a kind different from those contemplated under the General Agreement, even though the CONTRACTING PARTIES may not, in such a case, be competent to appraise the circumstances adduced,

The CONTRACTING PARTIES

TAKE NOTE of the declarations of the United States and Czechoslovakia,

DECLARE that the Governments of the United States and Czechoslovakia shall be free to suspend, each with respect to the other, the obligations of the General Agreement on Tariffs and Trade, and

AFFIRM that any measures which may be taken either by the United States or by Czechoslovakia shall not in any way modify the obligations of that Government under the General Agreement toward the other contracting parties.

¹ Cf. GATT/CP.6/SR.14.

RESOLUTIONS

1. RESOLUTION OF OCTOBER 26, 1951, CONCERNING THE UNITED STATES IMPORT RESTRICTIONS ON DAIRY PRODUCTS IMPOSED UNDER SECTION 104 OF THE UNITED STATES DEFENSE PRODUCTION ACT¹

TAKING NOTE of the statement made on September 24 by the United States representative regarding Section 104 of the United States Defence Production Act under which the United States Government has imposed restrictions on the importation into the United States of a number of dairy products,

TAKING NOTE with satisfaction of the strong determination on the part of the United States Government, as indicated in this statement, to seek repeal of Section 104 of the Defense Production Act, and of the speedy action taken looking toward such repeal,

TAKING NOTE of the further statement on October 26 by the United States representative reporting that such action had not yet resulted in such repeal,

RECOGNIZING that concessions granted by the United States Government to contracting parties under the General Agreement have been nullified or impaired within the meaning of Article XXIII of the General Agreement and that the import restrictions in question constitute an infringement of Article XI of the Agreement, and

RECOGNIZING FURTHER that a large number of contracting parties have indicated that they have suffered serious damage as a result of this nullification or impairment, and that the circumstances are serious enough to justify recourse by those contracting parties to paragraph 2 of Article XXIII,

The CONTRACTING PARTIES

RESOLVE, without prejudice to the rights of any contracting party under paragraph 2 of Article XXIII:

¹ Cf. GATT/CP.6/SR.27.

- (i) TO COUNSEL the contracting parties affected, in view of the continuing determination of the United States Government to seek the repeal of Section 104, of the United States Defense Production Act and the high priority and urgency which it has stated it will give to further action to this end, to afford to the United States Government a reasonable period of time, as it has requested, in order to rectify the situation through such repeal, and
- (ii) TO REQUEST the United States Government to report to the CONTRACTING PARTIES at as early a date as possible, and in any case not later than the opening of the Seventh Session of the CONTRACTING PARTIES, on the action which it has taken.

2. RESOLUTION OF OCTOBER 26, 1951, CONCERNING THE EXPENDITURE OF THE CONTRACTING PARTIES IN 1952 AND THE WAYS AND MEANS TO FINANCE SUCH EXPENDITURE ¹

HAVING considered the estimates of expenditure of the CONTRACTING PARTIES during 1952, as set forth in the Schedules annexed to this Resolution, ²

The CONTRACTING PARTIES

RESOLVE:

1. The Executive Secretary is authorized to repay promptly ICITO
 - (a) for services rendered during the year 1952, provided that such repayment does not exceed a total of U.S. \$379,483, and
 - (b) for services rendered in connection with the Second Session of the Contracting Parties amounting to \$18,010.
2. The repayments referred to in paragraph 1 shall be financed as follows:
 - (a) by contributions from contracting parties for an amount of U.S. \$312,300;
 - (b) by drawing on the cash balances available on December 31, 1951 up to an amount of U.S. \$82,193; and
 - (c) by miscellaneous income estimated at U.S. \$3,000.
3. Any balance from the cash surplus as at December 31, 1951 in excess of U.S. \$82,193 and payments of outstanding contributions for 1949, 1950 and 1951 which may be received in 1952, shall be left at the disposal of the Executive Secretary for use as approved by the CONTRACTING PARTIES, provided that such approval shall not be necessary to finance approved expenditures in 1952 pending receipt of contributions.
4. The Executive Secretary shall report to the CONTRACTING PARTIES at the Seventh Session on the status of budgetary expenditures including all commitments entered into to meet unforeseen and extraordinary expenses.

¹ Cf. GATT/CP.6/SR.27.

² For Annexes, see GATT/CP.6/55.

5. The contributions of the contracting parties in 1952 shall be assessed in accordance with the scale of contributions set forth in Annex C to this Resolution.¹ Contributions from present contracting parties are considered as due and payable in full as from January 1, 1952. In the case of an acceding government the contribution is considered as due and payable in full as from January 1, 1952 or the date on which this government becomes a contracting party, whichever is the later.

¹ For Annexes, see GATT/CP.6/55.