

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/M/1

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COUNCIL  
First Session

## MINUTES OF MEETINGS HELD

at the Palais des Nations, Geneva,  
from 19-23 September 1960

Chairman: Mr. J. H. Warren (Canada)

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Before the Council considered the items on its agenda, the Executive Secretary reported that thirty contracting parties and two governments which had acceded provisionally had accepted the responsibilities of membership in the Council. Of these, twenty-one governments had nominated their permanent representatives to the Council. Four permanent representatives had been unable to attend the first session of the Council, however, and alternates had been appointed. The members which had not yet nominated their permanent representatives had appointed delegates to attend the session. Certain contracting parties, which were not members of the Council, had sent observers; one of these, Ceylon, wished to be co-opted when the Council considered item 14 of the agenda.

The Council:

- (a) approved the participation in the Council's session of the alternates and delegates referred to above; and
- (b) noted that Ceylon would be co-opted for the consideration of item 14.

1. Election of Chairman

It was agreed that, as the Council was still in the initial stages of organization and as members would wish to give further consideration to the question of the chairmanship of the Council, the election of a Chairman for the first session should be for the duration of that session only.

Mr. J. H. WARREN (Canada) was unanimously elected to the chair.

2. Adoption of agenda

The provisional agenda (C/1) was adopted.

3. Procedures

It was agreed that, in view of the undesirability of committing the Council to rules of procedure in the initial stages of its existence, the Council would follow, so far as was necessary, the procedures which were followed for sessions of the CONTRACTING PARTIES, subject to such adaptation of these rules as might be required from time to time. At some later date the Council could, if necessary, decide whether it needed its own rules of procedure.

It was also agreed that records of the discussions of the Council should be in the form of minutes, comprising for each item a statement of the problem under discussion, a note on the trend of the discussion and a statement on the conclusions reached. It would be open to a member of the Council to request the inclusion of a statement in the minutes, and the arrangements for the recording of discussions of the Council could be reviewed at any time.

4. Attendance of observers (C/W/7)

It was agreed that the following should be invited to be represented by observers at sessions of the Council:

(a) governments, as follows: contracting parties and governments having acceded provisionally which were not members of the Council; governments associated with the work of the CONTRACTING PARTIES through special arrangements or which had been invited to participate in the work of the CONTRACTING PARTIES; and governments otherwise in the process of acceding or of being associated with the work of the CONTRACTING PARTIES;

(b) inter-governmental organizations, as follows: International Monetary Fund, Organization for European Economic Co-operation, United Nations, other inter-governmental organizations directly interested in matters before the Council, and also the secretariats of regional associations for economic integration.

5. Paris economic Meetings (L/1280 and Corr.1)

The series of meetings which began in Paris in January on the reorganization of the OEEC were discussed by the CONTRACTING PARTIES at their sixteenth session. The CONTRACTING PARTIES agreed that the Council should follow developments closely and that the question should appear on the agenda for the seventeenth session of the CONTRACTING PARTIES.

During the discussion on the Executive Secretary's report on the Paris meetings (L/1280 and Corr.1), some observations were put forward by representatives of OEEC member countries. The view was expressed that developments at these meetings should have largely removed the causes for the apprehensions expressed by contracting parties at the sixteenth session; in particular, the tasks to be assigned to the Trade Committee, as set out on page 5 of the Executive Secretary's report, could not reasonably give rise to apprehension on the part of outside countries. One member pointed to the positive influence which the OEEC Code of Liberalization had had on the liberalization of international trade and expressed the hope that its non-extension would not have an adverse effect should a renewed move towards the use of quantitative restrictions result from any future change in world economic conditions.

Representatives of several contracting parties not members of the OEEC stressed the continuing importance which developments in Paris had for their governments. Reference was made to the apprehensions expressed at the sixteenth session. It was important for the CONTRACTING PARTIES to keep in touch with, and if possible to influence these developments. It was also important to do whatever was necessary to improve GATT procedures.

It was agreed that developments in connexion with the reorganization of the OEEC was of continuing importance and interest to the CONTRACTING PARTIES and that the question should be further discussed at the seventeenth session. The Council requested the Executive Secretary to submit a supplementary report to the seventeenth session in the light of developments and of the participation by himself or by his representative in meetings of the Preparatory Committee in Paris.

6. Import restrictions

(a) Procedures and consultations for the removal of import restrictions  
(W.16/13)

At the sixteenth session the CONTRACTING PARTIES, on the basis of a United States memorandum (W.16/13), discussed the question of procedures in connexion with the removal of restrictions applied by a contracting party which were no longer justified under Articles XII or XVIII. The CONTRACTING PARTIES agreed to resume discussion of this question at the seventeenth session and requested the Council to consider the matter when preparing for the session.

During the discussion of this sub-item, various views were put forward. In particular, concern was expressed about the continued application of restrictions no longer justified under the GATT; in this connexion the effect of such restrictions on the integrity of tariff concessions was stressed.

The view was expressed that the Council should recommend to the CONTRACTING PARTIES general procedures and machinery which would enable the objectives discussed at the sixteenth session to be met; these procedures would provide for the notification of restrictions, periodic reporting to the CONTRACTING PARTIES by the contracting party concerned and consultation. Certain members expressed the view that all restrictions that were maintained, and not only those which could no longer be justified on balance-of-payments grounds, should be notified; it was recognized, however, that if this were done, the question of the definition of notifiable restrictions would arise. On the other hand, there was considerable support for the proposal that the question should be approached on a purely practical basis and that the existing procedures of the General Agreement should continue to be used, at least until it became clear that these proceedings were not sufficiently effective. The urgent problem concerned the

application of residual restrictions by countries which had emerged from balance-of-payments difficulties. If lists of all restrictions maintained were submitted, the main problem would tend to be submerged by a mass of information about restrictions which were not inconsistent with the General Agreement. It was suggested that those contracting parties which applied import restrictions not justified under the General Agreement should submit lists of these restrictions for the information of all contracting parties. With the facts established interested contracting parties, using the existing GATT procedures, could proceed to consult on any particular item of interest to it with the contracting parties concerned; there was always the possibility of final recourse to the CONTRACTING PARTIES if necessary. It was recognized that the decision as to whether a restriction was contrary to GATT provisions rested with the contracting parties submitting the lists of restrictions, but the suggestion was made that contracting parties should also submit lists of restrictions which they applied but which they considered to be consistent with GATT provisions. One member suggested that the lists of restrictions not justified under the GATT should indicate which restrictions were applied discriminatorily.

It was agreed, with a view to furthering the work of the CONTRACTING PARTIES in connexion with import restrictions, to invite contracting parties to communicate lists of import restrictions which they apply contrary to the provisions of the General Agreement and without having obtained authorization from the CONTRACTING PARTIES.

(b) Review of "hard-core" Decision

Under the so-called "hard-core" Decision of 5 March 1955, requests for the concurrence of the CONTRACTING PARTIES in the maintenance, through a transitional period, of restrictions which were applied during a period of balance-of-payments difficulties, were to be submitted by the end of 1957. This time-limit has been extended on four occasions and now expires (in accordance with the Decision of 19 November 1959) on 31 December 1960. It was agreed in the Decision granting the last extension that the provisions of paragraph A.1 of the "hard-core" Decision would be reviewed at the seventeenth session of the CONTRACTING PARTIES.

It was generally recognized in the Council that there was a certain lack of logic in maintaining the "hard-core" Decision as formulated and that it was inconsistent with the original purpose of the Decision to extend it year after year. Nevertheless, most members who joined in the discussion felt that there was a case for further extending the Decision. It was pointed out that the Decision which, it should also be remembered, was part of a package deal at the Review Session, contained certain principles which were valuable for the guidance of contracting parties when they approached the problem of residual restrictions. At the present time there was still some uncertainty about what should be done to achieve the best progress in the field of residual restrictions. So far, no new procedures to deal with these restrictions had been formulated to replace those under the Decision. There would thus be virtue in not discontinuing the

Decision while the need for new procedures and the desirability of reaffirming in some way the important principles contained in the Decision was being examined in the coming months. One member made the point that, if the "hard-core" Decision were discontinued, a contracting party seeking its own "hard-core" waiver would require a two-thirds majority of the contracting parties, whereas the procedures under the existing Decision assumed the granting of waivers by a simple majority.

While it could not at this stage recommend to the CONTRACTING PARTIES that there should be no further extension of the "hard-core" Decision, the Council suggested that the CONTRACTING PARTIES examine at their seventeenth session, in connexion with their consideration of the question of residual restrictions, the appropriateness of the "hard-core" Decision in present circumstances.

(c) Procedures for implementation of Article XII:4(a)

When the Paris economic meetings had been under discussion in the Council (item 5) the Executive Secretary had referred to the feelings he had heard expressed at the time of the Paris meetings that, in the event of a decline in the existing high level of economic activity and a move towards the renewed use of quantitative restrictions, the OEEC procedures for the enforcement of the Code of Liberalization would have been a more effective deterrent than the procedures of the CONTRACTING PARTIES. In his view, serious consideration should be given by the CONTRACTING PARTIES to the question of improving the procedures for the implementation of Article XII:4(a), which would be the relevant Article in such a situation. Although the application of Article XII:4(a) by contracting parties had been unsatisfactory in the past, the procedures provided for in that paragraph were adequate if they were properly applied. What was required was an affirmation by contracting parties that, in the event of their having need to impose new balance-of-payments restrictions, or to intensify existing restrictions, they would resort to the procedures of Article XII:4(a) quickly, and for the CONTRACTING PARTIES to ensure that they would be able to deal expeditiously and effectively with the consultations provided for in that paragraph should the need arise.

The Council recognized the need for the CONTRACTING PARTIES to be in a position to deal effectively and quickly with the type of situation which could arise and with which the procedures of Article XII:4(a) were designed to deal. It was the Council's view that no new machinery or procedures were required. The Council had been established by the CONTRACTING PARTIES and could be convened at short notice to deal with the kind of situation under discussion.

The Council, recognizing that it was a matter of great importance that the CONTRACTING PARTIES should be able to consult at short notice with a contracting party having resort to the imposition of, or intensifying, import

restrictions in the circumstances envisaged in Article XII, agreed that the Council would be able, as in the case of other matters requiring urgent and speedy attention, to carry out, effectively and quickly, the consultations provided for in Article XVI:4(a).

7. Subsidies - action under Article XVI:4 (W.16/7 and L/1260)

At the sixteenth session the Executive Secretary distributed to contracting parties a proposal (W.16/7) which was aimed at gradually restricting the scope of remaining subsidies by applying the "standstill" on each yearly extension only to the subsidies actually in effect on the date of the extension. The discontinuance or reduction of a subsidy during the "standstill" would thus narrow the field covered by the declaration. More recently, the French Government expressed the view (L/1260) that the time had come to give full effect to the prohibition of export subsidies as envisaged in paragraph 4 of Article XVI and proposed that the CONTRACTING PARTIES take the appropriate action. The Council also had before it a document subsequently prepared by the secretariat (C/W/5) in which it was suggested that there should be both a declaration, open for signature by those contracting parties which felt able to accept the French proposal, and a Procès-verbal extending the "standstill", open for signature by those unable to accept the French proposal.

During the discussion in the Council there was considerable support for the French proposal. Inter alia, attention was drawn by certain members to the desirability of OEEC countries being able to harmonize their obligations in the various international organizations to which they belonged and to the need for the removal of any feeling that GATT provisions were not as effective as those of the OEEC. There was, however, more uncertainty about the detailed list of prohibited aids contained in the French proposal. While, on the one hand, the value of such a list over a period of years in the OEEC was stressed there was, on the other hand, concern lest the formulation of such a definitive list should fail to be comprehensive and exclude certain practices; for this reason, there was a large measure of support for the suggestion that any such list should be considered as being illustrative in character. One suggestion put forward for consideration was that there should not be a list and that the question be taken up when Article XVI was reviewed at the eighteenth session. A number of members felt that, in any case, the list in L/1260 should be submitted to a technical examination at the seventeenth session while there was also a feeling that the definition of the phrase "product other than a primary product" in Article XVI:4 needed clarification.

There was general agreement that it was desirable that the CONTRACTING PARTIES should take more effective action under the provisions of Article XVI:4 than in the past and that they should consider means of achieving this at their seventeenth session. To assist the CONTRACTING PARTIES in their consideration of this question, the Council requested the Executive Secretary to prepare and distribute to contracting parties the text of a draft declaration on the lines proposed in document C/W/5 and based upon the proposal by

the Government of France (L/1260) for the prohibition of export subsidies for products other than primary products, and also the text of a draft procès-verbal extending the "standstill" provisions of Article XVI:4 on the lines proposed in the note by the Executive Secretary in document W.16/7. As members of the Council were not, at this stage, in a position to take substantive decisions on this question, the distribution to contracting parties of the draft declaration and draft procès-verbal was not to be understood as representing a recommendation to the CONTRACTING PARTIES by the Council.

The Council agreed to recommend to the CONTRACTING PARTIES that a technical examination of the illustrative list of prohibited aids to exports, suggested in the French proposal (L/1260), be undertaken early in the seventeenth session, without prejudice to the final disposition of this matter. Further, the Council drew the attention of the CONTRACTING PARTIES to the possible need for a clarification of the phrase "product other than a primary product" in Article XVI:4 as read with the interpretative note to Section B of Article XVI. The Panel on subsidies would be a suitable body to examine these matters if its members were available.

#### 8. Anti-dumping and countervailing duties

At the sixteenth session the suggestion was made that the Group of Experts on anti-dumping and countervailing duties, which met in 1959 and again in 1960 and submitted reports to the fourteenth and sixteenth sessions, should be requested to undertake some further studies on behalf of the CONTRACTING PARTIES. It was agreed that this question of further work for the Group would be considered at the seventeenth session.

The view was put forward in the Council that, as new technical problems might be brought forward, and as questions arising in the technical field with which the Group of Experts had been concerned were probably not exhausted, the Group should be retained as a kind of standing committee which could be convened as required. While this view attracted a measure of support, there was rather more support for the suggestion that the Group, having completed the task for which it was established, should now be disbanded; concern was expressed lest the continuance of the Group might tend to result in it dealing with questions of policy. Further, there were other considerations to bear in mind, such as the continued applicability of the Group's original terms of reference, the availability of its members in the future, etc. A compromise suggestion was made that the Group might be kept in being but that, in the event of there being a wish to refer further problems to the Group, such reference should in the first instance be considered by the CONTRACTING PARTIES or the Council so that the appropriateness of the Group's terms of reference etcetera could be examined.

In view of the slight majority in favour of the disbandment of the Group of Experts, the Council agreed to recommend that the Group be discontinued. It was appreciated that a number of contracting parties felt that further problems might arise and they would be free to put forward at the seventeenth or any subsequent session any proposals they might have.

9. Consular formalities

Since a report being prepared by the secretariat on progress achieved towards compliance with the Recommendation of 7 November 1952 was not yet completed, it was agreed that consideration of this matter should be deferred until the seventeenth session.

10. Italian customs treatment for imports of Somalian products

At the sixteenth session the representative of Italy informed the CONTRACTING PARTIES that, at the seventeenth session, his Government would request a waiver of GATT obligations to permit Italy to accord special customs treatment to imports from Somalia. A memorandum containing Italy's request will be distributed shortly.

Following a statement to the Council by the representative of Italy, it was agreed that the following group should meet before the seventeenth session to examine Italy's request, together with an analytical note to be prepared by the secretariat, and report to the CONTRACTING PARTIES:

Brazil	Greece	Turkey
France	Israel	United Kingdom
Ghana	Italy	United States

11. Declaration on relations with Yugoslavia (C/W/3)

In accordance with Section C of the Declaration of 25 May 1959, the CONTRACTING PARTIES are required to review "the development of mutual relations between Yugoslavia and the other parties on the basis of this Declaration as well as the possibilities of further progress towards the full application of the provisions of the General Agreement".

The proposals (C/W/3) concerning the procedures and arrangements for the conduct of the review, distributed by the Executive Secretary, were approved. Accordingly -

- (a) The working party to conduct the review will be open to all signatories of the Declaration;
- (b) the review will have three aspects:
  - (i) developments in and possibilities for progress towards application of the GATT by Yugoslavia.
  - (ii) the extent to which contracting parties apply the GATT to Yugoslavia; and
  - (iii) concrete and practicable problems arising in trade with Yugoslavia;
- (c) the secretariat will consult with Yugoslavia and other parties to the Declaration and will prepare a factual document for the working party.

12. Acceptance of GATT under Article XXVI:4

It was agreed that consideration of this item should be deferred from the seventeenth to the eighteenth session of the CONTRACTING PARTIES.

13. Budgetary and administrative questions

(a) Budget estimates for 1961 (L/1262)

The Executive Secretary recalled that, at the sixteenth session, it was agreed that the present arrangements for administering the General Agreement were inadequate. Economic and financial developments in the world were confronting the CONTRACTING PARTIES with a broad range of important problems and making the role of the GATT of increasing significance. New countries were acceding to GATT. All this meant additional work for the secretariat and, because of the complexity and delicacy of many of the questions involved, placed an increasing burden on the senior members of the secretariat in particular. The Executive Secretary quoted statistics showing how the number of meetings and the volume of documentation issued by the secretariat had increased since 1958; there was expected to be a further increase in 1961. The expansion in the scope and depth of GATT's activities also required, at a high level, closer collaboration with other international organizations. It would be noted that the proposed increase in staff paid particular attention to the higher levels of the secretariat. Despite the increased expenditure now proposed in the budget, the budget was still small compared with those of other international organizations. Further, in view of the burden on the secretariat over the past few years, the proposed increase was largely taken up in making good past shortcomings. The Executive Secretary said he would welcome the appointment of a group to examine the budget proposals in detail before the seventeenth session.

There was general agreement in the Council that, as was recognized at the sixteenth session, there was need for an increase in the staff of the secretariat. As the activities of the CONTRACTING PARTIES increased it was logical that this should be reflected in additional expenditure and in an increase in the secretariat staff. However, despite the fact that the new budget proposals were still modest as compared with those of other international organizations, concern was expressed about the reception the proposed increases would have in national capitals; in this connexion the presentational aspect would be important. Suggestions were made that consideration should be given to phasing the increases over more than one year. It was also pointed out that the fact that all the new staff would not be recruited as from 1 January 1961 should enable cuts to be made in the proposed expenditure in that year. Although this was not a firm proposal for the immediate future, a suggestion was made that there might be merit in an early review of the administrative arrangements as a corollary to the recent review of the CONTRACTING PARTIES' organizational arrangements.

It was agreed that a meeting open to all interested contracting parties should be held before the seventeenth session to examine the budget proposals in detail and to afford the Executive Secretary an opportunity to give any further explanations that might be desired.

(b) Accommodation for the secretariat (L/1286)

At the sixteenth session the CONTRACTING PARTIES authorized the Executive Secretary "to examine the possibility of erecting temporary barracks on the grounds of Le Bocage together with the financial and other implications and to report to the Council".

The Council took note of the Executive Secretary's report in document L/1286 and, in particular, of the fact that the Executive Secretary would be approaching the Federal and/or Cantonal authorities with a view to negotiating an interest-free loan in the amount of 1 million Swiss francs to finance the temporary building for the secretariat. The Executive Secretary would report to the seventeenth session, at which time the question of the authorization asked for by the Executive Secretary in paragraph 12 of document L/1286 would be discussed.

14. Article XVIII - notification by Ceylon (L/1258)

At the sixteenth session the CONTRACTING PARTIES considered certain notifications by Ceylon under Section C of Article XVIII. With regard to one group of products covered by the notification, namely two items of textiles, the CONTRACTING PARTIES agreed that consultations should be initiated by Ceylon under paragraph 18 of Article XVIII with contracting parties having a substantial interest in the products in question. The Council was authorized to take the necessary action, in the light of the outcome of the consultations, to complete the procedures provided for in paragraph 18. Document L/1258 sets out developments in this regard since the sixteenth session as reported by the Government of Ceylon, together with the original notification on the products in question.

A Decision granting Ceylon the release requested under Article XVIII was adopted. The text of the Decision will be distributed in document L/1300.

15. Turkish tariff reform (L/1284)

At the request of the Government of Turkey this item was included on both the agenda for the session of the Council and the agenda for the seventeenth session of the CONTRACTING PARTIES. The intention of the Government of Turkey to reform the customs tariff, and the reasons therefor, together with Turkey's request for a waiver from the obligations of Article II, are set out in documents L/1268 and L/1284.

A statement made by the representative of Turkey, for the information of the Council, is being distributed in document L/1284/Add.1.

As this matter had been brought to its attention by Turkey for information only, the Council took note of documents L/1268 and L/1284 and of the statement made by the representative of Turkey. The Council wished to record for the future however that, when all the necessary information was available, it stood prepared to fulfil its function of examining requests for waivers, and to submit recommendations thereon to the CONTRACTING PARTIES.

16. Requests for accession (L/1285, L/1297)

The Council had before it requests concerning accession from Ireland (L/1285) and Argentina (L/1297). Both of these requests were welcomed by members of the Council. Statements made by the representatives of Ireland and Argentina are being distributed in documents L/1285/Add.2 and L/1297/Add.1.

It was suggested that these requests should be referred to the Tariff Negotiations Committee. However, doubts were expressed as to whether this Committee was the appropriate body to deal with applications of this sort, in view of the fact that it was primarily concerned with tariff matters whereas the examination of such applications would need to range over a much broader field. There was a general feeling that it would be more appropriate for working parties to be established to examine these requests.

The Council agreed to establish working parties to examine the requests by the Governments of Ireland and Argentina and to report to the seventeenth session of the CONTRACTING PARTIES, the working parties being composed of those contracting parties which notified the Executive Secretary of their desire to participate.

Noting that the requests for accession from Portugal and Spain, which had been received by the CONTRACTING PARTIES at the sixteenth session, had not been examined in detail, the Council agreed that working parties similarly constituted should be convened for the examination of these requests.

It was further agreed to recommend to the CONTRACTING PARTIES that the Council be entrusted with the task of processing any future applications for accession which are received when the CONTRACTING PARTIES are not in session.

#### 17. Brazilian tariff negotiations (L/1283)

At the sixteenth session the Government of Brazil was granted an extension of the time-limit in the Decision of 16 November 1956 for bringing into effect the results of the negotiations for a new Brazilian Schedule to the GATT. This extension was effective until 3 August 1960. On 1 August the Government of Brazil requested a further extension of one month and this was accorded by a telegraphic ballot. Thus the time-limit was extended until 2 September 1960 (see document L/1263). On 31 August the Executive Secretary received the communication reproduced in document L/1283 from the Government of Brazil.

During the discussion, several members whose governments had negotiated concessions with Brazil expressed regret and concern that it had not proved possible for Brazil to give effect to all the results of the negotiations. It was pointed out that this action had the effect of upsetting the balance of concessions. A number of members expressed the interest of their governments in entering into renegotiations with Brazil under Article XXVIII.

The Council agreed to recommend to the CONTRACTING PARTIES that the putting into effect of negotiated concessions, as notified by the Government of Brazil in its communication of 31 August 1960, should be considered as compliance with the terms of the waiver granted to Brazil thus substituting the new Schedule III for the previous Brazilian Schedule. While regretting that the Government of Brazil could not apply the negotiated rates of duty on

items listed in the Annex to the said communication, the Council welcomed the willingness expressed by the Brazilian Government to enter into renegotiations with the contracting parties affected. The Council agreed to recommend that the concessions which had not been applied should be regarded as having been withdrawn from the new Schedule III pursuant to paragraph 1 of Article XVIII and that renegotiations under Article XVIII should proceed as rapidly as possible. However, as this withdrawal had been effected in advance of such negotiations, this involved an irregularity which should be legalized by means of a waiver. Accordingly, the Council requested the Executive Secretary to distribute to contracting parties a draft of a decision giving effect to the foregoing recommendations for consideration by the CONTRACTING PARTIES at the seventeenth session.

18. Time-table for balance-of-payments consultations (L/1282)

The Council recognized that there would be administrative advantages if those contracting parties invoking Article XVIII:B, which were required to consult once in every two years, were divided into two groups so that there would be a comparable number of consultations taking place each year. Accordingly it was agreed to defer the consultations with Burma, Indonesia and Turkey until 1961, as proposed in paragraph 4 of document L/1282.

The representative of Turkey stated that his Government would have been fully prepared to consult during the forthcoming round of consultations in October, although it would not object to the proposed deferment of Turkey's consultation until 1961.

The time-table for consultations, to be held in October/November 1960, contained in document L/1282 was approved. The Council noted that, while the consultation with Chile would be initiated during the forthcoming round of consultations, it would not be completed during that round.

19. Provisional agenda for the seventeenth session of the CONTRACTING PARTIES

The Council reviewed the agenda for the seventeenth session. Following discussion it was agreed:

- (a) to defer the working party on the LAMTA until the early part of the seventeenth session as all the required documentation would not be available for a meeting prior to the session;
- (b) to defer the next annual review under Article XVIII:6 until the eighteenth session;
- (c) to defer until 1961 the consultation with Nicaragua required under the Decision of 20 November 1959 relating to certain proposed increases in Nicaraguan import duties, it having been reported to the Council that Nicaragua had so far not made use of the waiver and had continued to apply rates specified in Schedule XXX.

- (d) to invite those contracting parties which had not yet submitted their reports under waivers to do so as soon as possible, so as to enable other contracting parties to make an adequate examination of the reports before the seventeenth session.

The Council noted the statement of the representative of the Commission of the EEC that the information to be provided by representatives of the Community at the seventeenth session under the agenda item "European Economic Community" would be, as at past sessions, in principle an oral statement and that he could not undertake, therefore, to have the text of the statement distributed to contracting parties in advance as had been proposed at the sixteenth session.

The representative of Chile made a statement, for the information of the Council, indicating that the economic effects of the disasters which had struck Chile in the recent past, would make it necessary for his Government, at the seventeenth session, to request an extension of the time-limit provided for in the Decision of 27 May 1959 permitting the ~~imposition~~ of import surcharges. The Council recognized the grave nature of the circumstances which gave rise to Chile's request and expressed the hope and expectation that the request would be considered sympathetically by the CONTRACTING PARTIES at the seventeenth session.

The representative of France informed the Council that his Government would be submitting a document concerning certain aspects of the trading relations between France and Morocco for consideration by the CONTRACTING PARTIES at the seventeenth session.