

RESTRICTED  
LIMITED A

GATT/CP.2/41  
13 September 1948

ORIGINAL: ENGLISH

GENERAL AGREEMENT ON TARIFFS AND TRADE

Contracting Parties

Second Session

Financing of Secretariat Services

The following resolution was adopted by the Contracting Parties at the twenty fourth meeting of the Second Session:

WHEREAS Article XXV of the General Agreement on Tariffs and Trade provides that: "Representatives of the contracting parties shall meet from time to time for the purpose of giving effect to those provisions of this Agreement which involve joint action and, generally, with a view to facilitating the operation and furthering the objectives of this Agreement";

and

WHEREAS it is necessary to make provision for Secretariat services for such meetings and for consultation between the Contracting Parties in the intervals between such meetings;

The Contracting Parties RESOLVE to recommend their respective governments to take the necessary steps to give effect to the financial arrangements set out in the Annex to this Resolution.

ANNEX

(a) ICITO should absorb the expenses of the Contracting Parties up to the end of the Second Session. These expenses should be accounted for separately in the accounts of the Interim Commission in case any question should later be raised regarding the manner in which expenses attributable to the Contracting Parties should ultimately be divided.

(b) As regards the future expenses of the Contracting Parties a "pay as you go" arrangement should be adopted. For the purpose of the division of expenses, the Contracting Parties should be classified according to six categories:

Category A - Countries whose share of total external trade as shown in Annex H of GATT is 10% or more.....\$11,000 each.

United States and United Kingdom \$22,000

Category B - Countries whose share is 7½% or more but less than 10%.....\$7,000 each.

France 7,000

Category C - Countries whose share is 5% or more but less than 7½%.....\$5,500 each.

Belgium and Canada 11,000

Category D - Countries whose share is 2½% or more but less than 5%.....\$3,750 each

Australia, Brazil, China, Netherlands, South Africa. 18,750

Category E - Countries whose share is 1% or more but less than 2½%.....\$2,200 each.

Czechoslovakia, India, Norway, New Zealand, Pakistan, 11,000

Category F - Countries whose share is less than 1%.....\$900 each.

Burma, Ceylon, Cuba, Lebanon, Luxembourg, Southern Rhodesia, Syria 6,300

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\$76,050

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(c) The contribution of each Contracting Party determined in accordance with the above formula should be paid not later than 31 July 1949 to the Financial Officer at the European Office of the United Nations for the account of the Contracting Parties. Payment may be made in U.S. dollars or Swiss francs at the option of each Contracting Party. The approval of these financial arrangements shall also constitute authority to the

Executive Secretary of the ICITO to apply at such time as he may deem appropriate, the sums so paid into this account to reimburse the Interim Commission for advances to the Contracting Parties.

(d) These collective arrangements by the Contracting Parties in their individual capacities shall not be construed as in any way conferring upon them the character of an international organization. Accordingly, the basis for division of expenses between the Contracting Parties in no way constitutes a precedent for the basis of contributions by governments to international organizations.

(e) Countries which are not at present Contracting Parties but which accede to the General Agreement as a result of the new tariff negotiations shall participate in this financial arrangement on the same basis as the present Contracting Parties. Such participation shall relate to all expenses incurred from the date of the commencement of the new tariff negotiations, i.e. 11 April 1949. The contributions of the present Contracting Parties shall be adjusted to take account of the contributions of new Contracting Parties.

(f) In the event that Havana Charter does not enter into force, the Contracting Parties agree that the expenses of the Second Session shall also be reimbursed.

A N N E X A

BUDGET ESTIMATES FOR CONTRACTING PARTIES

16 August, 1948, through 31 December, 1948

Second Session, 16 August, 1948 -- :	U.S. dollars
Conference Services	10,000
Secretariat	2,500
Preparatory Documentation	<u>465</u> 12,965

       August, 1948 (date of closure  
Second Session) to 31 May, 1949  
(closure date of Third Session  
including Tariff Negotiations):

Inter-session Secretariat Services	9,000	
Preparatory Documentation	500	
Third Session Conference Services	10,000	
Third Session Secretariat Services	2,500	
Tariff Negotiations	<u>28,000</u>	50,000

1 June, 1949, to 31 December, 1949:

Inter-session Secretariat Services	5,000	
Preparatory Documentation	500	
Fourth Session, Conference Services	10,000	
Fourth Session Secretariat Services	<u>2,500</u>	18,000

Unforeseen Expenses:	<u>8,000</u>	<u>8,000</u>
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Total:		<u>88,965</u>
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Note:

The figures for the Secretariat Services are arrived at by taking an amount of 10% of the Personnel Budget of the Interim Commission for the International Trade Organization Secretariat for periods between sessions, and 50% of this budget during sessions.