

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

Restricted
GATT/CEA/W.6
6 April 1949

ORIGINAL: ENGLISH

Committee of the Contracting Parties on Special Exchange

Arrangements

Comments by the Legal Adviser on the draft Agreement and draft Instrument of Accession contained in GATT/CEA/7 :

"Accession always takes place to an agreement already existing, and the approval by resolution of an agreement by the CONTRACTING PARTIES at a time when there is no other party to the agreement would not be sufficient to bind them to the agreement when a government becomes party to it. Therefore, a preamble might be incorporated in the commencement of the draft to make it clear that what has been drawn up is an agreement between the Contracting Parties, acting through its Chairman, and certain named governments which will sign the Agreement without commitment upon its conclusion and which may bind themselves later by depositing instruments of acceptance. The Agreement should also contain an accession clause by means of which any governments which become Contracting Parties in the future, or which are at present Contracting Parties and members of the Fund but which leave the Fund in the future, will be able to accede to the Agreement.

"Accordingly, Annexes A and B to the Interim Report of the Committee might be replaced by the following Resolution :

RESOLUTION

The CONTRACTING PARTIES to the General Agreement on Tariffs and Trade (hereinafter called "the CONTRACTING PARTIES" and "the General Agreement" respectively),

CONSIDERING that paragraph 6 of Article XV of the ^{General} Agreement provides that any Contracting Party, which is not a member of the International Monetary Fund (hereinafter called "the Fund"), shall, within a time to be determined by the CONTRACTING PARTIES after consultation with the Fund, become a member of the Fund, or, failing that, enter into a special exchange agreement with the CONTRACTING PARTIES,

CONSIDERING further that, in accordance with paragraph 7 of the said Article, such special exchange agreement shall provide to the satisfaction of the CONTRACTING PARTIES that the objectives of the General Agreement will not be frustrated as a result of action in exchange ^{ral} matters by the Contracting Parties in question, and taking into account that the terms of such agreement shall not impose obligations on the Contracting Party in exchange matters generally more restrictive than those imposed by the Articles of Agreement of the Fund on the members of the Fund.

HEREBY ADOPT the annexure to this resolution as the text of the special exchange agreement which shall be submitted for acceptance by each Contracting Party which is not, or does not become, a member of the Fund or which, being a member of the Fund on becoming a Contracting Party, afterwards ceases to be a member of the Fund; and

RESOLVE that :

- (a) each Contracting Party which is named in the special exchange agreement annexed hereto should deposit an instrument of acceptance of such agreement on or before
- (b) each Government, which becomes a Contracting Party after the day of this resolution, and which is obliged to accept such special exchange agreement should deposit an instrument of acceptance of such agreement within the period of days after it becomes a Contracting Party;
- (c) each Contracting Party, which ceases to be a member of the Fund, should deposit an instrument of acceptance of the special exchange agreement within thirty days after ceasing to be a member of the Fund."

ANNEXURE

WHEREAS paragraph 6 of Article XV of the General Agreement on Tariffs and Trade (hereinafter referred to as "the General Agreement") provides that any contracting party which is not a member of the International Monetary Fund (hereinafter called the Fund) shall, within a time to be determined by the CONTRACTING PARTIES after consultation with the Fund, become a member of the Fund, or, failing that, enter into a special exchange agreement with the CONTRACTING PARTIES;

WHEREAS paragraph 7 of the said Article provides that such special exchange agreement shall provide to the satisfaction of the CONTRACTING PARTIES that the objectives of the General Agreement will not be frustrated as a result of action in exchange matters by the contracting party in question, and taking into account that the terms of such agreement shall not impose obligations on the contracting party in exchange matters generally more restrictive than those imposed by the Articles of Agreement of the International Monetary Fund on members of the Fund

THE CONTRACTING PARTIES TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE (hereinafter called the CONTRACTING PARTIES) acting through their chairman duly authorized by Resolution of 1949 for this purpose

and
of the First Part

The Governments of each acting through its representative duly authorized for this purpose of the Second Part

HEREBY AGREE AS FOLLOWS :

Articles I - XIII

(as they appear in Annex "A" of GATT/OEA/7, but with "the Acceding Government" changed to "each of the Governments of the First Part".)

Article XIV

Amendments to this Agreement

- 1. Amendments to this Agreement may be suggested at any time by any contracting party. An amendment to this Agreement shall become effective in respect of the CONTRACTING PARTIES and each of the Governments of the Second Part upon adoption by the CONTRACTING PARTIES and upon acceptance by each of such Governments.
2. Notwithstanding the provisions of Article XXXI of the General Agreement, CONTRACTING PARTIES may decide that any amendment made effective under paragraph 1 is of such a nature that any Government of the First Part which has not accepted it within a period specified by the CONTRACTING PARTIES shall be free to withdraw from the General Agreement or to remain a contracting party with the consent of the CONTRACTING PARTIES.

Article XV

Acceptance, Entry into Force and Termination

- 1. Each of the Governments of the Second Part may accept this Agreement by depositing an instrument of acceptance with the Secretary-General of the United Nations. The Secretary-General will inform each of the Contracting Parties to the General Agreement of the date of deposit of each instrument of acceptance. Such instrument may specify:

- (a) the initial par value of the currency of the accepting Government if at the time of acceptance such Government and the CONTRACTING PARTIES have agreed on such par value;
- (b) whether the accepting Government intends to avail itself of the transitional arrangements in paragraph 1 of Article XI or whether it accepts the obligations of Articles VII and X; and
- (c) pursuant to paragraph 4 of Article XIII the agency through which the accepting Government intends to deal with the CONTRACTING PARTIES.

2. This Agreement shall enter into force with respect to the CONTRACTING PARTIES and each of the Governments of the Second Part thirty days after each such Government deposits an instrument of acceptance in accordance with paragraph 1.

3. This Agreement shall terminate in respect of the CONTRACTING PARTIES and of any Government of the Second Part on the day on which such Government becomes a member of the Fund or withdraws from the General Protocol of Provisional Application of the Agreement or from the General Agreement itself.

4. The Secretary-General of the United Nations is authorized to register this Agreement.

Article XVI

Accession

Accession to this Agreement by any Contracting Party other than the Governments of the Second Part may be effected by the deposit of an instrument of accession with the Secretary-General of the United Nations. The Secretary-General will inform each of the Contracting Parties of the date of deposit of each instrument of accession. Accession shall take effect thirty days after the deposit of such instrument. Such instrument of accession may specify the same information as an instrument of acceptance under paragraph 1 of Article XV.

IN WITNESS WHEREOF the respective Representatives have signed the present Agreement.

DONE at Annecy, in a single copy, in the English and French languages, both texts authentic, this day of One thousand nine hundred and forty nine.

For the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade :

For the Government of

Documents Number	Language	Short title of document
<u>Third Meeting, Annecy, April 1949</u>		
Symbol: GATT/CEA.2/W		
1.	E.F.	Amendments proposed by the U.S.
2.	E.F.	Amendments proposed by Belgium
3	E.F.	Statement of New Zealand Delegation re Procedure involving prior approval
4.	E.F.	Proposal of delegate of U.K.
5	E.F.	Revised text of Article I of Draft of Special Exchange Agreement
6	E.F.	Note by the United Kingdom represen- tative
7	E.F.	Drafting Committee Report (26 April)
8	E.F.	Art. VII of Drafting Committee's Report
9	E.F.	Report of Drafting Group (9 May)
10	E.F.	Draft Report of Committee on SEA - Text agreed by committee on 2nd reading
11	E.F.	Draft Final Report of Committee on SEA

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