

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/10

22 March 1961

Limited Distribution

COUNCIL
24 March 1961

EIGHTEENTH SESSION OF THE CONTRACTING PARTIES

Note by the Executive Secretary

At its meeting on 24 March, the Council will consider whether to recommend to the CONTRACTING PARTIES that the session envisaged for 1-20 May should be cancelled, and that instead a meeting of the Council should be held at that time. It was decided at the last meeting of the Council that if a session is to be held in May it will be preceded by a meeting of the Council and that in this event the Council will consider on 24 March which of the items on the provisional agenda for the session should be dealt with by the Council, leaving the matters of widest interest for the session.

To facilitate consideration of this matter, the following notes have been prepared on the items which would appear on the agenda for a session in May, and suggestions are made as to how the various items could be dealt with if the CONTRACTING PARTIES were not to meet until the autumn.¹

1. PROGRAMME FOR EXPANSION OF TRADE

(a) Tariff Conference

The Executive Secretary (the Chairman of the TNC) does not at present see any need to include this item on the provisional agenda.

(b) Committee II

The Committee met from 6 to 17 March. It will meet again on 24 April to complete its third progress report. In these circumstances, it seems that discussion in May would be premature.

(c) Committee III

The Committee is currently meeting (21-29 March). The Committee will prepare a report, but it will be concerned mainly with the planning of the implementation of its future programme of work as drawn up at the seventeenth session.

¹30 October to 25 November 1961 is the date fixed for the autumn session.

2. BALANCE OF PAYMENTS IMPORT RESTRICTIONS

The report by the Committee on Balance-of-Payments Restrictions on the consultation with Ceylon (L/1427) was noted by the Council which recommended that it be adopted by the CONTRACTING PARTIES. The report could be submitted to the CONTRACTING PARTIES in October.

The Committee will meet from 17 to 28 April to consult with six contracting parties under Article XII:4(b) or XVIII:12(b). The reports could be examined and noted by the Council in May and could be submitted to the CONTRACTING PARTIES for formal adoption in October.

3. ITALIAN IMPORT RESTRICTIONS

A report by the Working Party on the meeting to be held in Rome from 27 to 29 March will be submitted to the Council in May. The report could be examined in the first instance by the Council.

4. PROCEDURES FOR RESIDUAL IMPORT RESTRICTIONS

The Council decided on the extent and scope of the notifications of restrictions which are to be communicated by contracting parties pursuant to paragraph 7 of the procedures adopted at the seventeenth session. Contracting parties have been invited to submit lists by 1 May. The Council could examine these lists in May. The Council will review the effectiveness of the procedures in September as previously arranged and will submit its report to the CONTRACTING PARTIES in October.

5. EUROPEAN ECONOMIC COMMUNITY

If there is to be a session in May, the representative of the Commission of the EEC should be asked whether it is the intention of the Member States to submit a report, pursuant to Article XXIV:7(a), for consideration at the session.

6. EUROPEAN FREE TRADE ASSOCIATION

There is some probability that the text of the Agreement creating an association between the EFTA and Finland will be transmitted to the CONTRACTING PARTIES in April. While the Council may wish to make arrangements for the preliminary examination of this Agreement, in accordance with the provisions of Article XXIV, it is a matter which may call for early action by the CONTRACTING PARTIES.

7. CENTRAL AMERICAN FREE TRADE AREA

The Government of Nicaragua has been asked whether a representative can attend the meeting of the Council or a session of the CONTRACTING PARTIES in May to permit consideration of the matters deferred from the seventeenth session (SR.17/7) and from the last meeting of the Council (C/E/4). If a

representative of Nicaragua is available and if there is to be no session in May, the questions could be examined by the Council and the Council's report could be submitted to the CONTRACTING PARTIES in October; if the Council should decide to submit any draft decision to contracting parties for approval, this could be done by postal ballot.

8. ACCESSION OF SWITZERLAND

The Council has appointed a working group to continue the consultation with Switzerland, under paragraph 1(c) of the Declaration of 22 November 1958. The group will meet on 6 and 7 April and will report progress to the Council in May; at the same time, the group may recommend a time-table for further discussions.

9. ARTICLE XXXV REVIEW

If a session is held in May, the CONTRACTING PARTIES will appoint a working party to conduct the review. If there is not to be a session in May, the Council, at its meeting on 24 March, will appoint the working party.

10. SUBSIDIES

The Panel will meet from 10 to 14 April to finalize the preparations for the Review of the operation of the provisions of Article XVI. The Panel's report should be ready to be examined by the Council in May, and the Council could then consider the question of the timing of the review by the CONTRACTING PARTIES.

11. ARTICLE XVIII

(a) Ceylon: extension of release on ceramicware

The validity of the Decision of 30 November 1955 was extended by the Decision of 18 November 1960 "until the close of the eighteenth session". Therefore, if there is no session in May, no action is required until the autumn session.

(b) Annual review under paragraph 6

The third annual review could be carried out when sub-item (a) is considered.

12. ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

It seems unlikely that the matters discussed at the last Council meeting (C/N/4) could usefully be taken up again as early as May.

13. COMMERCIAL POLICY PROBLEMS OF NEWLY-INDEPENDENT STATES

As requested by the Council the Executive Secretary will submit elaborated proposals for consideration by the Council in May. If in the course of further discussion there is substantial support for the proposals, there would be advantage in the CONTRACTING PARTIES taking a formal decision in May.

14. AUSTRALIAN WAIVER FOR PRODUCTS OF PAPUA-NEW GUINEA

The Government of Australia has advised that its seventh annual report under the Decision of 24 October 1953 will be submitted in time for examination in May. It could be examined by the Council in May and could be submitted to the CONTRACTING PARTIES in October.

15. SOUTH AFRICAN WAIVER FOR TREATMENT OF RHODESIAN PRODUCTS

The first annual report by the Government of South Africa under the Decision of 4 June 1960 has been distributed in document L/1422. This report could be examined by the Council in May and the Council's report could be submitted to the CONTRACTING PARTIES in October.

16. MINISTERIAL MEETING OF THE CONTRACTING PARTIES

The Council will consider on 24 March whether a meeting at Ministerial level should be convened at the time of the session in October-November. If there is a substantial body of opinion in favour of a meeting of Ministers, the decision should be formalized by the CONTRACTING PARTIES and arrangements should be made for putting in hand the necessary preparations.

17. PROGRAMME OF MEETINGS MAY - OCTOBER 1961

At its meeting in May, the Council could decide on the programme of Committee and Working Party meetings for the period prior to the autumn session.

18. BUDGETARY AND ADMINISTRATIVE QUESTIONS

The Executive Secretary will report on the Resolution adopted by the United Nations General Assembly concerning the Joint Staff Pension Fund and on the final position under the 1960 budget. Papers will be distributed. Certain action is required but the decisions can be taken by the Council in May, if there is no session of the CONTRACTING PARTIES.