

RESTRICTED
LIMITED B

GATT/CP.2/45
14 September 1948

ORIGINAL: ENGLISH

General Agreement on Tariffs and Trade

Contracting Parties

Second Session

Statement by Mr. L.D. Wilgress, Chairman of
the Contracting Parties at the conclusion of
the Second Session, on 14 September 1948.

We have now completed the work of the Second Session of the Contracting Parties.

This may be regarded as the first test of the provisions of Article XXV of the General Agreement on Tariffs and Trade for periodic meetings of representatives of the Contracting Parties for the purpose of giving effect to those provisions of the Agreement which involve joint action and, generally, with a view to facilitating the operation and furthering the objectives of the Agreement. From this point of view we can regard the Second Session as an unqualified success. We have met to consider a number of most difficult and complex problems and we have dealt with them in that spirit of co-operation and good-will which from the outset has characterized the attitude which led our different countries to conclude the General Agreement. The Contracting Parties have proved themselves to be a very vital force.

Our session has lasted much longer than we had anticipated. I do not think we need make any excuse for this. It is simply due to the variety and complexity of the problems with which we had to deal. It is important, however, that for future sessions we should, in advance, make provision for ample time in which to deal with the items on the agenda.

We have made arrangements for the scheduling of a second round of tariff negotiations to commence next April. The chief purpose of these negotiations is to permit the accession of new countries to the General Agreement. This is important because, as I said in my statement at the opening of the Session, we must not give the impression that we have in any way constituted ourselves into a sort of exclusive club. We need from time to time the infusion of new blood through the accession of other countries to the General Agreement. Only in this way can the Contracting Parties maintain that dynamic quality which is now one of our most notable characteristics.

We have provided for the replacement of particular provisions in Part II of the General Agreement with the corresponding provisions of the Havana Charter and have also provided for amendments to Part I and Article XXIX of the Agreement. I believe that this should complete the necessary modifications of the General Agreement prior to

the coming into force of the Charter. It would be a bad thing if we got into the habit of amending the General Agreement at each session of the Contracting Parties. Now that we have had a thorough discussion of the question of modifications of the General Agreement we should be able to leave the Agreement untouched until the Havana Charter enters into force, after which time I believe there will be little need to consider further modifications of the Agreement. If the Charter does not enter into force at the time we anticipate, there is provision in Article XXIX which will enable the Contracting Parties to discuss the situation which will be created thereby.

We have made the necessary arrangements to regulate, on an informal basis, the relations between the Contracting Parties and the International Monetary Fund prior to the coming into force of the Havana Charter. We have also taken the first steps looking towards the special exchange agreements between the Contracting Parties and those contracting parties who are not members of the International Monetary Fund.

We have taken the very important step of working out procedures for dealing with exceptional measures which any of the contracting parties may find it necessary to take in accordance with the provisions of Article XXVIII of the Agreement.

Besides taking all these constructive steps we have had to deal with a number of special problems created by difficulties which have arisen in connection with the application of the General Agreement by certain countries. We have tackled these problems in a spirit of understanding of the difficulties of the countries concerned and have made the necessary adjustments to enable them to deal with these difficulties. It is inevitable that in the case of an instrument such as the General Agreement problems of this kind should arise in the early stages of its operation. When the General Agreement was being drafted it could not be foreseen what special difficulties of this kind would arise, and hence all of them could not be covered by the more general provisions of the Agreement. The Agreement, however, does provide for means of dealing with special circumstances and from now on it is important that any adjustments that may be found necessary should be made within the scope of these provisions rather than by resorting to such an exceptional measure as the waiving of obligations under Article XXV.

We have seen evidence at this session of the embarrassment that may be caused by the failure of a contracting party to send a representative to take part in our deliberations. I hope that this will never occur again and that at the succeeding sessions of the Contracting Parties each and every one of the contracting parties will be represented. The General Agreement confers rights but also involves obligations. This is true of all measures of international co-operation, and surely the least onerous of all the obligations imposed by the General Agreement is that of sending a representative to take part in our discussion of common problems.

On behalf of all of the representatives of the Contracting Parties, I wish to extend our most sincere thanks to Mr. Wyndham White and to all the members of his Secretariat for the effective assistance they have given us. Through the fact that our meetings overlapped with those of the Executive Committee of the Interim Commission for ITO, a heavy burden was placed upon the Secretariat. They have borne this burden cheerfully and the assistance they have given us has not been impaired thereby.

The same applies to our genial interpreters. We have been fortunate to have with us interpreters whom we all know well through the work which they did for us in the Tariff Agreement Committee last year. On behalf of you all I extend to them our gratitude for the excellent work they have performed.

Last, but not least, we must acknowledge our debt to Mr. Moderow and all members of his staff at the European headquarters of the United Nations. Not only have they provided us with these very comfortable rooms in which we have held our meetings, but through the administrative services under Mr. Evans they have given us admirable help under most difficult conditions. This particularly applies to the distribution of documents and the translation services, as we arrived here at a time when a session of the Economic and Social Commission was in progress and we are leaving while a number of other meetings are being held in Geneva, as well as on the eve of the General Assembly at Paris. We are all grateful for the cheerful and efficient way in which the members of the United Nations staff have done their best to accommodate us.

Finally, I wish to thank all representatives of the Contracting Parties for the co-operation they have shown the Chair in enabling us to get through our heavy agenda in a thorough but expeditious manner.

We can view with satisfaction what we have accomplished at this session, and can now rest assured that the Contracting Parties have embarked, under the aegis of the General Agreement, upon a path of steady development and constructive work for the good of all. However, we must not relax our vigilance. We must take care to see that nothing is done which will retard the steady progress made to date, or perhaps even take us back rather than forward. In spite of the evidence of sturdy growth which this session has demonstrated, the General Agreement still needs to be treated with care and attention if it is to fulfill those high hopes we all placed upon it when the negotiations at Geneva were concluded last October. It is in this spirit that I hope all representatives of Contracting Parties will return to their respective countries and prepare the ground for our Third Session.