

ACCORD GENERAL SUR LES TARIFS
DOUANIERS ET LE COMMERCE

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LIMITED C
GATT/CP.4/B/2
2 March 1950
ORIGINAL: ENGLISH

CONTRACTING PARTIES
Fourth Session

WORKING PARTY ON THE RE-VALIDATION OF
GENEVA AND ANNECY SCHEDULES

Note by the Executive Secretary

1. At the first meeting of the Working Party on 1 March it appeared to be the almost unanimous opinion of members that -
- (i) before the end of the Fourth Session the contracting parties should indicate to all other governments participating in the Torquay tariff negotiations that it is their desire to prolong the assured life of the Geneva and Annecy Schedules for a period of several years;
 - (ii) such arrangements should not preclude contracting parties from having resort to the provisions of Article XXVIII in order to make minor adjustments in the Schedules prior to prolongation;
 - (iii) the prolongation should become effective as soon as possible after the conclusion of the Torquay negotiations so as to eliminate, or at least reduce to a minimum, the period of uncertainty as to the firm duration of the concessions provided for in the Geneva and Annecy Schedules; and
 - (iv) the Working Party should consider alternative methods of giving effect to their desire to prolong the assured life of these Schedules.

The proposals of the Secretariat in this connection are given in outline below:

2. In Annex I will be found the draft of a resolution intended to serve the purpose of informing all participating governments that the contracting parties propose to prolong the assured life of their Schedules for a further period of three years or for such other period as may be agreed upon for the assured life of the new schedules drawn up in Torquay. Further, this resolution would indicate to the participating governments that the Schedules may be somewhat modified prior to the prolongation.

3. The draft declaration appearing in Annex II may avoid the difficulties which have been mentioned in connection with the protocol of amendment proposed by the United Kingdom in GATT/CP.4/7. It may be that those contracting parties which have referred to their constitutional problems will find that they can sign such a declaration with less delay than would be involved in obtaining authority to accept a protocol amending the General Agreement.

4. If, in the course of the Torquay negotiations, it appears that some of the contracting parties will not be able to sign the proposed declaration at the conclusion of the negotiations or very soon thereafter, it may nevertheless be possible to obtain some specific assurance from them that their Schedules will not be further modified. It might be possible, for example, to obtain their signature to a declaration on the lines of the draft appearing in Annex III, whereby they would acknowledge that if they did not sign the declaration on the continued application of the Schedules by a certain date or if they invoked the provisions of paragraph 1 of Article XXVIII they would be free to withdraw from the Agreement or to remain a contracting party with the consent of the Contracting Parties.

5. If it is agreed that minor adjustments of concessions may be undertaken as a part of the Torquay negotiations, it may be desirable to provide a specific procedure to ensure that all the necessary modifications are agreed upon before the declaration is signed. A procedure is proposed in the following paragraphs:

- (i) A contracting party which wishes to modify some of the concessions provided for in its Schedule, in accordance with the provisions of Article XXVIII, should so advise the contracting parties with which the items concerned were originally negotiated; this should be done either with the lists of requests for new concessions, which are to be submitted by 15 June, or at the opening of the negotiations at the end of September.

- (ii) The offers presented to another government at the opening of a negotiation at Torquay should include the response to the requests for modifications.
- (iii) The negotiations on requests for modifications should be conducted along with the negotiations for new concessions, and the results should be announced with the final exchange of offers.
- (iv) Other contracting parties, having a substantial interest in the proposed adjustments, should be given the opportunity to participate in the negotiations.
- (v) The agreement reached between the contracting party invoking the provisions of paragraph 1 of Article XXVIII and the contracting parties with which the concessions had been initially negotiated should be included in the final list of offers, but the agreement should not be concluded until the multi-lateral stage of the negotiations is completed.

ANNEX I

DRAFT

RESOLUTION CONCERNING THE PROLONGATION OF THE
ASSURED LIFE OF THE SCHEDULES TO THE GENERAL
AGREEMENT ON TARIFFS AND TRADE

The CONTRACTING PARTIES,

CONSIDERING that one of the objectives of the General Agreement on Tariffs and Trade is the conclusion of reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers to trade,

CONSIDERING that this objective would be furthered by prolonging the assured life of the tariff concessions provided for in the Schedules to the General Agreement, and

CONSIDERING that the success of the tariff negotiations to be held at Torquay, commencing on 28 September, 1950, would be promoted by such prolongation, in that the governments participating in those negotiations with a view to acceding to the General Agreement would have the assurance that the concessions provided for in the Schedules, from which they would benefit in exchange for the concessions granted by them, would not be subject to modification for a fixed period.

HEREBY RECOMMEND that each individual contracting party take all steps necessary to be in a position at the conclusion of the Torquay negotiations to prolong the assured life of the appropriate schedule in force at that time, until 1 January, 1954, or for such other period as the concessions resulting from the Torquay negotiations are to remain valid.

ANNEX II

DRAFT

DECLARATION ON THE CONTINUED APPLICATION
OF THE SCHEDULES TO THE GENERAL AGREEMENT

The Governments of
acting in their capacity of contracting parties to the General
Agreement on Tariffs and Trade (hereinafter referred to as the
General Agreement),

DESIRING to continue the application of the Schedules to
the General Agreement until the 1st January, 1954,

HAVING taken note of the modifications, which have been
agreed upon by the contracting parties concerned in accordance
with the provisions of Article XXVIII of the General Agreement,
in the items of the said Schedules listed in the Annex to this
Declaration,

HEREBY DECLARE that they will not invoke prior to
1st January 1954 the provisions of paragraph 1 of Article XXVIII
of the General Agreement to modify or cease to apply the treat-
ment which they have agreed to accord under Article II of the
General Agreement to any product described in the appropriate
Schedule annexed to the General Agreement,

The original of this Declaration shall be deposited with
the Secretary-General of the United Nations who is authorized
to register this Declaration in accordance with Article 102 of
the Charter of the United Nations.

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

DONE at Torquay, in a single copy, in the English and
French languages, both texts authentic, this _____ day of _____
1951.

ANNEX III.

DRAFT

DECLARATION OF INTENTION TO SIGN THE
DECLARATION ON THE CONTINUED APPLICATION
OF THE SCHEDULES OF THE GENERAL AGREEMENT

The Governments of
acting in their capacity of contracting parties to the General
Agreement on Tariffs and Trade (hereinafter referred to as
the General Agreement),

DESIRING to continue the application of the Schedules to
the General Agreement until the 1st January, 1954,

HEREBY DECLARE their intention of signing the Declaration
on the continued application of the Schedules to the General
Agreement executed at Torquay on _____, 1951, before _____
_____ 1951, at the Headquarters of the United Nations,

AND AGREE to accept a decision by the CONTRACTING PARTIES
(as defined in paragraph 1 of Article XXV of the General Agree-
ment) that any contracting party which has not signed the above-
mentioned Declaration by the date specified above or within such
other period as may be specified by the CONTRACTING PARTIES, or
which invokes the provisions of paragraph 1 of Article XXVIII of
the General Agreement after this day and before 1st January,
1954, shall be free to withdraw from the General Agreement or to
remain a contracting party with the consent of the CONTRACTING
PARTIES;

The original of this Declaration shall be deposited with the
Secretary General of the United Nations who is authorized to
register this Declaration in accordance with Article 102 of the
Charter of the United Nations.

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

DONE at Torquay, in a single copy, in the English and French
languages, both texts authentic, this _____ day of _____ 1951.