

GENERAL AGREEMENT
TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

RESTRICTED
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Tariff Negotiations

ACCESSION TO THE GENERAL AGREEMENT

(Note by the Executive Secretary)

At the time of the last meetings of the Tariff Negotiations Committee and of the Third Session of the Contracting Parties, at Annecy on 13 August, it was understood that the Protocol(s) of Accession would be opened for signature at Annecy on 10 September. However, as the result of a request of the Government of the United States, to which a majority of the contracting parties and acceding governments have agreed, arrangements are being made for the Protocol(s) to be opened for signature at the Headquarters of the United Nations on 10 October.

The choice between alternative "A", the single Protocol of Terms of Accession with a separate signature page for each acceding government, with alternative "B", the Decision on Terms of Accession with a separate Protocol for each acceding government, has yet to be made but as soon as a decision has been reached, all participating governments will be informed by telegram. The texts of the Protocol and Decision as agreed on 13 August are reproduced in the Annex hereto; minor drafting changes, and changes consequential upon the postponement of the signature date, have been made.

The Protocol(s) will be open for signature by contracting parties up to and including 30 November 1949. Under either of the alternative instruments of accession, a contracting party will be required to sign in respect of each acceding government for which it wishes to record a favourable vote. The Secretary General of the United Nations will inform the acceding governments of each signature. Therefore by December 1st each acceding government will be in a position to know whether it has received the necessary two-thirds votes of the contracting parties to permit its accession to the General Agreement.

this session has coincided with the tariff negotiations. The fact that delegations have had to be in Annecy for the duration of the tariff negotiations has led to a lack of incentive to deal with items on the agenda as expeditiously as possible. Another factor has been that some delegations continue to be comprised of certain key personnel thoroughly familiar with the provisions of the General Agreement. It has therefore been natural that these delegations have wished that these particularly well-informed delegates should participate in the discussion of as many questions as possible. However, when this leads to an undue prolongation of our deliberations it is a factor which can only have an unfortunate effect upon the quality of the representation which other governments will be sending to the CONTRACTING PARTIES. We must recognize that influential ministers or officials can be spared for meetings of the CONTRACTING PARTIES only if they do not last too long. Consequently, I would urge strongly on all delegations to see to it that they have sufficient personnel to enable them to staff all meetings, even when two important topics may have to be discussed at one and the same time. I hope you will not take these remarks as being criticism of any one particular delegation but simply as an indication as to what should guide us in the future if we are to continue to make the meetings of the CONTRACTING PARTIES the success they have been in the past.

Another, and probably the most important, factor affecting the duration of this particular session has been the complicated nature of some of the problems with which we have had to deal. As I stated in my remarks at the opening of this session, our first two sessions were largely of an organizational character. We were then concerned mostly with adapting the provisions of the General Agreement to the changes incorporated in the Havana Charter as compared with the Geneva draft of the Charter, on which the original General Agreement on Tariffs and Trade had been based. At this session we have had to give practical application to the provisions of the General Agreement, including some of the most complicated parts of the Havana Charter. Notably, we have had, for the first time, to undertake consultation concerning import restrictions imposed in accordance with Article XII. We have also had to give very thorough examination to measures notified under Article XVIII.

Neither of these two complicated sets of provisions in the Havana Charter was well adapted to an instrument receiving only provisional application such as is the present position of the General Agreement. They were drafted as parts of the Havana Charter and it was envisaged that they would be applied by the International Trade Organisation serviced by a large and expert secretariat. We have done our best to overcome these handicaps, and I would say that it is largely due to the ability, tact and perseverance of Mr. Perry of Canada and Mr. Hewitt of Australia, the chairmen of the two working parties concerned, and to the Secretariat, that the CONTRACTING PARTIES have succeeded in overcoming these very great handicaps. The work of these two working parties necessarily had to be experimental because they were paving the way in an uncharted sea of international co-operation. The lessons which we have learned from their endeavours should be invaluable in the future and should serve greatly to facilitate future consideration of similar problems. I am hopeful that in no future session will it be necessary to devote such a large number of meetings to consideration of the problems to which the balance-of-payments and economic development provisions of the Agreement give rise.

We have had to devise procedures for inter-sessional machinery in relation to both of these two sets of provisions of the General Agreement. I wish now to express the hope that it may be necessary only on rare occasions to resort to this inter-sessional procedure. Such machinery should be regarded as necessarily of an exceptional character, to be resorted to only when circumstances necessitate and the urgency of the matter does not permit deferment to the next regular session. I feel that all our governments would much prefer if it were necessary for them to send representatives only to the regular sessions of the CONTRACTING PARTIES. We must take into account how hard pressed all governments are with respect to trained personnel, and hence how reluctant they will be to send representatives to meetings of the CONTRACTING PARTIES at more frequent intervals than every five or six months.

While the economic development provisions of the General Agreement have taken up more time at this session than the balance-of-payments provisions, I can foresee that in the future it is the balance-of-payments provisions that are likely to be the most

time-consuming of all the provisions of the General Agreement. We have already had an indication that it will be necessary for the CONTRACTING PARTIES soon to consult with the Government of the United Kingdom regarding the substantial intensification of import restrictions. But it is not only the Government of the United Kingdom that is likely to be in this position. We can foresee that similar circumstances may soon arise with respect to many other of the Contracting Parties. In fact, I do not think I am being too pessimistic when I predict that before long nearly half the Contracting Parties will be substantially intensifying import restrictions and therefore will have to be invited to consult with the CONTRACTING PARTIES acting jointly within thirty days, in accordance with the provisions of paragraph 4(b) of Article XII. It would appear that such a set of circumstances as this is that envisaged in paragraph 5 of Article XII which foreshadow what steps the CONTRACTING PARTIES acting jointly should take in case of a persistent and wide-spread application of import restrictions under Article XII.

Rather than invoke our inter-sessional procedure to consult one after the other with ten or eleven different Contracting Parties, it would appear simpler to follow the procedure envisaged in paragraph 5 of Article XII, which was intended to provide for such a contingency and which can be held to be a possible alternative to the procedure envisaged in paragraph 4(b) of Article XII.

Needless to say, in making these remarks I am not making any suggestion or proposal for the consideration of the CONTRACTING PARTIES but merely suggesting some of the considerations which representatives of the CONTRACTING PARTIES should bear in mind when, in the interval between this session and the next, questions relating to the balance-of-payments provisions of the General Agreement arise for the consideration of their governments.

There has been another aspect of our deliberations which has impressed itself upon me rather forcibly from time to time. I have had the impression that delegates have not always kept in mind the broader general interests of the General Agreement in pressing the case of their particular country. We understand, and naturally respect, the attitude of those delegates who defend both ably and

forcibly the interests of their countries, but we would hope that at all times delegates will not lose sight of the main objectives of the General Agreement. The CONTRACTING PARTIES are not an organization, but they do represent the only international gathering which provides a forum for the discussion of questions pertaining to the international exchange of goods. A unique opportunity is thereby provided, therefore, for the leading trading countries of the world to meet together and co-operate in a spirit of good-will in furthering the objectives which will lead to an expansion of world trade. In defending any measures which operate contrary to the objectives of the General Agreement, delegates should therefore bear in mind that there is a limit beyond which they should not press the particular point of view of their own country if that point of view is at variance with the general objectives or even the provisions of the General Agreement. The CONTRACTING PARTIES have proven themselves time and again prepared to take into account the special circumstances surrounding the trade of any particular Contracting Party, but this does not mean that any particular Contracting Party should take advantage of this spirit of accommodation to press too hard its own claims.

I think I have said enough to indicate that I do not consider this Third Session to have been the unqualified success which the First and Second Sessions of the CONTRACTING PARTIES were. Nevertheless, I am not discouraged about the future. I feel we have learned most valuable lessons at this Third Session and, invigorated as we shall be in the future through the infusion of new blood represented by the accession of new governments, I am confident that the CONTRACTING PARTIES will go on increasing in strength and vigour and prove well worth while that great experiment which was made in Geneva in 1947 when we originally negotiated the General Agreement on Tariffs and Trade.

I cannot conclude without paying my tribute once more to those who have borne the main brunt of our lengthy deliberations over the past four months. I am referring, of course, to the chairmen of the working parties, to each and every one of whom we owe a great debt of gratitude for the magnificent contribution they made to the success of our labours. Finally, it is my great pleasure once more to go on record in paying an unqualified tribute to the outstanding work of

Mr. Wyndham White, the Executive Secretary, and Mr. Royer, the Associate Executive Secretary. To both of them the CONTRACTING PARTIES owe much for the manner in which they have assisted and, indeed, contributed to the success of our work. To Mr. Wyndham White in particular I wish to say this: You have gathered together a small but faithful staff; most important of all, you have instilled into them an esprit-de-corps which I do not think you will find equalled in the secretariat of any other international organization. It has been electrifying for me to see how, under the difficult conditions under which they have had to work in Annecy, all the members of the Secretariat have so cheerfully discharged their duties. The fact that delegates have had to make so few complaints about the documentation of our meetings alone is an eloquent testimony of the efficiency with which this cheerful but faithful band have helped us in our discussions. I am therefore speaking for all representatives of the CONTRACTING PARTIES when I convey to you and to all members of the Secretariat our most heartfelt thanks for what they have done to assist us under most trying circumstances. I hope this expression of gratitude will be an encouragement for you all to continue serving us in the future as ably as you have done in the past.

I am sorry that the prolongation of our discussions has led to the gradual diminution of the number of our interpreters, because I should like all of those interpreters who have participated in our gatherings to hear a special expression of gratitude for the efficient manner in which they have carried out their most trying duties of interpreting our discussions. I should like to ask the remaining representatives of the interpreters still with us to accept this expression of gratitude. By this they will realise that the difficulties under which they worked are fully appreciated by the representatives of the CONTRACTING PARTIES, who can only admire the high standard of efficiency they have so consistently maintained.

In conclusion, I should again like to signify our appreciation and gratitude to the Government of France, to the authorities of the Department of Haute Savoie, and particularly those of the town of Annecy, for all they have done to make our stay here so congenial and pleasant. I am sure that none of us will ever forget the pleasant contacts we have made with the good people of Annecy and the attractions of this delightfully situated town.