

RESTRICTED

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24 March 1948

ORIGINAL: ENGLISH

GENERAL AGREEMENT ON TARIFFS AND TRADE  
FIRST SESSION OF THE CONTRACTING PARTIES  
SIGNATURE OF PROTOCOLS AND DECLARATION

With reference to Documents GATT/1/53 and GATT/1/60, there are circulated herewith the texts of the following documents which will be submitted for signature on Wednesday, March 24, in the morning in the course of the final plenary session of the United Nations Conference on Trade and Employment

1. Protocol Modifying Certain Provisions of the General Agreement on Tariffs and Trade;
2. Declaration (concerning supersession of the General Agreement on Tariffs and Trade by the Havana Charter);
3. Protocol Relating to the Modification of Article XXIV of the General Agreement on Tariffs and Trade;
4. Special Protocol Modifying Article XIV of the General Agreement on Tariffs and Trade.

The final text of the Protocol incorporating rectifications of the General Agreement on Tariffs and Trade is being circulated under another document symbol.

In the event that one of the contracting parties is unable to sign the Protocol modifying certain provisions of the General Agreement on Tariffs and Trade, (Item 1 above), this Protocol and that relating to Article XXIV will be withdrawn and a new Protocol covering the substance of both of these will be open for signature later in the day. An announcement will be made from the Chair if this procedure should prove necessary in this connection before signature takes place.

PROTOCOL MODIFYING CERTAIN PROVISIONS OF THE  
GENERAL AGREEMENT ON TARIFFS AND TRADE

The Governments of the Commonwealth of Australia, the Kingdom of Belgium, Canada, the Republic of Cuba, the French Republic, the Grand-Duchy of Luxemburg, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, acting in their capacity of contracting parties to the General Agreement on Tariffs and Trade, and

The Governments of the United States of Brazil, Burma, Ceylon, the Republic of Chile, the Republic of China, the Czechoslovak Republic, India, Lebanon, New Zealand, the Kingdom of Norway, Pakistan, Southern Rhodesia, Syria, and the Union of South Africa, acting in their capacity of signatories to the Final Act adopted at the conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment which authenticated the text of the General Agreement on Tariffs and Trade,

BEING DESIROUS of modifying the text of certain provisions of the General Agreement on Tariffs and Trade, in the light of the text of the Havana Charter for an International Trade Organization, which was authenticated by the Final Act of the United Nations Conference on Trade and Employment,

HEREBY AGREE as follows:

I. Paragraph 5 of Article XXV of the General Agreement on Tariffs and Trade shall read as follows:

"5. (a) In exceptional circumstances not elsewhere provided for in this Agreement, the CONTRACTING PARTIES may waive an obligation imposed upon a contracting party by this Agreement; Provided that any such decision shall be approved by a two-thirds majority of the votes cast and that such majority shall comprise more than half of the contracting parties.

The CONTRACTING PARTIES may also by such a vote

(i) define certain categories of exceptional circumstances to which other voting requirements shall apply for the waiver of obligations, and

(ii) prescribe such criteria as may be necessary for the application of this sub-paragraph.

(b) If any contracting party has failed without sufficient justification to carry out with another contracting party negotiations of the kind described in paragraph 1 of Article 17 of the Havana Charter, the CONTRACTING PARTIES may, upon complaint and after investigation, authorize the complaining contracting party to withhold from the other the concessions incorporated in the relevant Schedule to this Agreement. In any judgment as to whether a contracting party has so failed, the CONTRACTING PARTIES shall have regard to all relevant circumstances, including the developmental, reconstruction and other needs and the general fiscal structures of the contracting parties concerned and to the provisions of the Havana Charter as a whole. If in fact the concessions referred to are withheld, so as to result in the application to the trade of the other contracting party of tariffs higher than would otherwise have been applicable, such other contracting party shall then be free, within sixty days after such action becomes effective, to give written notice of withdrawal from the Agreement. The withdrawal shall take effect upon the expiration of sixty days from the day on which such notice is received by the CONTRACTING PARTIES.

(c) The provisions of sub-paragraph (b) shall not apply as between any two contracting parties the Schedules of which contain concessions initially negotiated between such contracting parties.

(d) The provisions of sub-paragraphs (b) and (c) shall not apply until January 1, 1949."

II. Paragraph 1 of Article XXXIII of the General Agreement on Tariffs and Trade shall read as follows:

"The contracting parties to this Agreement shall be understood to mean those governments which are applying the provisions of this Agreement under Articles XXVI or XXXIII or pursuant to the Protocol of Provisional Application."

III. Article XXXIII of the General Agreement on Tariffs and Trade shall read as follows:

"A government not party to this Agreement, or a government acting on behalf of a separate customs territory possessing full autonomy in the conduct of its external commercial relations and

of the other matters provided for in this Agreement, may accede to this Agreement, on its own behalf or on behalf of that territory, on terms to be agreed between such government and the CONTRACTING PARTIES. Decisions of the CONTRACTING PARTIES under this paragraph shall be taken by a two-thirds majority."

IV. The following Article shall be inserted in the General Agreement on Tariffs and Trade after Article XXXIV:

"Article XXXV

1. Without prejudice to the provisions of paragraph 5 (b) of Article XXV or to the obligations of a contracting party pursuant to paragraph 1 of Article XXIX, this Agreement, or alternatively Article II of this Agreement, shall not apply as between any contracting party and any other contracting party if:

- (a) the two contracting parties have not entered into tariff negotiations with each other, and
- (b) either of the contracting parties, at the time either becomes a contracting party, does not consent to such application.

2. The CONTRACTING PARTIES may, at any time before the Havana Charter enters into force, review the operation of this Article in particular cases at the request of any contracting party and make appropriate recommendations."

V. Notwithstanding the provisions of Article XXX of the General Agreement on Tariffs and Trade, the modifications provided for in Sections I to IV, inclusive, of this Protocol shall become an integral part of the General Agreement on Tariffs and Trade, on April 15, 1948:

Signature of this Protocol by any government which is not at the time of signature a contracting party to the General Agreement on Tariffs and Trade shall serve to authenticate the texts of the modifications of the General Agreement on Tariffs and Trade provided for in this Protocol. This Protocol shall remain open for signature by any such government, named in the second paragraph of the preamble to this Protocol, until May 1, 1948.

The original of this Protocol shall be deposited with the Secretary-General of the United Nations, who is authorized to effect registration thereof.

IN WITNESS WHEREOF the respective representatives, duly authorized, have signed the present Protocol.

DONE at Havana, in a single copy, in the English and French languages, both texts authentic, this twenty-fourth day of March, 1948.

## DECLARATION

The Governments of the Kingdom of Belgium, the United States of Brazil, Burma, Canada, Ceylon, the Republic of Chile, the Republic of Cuba, the French Republic, India, Lebanon, the Grand-Duchy of Luxemburg, the Kingdom of the Netherlands, New Zealand, the Kingdom of Norway, Pakistan, Syria, the United Kingdom of Great Britain and Northern Ireland, and the United States of America,

TAKING NOTE of the provisions of sub-paragraph 2 (a) of Article XXIX of the General Agreement on Tariffs and Trade, whereby within sixty days of the closing of the United Nations Conference on Trade and Employment any contracting party may lodge with the other contracting parties an objection to any provision or provisions of Article I or of Part II of the General Agreement on Tariffs and Trade being suspended and superseded by the corresponding provisions of the Havana Charter on the day on which the Charter comes into force,

HEREBY DECLARE that they will not lodge any such objection to the suspension and supersession of paragraphs 1 and 2 of Article I and Part II of the General Agreement on Tariffs and Trade.

The original of this Declaration shall be deposited with the Secretary-General of the United Nations, who is authorized to effect registration thereof.

IN WITNESS WHEREOF the respective representatives, duly authorized, have signed the present Declaration.

DONE at Havana, in a single copy, in the English and French languages, both texts authentic, this twenty-fourth day of March, 1948.

SPECIAL PROTOCOL RELATING TO ARTICLE XXIV OF THE  
GENERAL AGREEMENT ON TARIFFS AND TRADE

The Governments of the Kingdom of Belgium, Canada, the Republic of Cuba, the French Republic, the Grand-Duchy of Luxemburg, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, which are provisionally applying the General Agreement on Tariffs and Trade pursuant to the Protocol of Provisional Application,

HAVING APPROVED the amendment to Article XXIV of the General Agreement on Tariffs and Trade which was drawn up at the First Session of the CONTRACTING PARTIES to that Agreement and which reads as follows:

"1. Article XXIV of the General Agreement on Tariffs and Trade shall read as follows:

"ARTICLE XXIV

TERRITORIAL APPLICATION - FRONTIER TRAFFIC - CUSTOMS UNIONS  
AND FREE-TRADE AREAS

"1. The provisions of this Agreement shall apply to the metropolitan customs territories of the contracting parties and to any other customs territories in respect of which this Agreement has been accepted under Article XXVI or is being applied under Article XXXIII or pursuant to the Protocol of Provisional Application. Each such customs territory shall, exclusively for the purposes of the territorial application of this Agreement, be treated as though it were a contracting party; Provided that the provisions of this paragraph shall not be construed to create any rights or obligations as between two or more customs territories in respect of which this Agreement has been accepted under Article XXVI or is being applied under Article XXXIII or pursuant to the Protocol of Provisional Application by a single contracting party.

"2. For the purposes of this Agreement a customs territory shall be understood to mean any territory with respect to which separate tariffs or other regulations of commerce are maintained for a substantial part of the trade of such territory with other territories.

"3. The provisions of this Agreement shall not be construed to prevent:

- (a) advantages accorded by any contracting party to adjacent countries in order to facilitate frontier traffic;

(b) advantages accorded to the trade with the Free Territory of Trieste by countries contiguous to that territory, provided that such advantages are not in conflict with the Treaties of Peace arising out of the Second World War.

"4. The contracting parties recognize the desirability of increasing freedom of trade by the development, through voluntary agreements, of closer integration between the economies of the countries parties to such agreements. They also recognize that the purpose of a customs union or of a free-trade area should be to facilitate trade between the parties and not to raise barriers to the trade of other contracting parties with such parties.

"5. Accordingly, the provisions of this Agreement shall not prevent, as between the territories of contracting parties, the formation of a customs union or of a free-trade area or the adoption of an interim agreement necessary for the formation of a customs union or of a free-trade area; Provided that:

(a) with respect to a customs union, or an interim agreement leading to the formation of a customs union, the duties and other regulations of commerce imposed at the institution of any such union or interim agreement in respect of trade with contracting parties not parties to such union or agreement shall not on the whole be higher or more restrictive than the general incidence of the duties and regulations of commerce applicable in the constituent territories prior to the formation of such union or the adoption of such interim agreement as the case may be;

(b) with respect to a free-trade area, or an interim agreement leading to the formation of a free-trade area, the duties and other regulations of commerce maintained in each of the constituent territories and applicable at the formation of such free-trade area or the adoption of such interim agreement to the trade of contracting parties not included in such area or not parties to such agreement shall not be higher or more restrictive than the corresponding duties and other regulations of commerce existing in the same constituent territories prior to the formation of the free-trade area, or interim agreement, as the case may be; and

(c) any interim agreement referred to in sub-paragraphs (a) and (b) shall include a plan and schedule for the formation of such a customs union or of such a free-trade area within a reasonable length of time.

"6. If in fulfilling the requirements of sub-paragraph 5 (a), a contracting party proposes to increase any rate of duty inconsistently with the provisions of Article II, the procedure set forth in Article XXVIII shall apply. In providing for compensatory adjustment, due account shall be taken of the compensation already afforded by the reductions brought about in the corresponding duty of the other constituents of the union.

"7. (a) Any contracting party deciding to enter into a customs union or free-trade area, or an interim agreement leading to the formation of such a union or area, shall promptly notify the CONTRACTING PARTIES and shall make available to them such information regarding the proposed union or area as will enable them to make such reports and recommendations to contracting parties as they may deem appropriate.

(b) If, after having studied the plan and schedule provided for in an interim agreement referred to in paragraph 5 in consultation with the parties to that agreement and taking due account of the information made available in accordance with the provisions of sub-paragraph (a), the CONTRACTING PARTIES find that such agreement is not likely to result in the formation of a customs union or of a free-trade area within the period contemplated by the parties to the agreement or that such period is not a reasonable one, the CONTRACTING PARTIES shall make recommendations to the parties to the agreement. The parties shall not maintain or put into force, as the case may be, such agreement if they are not prepared to modify it in accordance with these recommendations.

(c) Any substantial change in the plan or schedule referred to in paragraph 5 (c) shall be communicated to the CONTRACTING PARTIES, which may request the contracting parties concerned to consult with them if the change seems likely to jeopardize or delay unduly the formation of the customs union or of the free-trade area.

"8. For the purposes of this Agreement:

(a) A customs union shall be understood to mean the substitution of a single customs territory for two or more customs territories, so that

(i) duties and other restrictive regulations of commerce (except, where necessary, those permitted under Articles XI, XII, XIII, XIV, XV and XX) are eliminated

with respect to substantially all the trade between the constituent territories of the union or at least with respect to substantially all the trade in products originating in such territories, and,

(ii) subject to the provisions of paragraph 9, substantially the same duties and other regulations of commerce are applied by each of the members of the union to the trade of territories not included in the union;

(b) A free-trade area shall be understood to mean a group of two or more customs territories in which the duties and other restrictive regulations of commerce (except, where necessary, those permitted under Articles XI, XII, XIII, XIV, XV and XX) are eliminated on substantially all the trade between the constituent territories in products originating in such territories.

"9. The preferences referred to in paragraph 2 of Article I shall not be affected by the formation of a customs union or of a free-trade area but may be eliminated or adjusted by means of negotiations with contracting parties affected. This procedure of negotiations with affected contracting parties shall, in particular, apply to the elimination of preferences required to conform with the provisions of paragraph 8 (a) (i) and paragraph 8 (b).

"10. The CONTRACTING PARTIES may by a two-thirds majority approve proposals which do not fully comply with the requirements of paragraphs 5 to 9 inclusive, provided that such proposals lead to the formation of a customs union or a free-trade area in the sense of this Article.

"11. Taking into account the exceptional circumstances arising out of the establishment of India and Pakistan as independent states and recognizing the fact that they have long constituted an economic unit, the contracting parties agree that the provisions of this Agreement shall not prevent the two countries from entering into special arrangements with respect to the trade between them, pending the establishment of their mutual trade relations on a definitive basis.

"12. Each contracting party shall take such reasonable measures as may be available to it to ensure observance of the provisions of this Agreement by the regional and local governments and authorities within its territory."

"II. The Interpretative Notes to Article XXIV in Annex I of the General Agreement on Tariffs and Trade shall read as follows:

"ad Article XXIV

"Paragraph 5

It is understood that the provisions of Article I would require that, when a product which has been imported into the territory of a member of a customs union or free-trade area at a preferential rate of duty is re-exported to the territory of another member of such union or area, the latter member should collect a duty equal to the difference between the duty already paid and the most-favoured-nation rate.

"Paragraph 11

Measures adopted by India and Pakistan in order to carry out definitive trade arrangements between them, once they have been agreed upon, might depart from particular provisions of this Agreement, but these measures would in general be consistent with the objectives of the Agreement."

CONSIDERING that, in accordance with Article XXX of the General Agreement on Tariffs and Trade, the aforesaid amendment will become effective, in respect of those contracting parties which accept it, upon acceptance by two-thirds of the contracting parties,

AGREE to deposit before June 1, 1948 their instruments of acceptance of the aforesaid amendment with the Secretary-General of the United Nations.

The original of this Protocol shall be deposited with the Secretary-General of the United Nations, who is authorized to effect registration thereof.

IN WITNESS WHEREOF the respective representatives, duly authorized, have signed the present Protocol.

DONE at Havana, in a single copy, in the English and French languages, both texts authentic, this twenty-fourth day of March, 1948.

SPECIAL PROTOCOL MODIFYING ARTICLE XIV OF THE  
GENERAL AGREEMENT ON TARIFFS AND TRADE

The Governments of the Commonwealth of Australia, the Kingdom of Belgium, Canada, the Republic of Cuba, the French Republic, the Grand-Duchy of Luxemburg, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, acting in their capacity of contracting parties to the General Agreement on Tariffs and Trade,

The Governments of the United States of Brazil, Burma, Ceylon, the Republic of Chile, the Republic of China, the Czechoslovak Republic, India, Lebanon, New Zealand, the Kingdom of Norway, Pakistan, Southern Rhodesia, Syria, and the Union of South Africa, acting in their capacity of signatories to the Final Act adopted at the conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment which authenticated the text of the General Agreement on Tariffs and Trade,

BEING DESIROUS of modifying the text of Article XIV of the General Agreement on Tariffs and Trade, in the light of the text of the Havana Charter for an International Trade Organization which was authenticated by the Final Act of the United Nations Conference on Trade and Employment,

HEREBY AGREE as follows:

I. On and after January 1, 1949, Article XIV of the General Agreement on Tariffs and Trade shall read as follows:

"Article XIV

Exceptions to the Rule of Non-discrimination

"1. (a) The contracting parties recognize that the aftermath of the war has brought difficult problems of economic adjustment which do not permit the immediate full achievement of non-discriminatory administration of quantitative restrictions and therefore require the exceptional transitional period arrangements set forth in this paragraph.

(b) A contracting party which applies restrictions under Article XII may, in the use of such restrictions, deviate from the provisions of Article XIII in a manner having equivalent effect to restrictions on payments and transfers for current international transactions which that contracting party may at that time apply under Article XIV of the Articles of Agreement of the International Monetary Fund

or under an analogous provision of a special exchange agreement entered into pursuant to paragraph 6 of Article XV.

(c) A contracting party which is applying restrictions under Article XII and which on March 1, 1948 was applying import restrictions to safeguard its balance of payments in a manner which deviated from the rules of non-discrimination set forth in Article XIII may, to the extent that such deviation would not have been authorized on that date by sub-paragraph (b), continue so to deviate, and may adapt such deviation to changing circumstances.

(d) Any contracting party which before July 1, 1948 has signed the Protocol of Provisional Application agreed upon at Geneva on October 30, 1947 and which by such signature has provisionally accepted the principles of paragraph 1 of Article 23 of the Draft Charter submitted to the United Nations Conference on Trade and Employment by the Preparatory Committee, may elect, by written notice to the CONTRACTING PARTIES before January 1, 1949, to be governed by the provisions of Annex J of this Agreement, which embodies such principles, in lieu of the provisions of sub-paragraphs (b) and (c) of this paragraph. The provisions of sub-paragraphs (b) and (c) shall not be applicable to contracting parties which have so elected to be governed by the provisions of Annex J; and conversely, the provisions of Annex J shall not be applicable to contracting parties which have not so elected.

(e) The policies applied in the use of import restrictions under sub-paragraphs (b) and (c) or under Annex J in the postwar transitional period shall be designed to promote the maximum development of multilateral trade possible during that period and to expedite the attainment of a balance-of-payments position which will no longer require resort to the provisions of Article XII or to transitional exchange arrangements.

(f) A contracting party may deviate from the provisions of Article XIII, pursuant to sub-paragraphs (b) or (c) of this paragraph or pursuant to Annex J, only so long as it is availing itself of the post-war transitional period arrangements under Article XIV of the Articles of Agreement of the International Monetary Fund, or of an analogous provision of a special exchange agreement entered into under paragraph 6 of Article XV.

(g) Not later than March 1, 1950 (three years after the date on which the International Monetary Fund began operations) and in each year thereafter, the CONTRACTING PARTIES shall report on any

action still being taken by contracting parties under sub-paragraphs (b) and (c) of this paragraph or under Annex J. In March 1952, and in each year thereafter, any contracting party still entitled to take action under the provisions of sub-paragraph (c) or of Annex J shall consult the CONTRACTING PARTIES as to any deviations from Article XIII still in force pursuant to such provisions and as to its continued resort to such provisions. After March 1, 1952 any action under Annex J going beyond the maintenance in force of deviations on which such consultation has taken place and which the CONTRACTING PARTIES have not found unjustifiable; or their adaptation to changing circumstances, shall be subject to any limitations of a general character which the CONTRACTING PARTIES may prescribe in the light of the contracting party's circumstances.

(h) The CONTRACTING PARTIES may, if they deem such action necessary in exceptional circumstances, make representations to any contracting party entitled to take action under the provisions of sub-paragraph (c) that conditions are favourable for the termination of any particular deviation from the provisions of Article XIII, or for the general abandonment of deviations, under the provisions of that sub-paragraph. After March 1, 1952, the CONTRACTING PARTIES may make such representations, in exceptional circumstances, to any contracting party entitled to take action under Annex J. The contracting party shall be given a suitable time to reply to such representations. If the CONTRACTING PARTIES find that the contracting party persists in unjustifiable deviation from the provisions of Article XIII, the contracting party shall, within sixty days, limit or terminate such deviations as the CONTRACTING PARTIES may specify.

"2. Whether or not its transitional period arrangements have terminated pursuant to paragraph 1 (f), a contracting party which is applying import restrictions under Article XII may, with the consent of the CONTRACTING PARTIES, temporarily deviate from the provisions of Article XIII in respect of a small part of its external trade where the benefits to the contracting party or contracting parties concerned substantially outweigh any injury which may result to the trade of other contracting parties.

"3. The provisions of Article XIII shall not preclude restrictions in accordance with the provisions of Article XII which either

- (a) are applied against imports from other countries, but not as among themselves, by a group of territories having a common quota in the International Monetary Fund, on condition

that such restrictions are in all other respects consistent with the provisions of Article XIII, or

- (b) assist, in the period until December 31, 1951, by measures not involving substantial departure from the provisions of Article XIII, another country whose economy has been disrupted by war.

"4. A contracting party applying import restrictions under Article XII shall not be precluded by Articles XI to XV, inclusive, of this Agreement from applying measures to direct its exports in such a manner as to increase its earnings of currencies which it can use without deviation from the provisions of Article XIII.

"5. A contracting party shall not be precluded by Articles XI to XV, inclusive, of this Agreement from applying quantitative restrictions

- (a) having equivalent effect to exchange restrictions authorized under Section 3 (b) of Article VII of the Articles of Agreement of the International Monetary Fund; or
- (b) under the preferential arrangements provided for in Annex A of this Agreement, pending the outcome of the negotiations referred to therein."

II. On and after January 1, 1949, the Interpretative Notes to Article XIV in Annex I of the General Agreement on Tariffs and Trade shall read as follows:

"ad Article XIV

"Paragraph 1 (g)

The provisions of paragraph 1 (g) shall not authorize the CONTRACTING PARTIES to require that the procedure of consultation be followed for individual transactions unless the transaction is of so large a scope as to constitute an act of general policy. In that event, the CONTRACTING PARTIES shall, if the contracting party so requests, consider the transaction, not individually, but in relation to the contracting party's policy regarding imports of the product in question taken as a whole.

"Paragraph 2

One of the situations contemplated in paragraph 2 is that of a contracting party holding balances acquired as a result of current transactions which it finds itself unable to use without a measure of discrimination."

III. On and after January 1, 1949, the following Annex shall be added to the General Agreement on Tariffs and Trade:

"ANNEX J

Exceptions to the Rule of Non-discrimination

(Applicable to contracting parties who so elect, in accordance with paragraph 1 (d) of Article XIV, in lieu of paragraphs 1 (b) and 1 (c) of Article XIV.)

"1. (a) A contracting party applying import restrictions under Article XII may relax such restrictions in a manner which departs from the provisions of Article XIII to the extent necessary to obtain additional imports above the maximum total of imports which it could afford in the light of the requirements of paragraphs 3 (a) and 3 (b) of Article XII if its restrictions were fully consistent with the provisions of Article XIII; Provided that

- (i) levels of delivered prices for products so imported are not established substantially higher than those ruling for comparable goods regularly available from other contracting parties, and that any excess of such price levels for products so imported is progressively reduced over a reasonable period;
- (ii) the contracting party taking such action does not do so as part of any arrangement by which the gold or convertible currency which the contracting party currently receives directly or indirectly from its exports to other contracting parties not party to the arrangement is appreciably reduced below the level it could otherwise have been reasonably expected to attain;
- (iii) such action does not cause unnecessary damage to the commercial or economic interests of any other contracting party;

(b) Any contracting party taking action under this paragraph shall observe the principles of sub-paragraph (a). A contracting party shall desist from transactions which prove to be inconsistent with that sub-paragraph but the contracting party shall not be required to satisfy itself, when it is not practicable to do so, that the requirements of that sub-paragraph are fulfilled in respect of individual transactions.

"2. Any contracting party taking action under paragraph 1 of this Annex shall keep the CONTRACTING PARTIES regularly informed regarding such action and shall provide such available relevant information as the CONTRACTING PARTIES may request.

"3. If at any time the CONTRACTING PARTIES find that import restrictions are being applied by a contracting party in a discriminatory manner

inconsistent with the exceptions provided for under paragraph 1 of this Annex, the contracting party shall, within sixty days, remove the discrimination or modify it as specified by the CONTRACTING PARTIES; Provided that any action under paragraph 1 of this Annex, to the extent that it has been approved by the CONTRACTING PARTIES at the request of a contracting party under a procedure analogous to that of paragraph 4 (c) of Article XII, shall not be open to challenge under this paragraph or under paragraph 4 (d) of Article XII on the ground that it is inconsistent with the provisions of Article XIII.

"Interpretative Note to Annex J

"It is understood that the fact that a contracting party is operating under the provisions of Part II (a) of Article XI does not preclude that contracting party from operation under this Annex, but that the provisions of Article XIV (including this Annex) do not in any way limit the rights of contracting parties under Part II (a) of Article XI."

IV. This Protocol shall remain open for signature at the Headquarters of the United Nations until June 1, 1948 on behalf of any government named in the preamble of this Protocol which has not signed it on this day.

V. Notwithstanding the provisions of Article XXX of the General Agreement on Tariffs and Trade, this Protocol shall enter into force on the day on which it has been signed by all the governments which are at that time contracting parties of the General Agreement on Tariffs and Trade.

Signature of this Protocol by any government which is not at the time of signature a contracting party to the General Agreement on Tariffs and Trade shall serve to authenticate the texts of the modifications of the General Agreement on Tariffs and Trade provided for in this Protocol.

The original of this Protocol shall be deposited with the Secretary-General of the United Nations, who is authorized to effect registration thereof.

IN WITNESS WHEREOF the respective representatives, duly authorized, have signed the present Protocol.

DONE at Havana, in a single copy, in the English and French languages, both texts authentic, this twenty-fourth day of March, 1948.