

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

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## APPLICATION OF GATT SCHEDULES

### Expiry of Declaration of 10 March 1955

#### Note by the Executive Secretary

1. The Declaration of 10 March 1955 on the Continued Application of the Schedules, whereby the signatory contracting parties agreed not to invoke, *vis-à-vis* one another, the provisions of Article XXVIII, will expire on 31 December 1957. When that Declaration was opened for signature, it was hoped that the Protocol amending the Preamble and Parts II and III of the General Agreement, containing a revised text of Article XXVIII, would enter into force before the expiration of the Declaration. This has not yet occurred. If this Protocol (and therefore the revised Article XXVIII) enters into force, the period of firm validity of the schedule of each signatory contracting party will be extended for concessions negotiated with other signatories. But for the concessions which were negotiated by or with contracting parties which have not signed the Protocol the period of firm validity will come to an end on 31 December 1957, and in order to protect these concessions and to extend their validity for a further period it would be desirable to afford an opportunity for these contracting parties to accept a declaration on the lines of that of 10 March 1955.

2. It would, therefore, appear desirable for the Intersessional Committee<sup>1</sup> to recommend to the CONTRACTING PARTIES that a new declaration be drawn up at the Twelfth Session and be opened for signature by all contracting parties, or, if by that date Article XXVIII (revised) has entered into force, by contracting parties which will not at that time have accepted the Protocol amending Article XXVIII. If the Committee should decide to proceed in this manner the Executive Secretary might be instructed to submit a draft declaration for approval by the Committee at its meeting in September.

3. A question that should be settled before September, however, concerns the negotiations for the modification or withdrawal of concessions which various contracting parties may wish to carry out, either under the procedures of Article XXVIII (revised) - if in force for them - or before accepting a prolongation of the assured life of their schedules for a further period. The Committee may wish to consider recommending to the CONTRACTING PARTIES that arrangements be made for the conduct of such negotiations. Such arrangements might appropriately be based on the rules and procedures which will

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<sup>1</sup> This question has been included in the Agenda for the meeting of the Intersessional Committee commencing on 24 April (see GATT/AIR/109).

apply when the revised Article XXVIII enters into force. If the Committee should decide to make such a recommendation it could be submitted to the contracting parties for approval by postal ballot.

4. Note 3 to paragraph 1 of Article XXVIII (revised) requires that items for renegotiation should be notified "not earlier than six months, nor later than three months, prior to 1 January 1958", but in view of the heavy timetable of the CONTRACTING PARTIES in the last four months of 1957, the Committee may wish to recommend that notifications be submitted to the Executive Secretary as early as possible and at the latest by 15 July. Early notification should enable many of the contracting parties to proceed with their negotiations during the summer, thus reducing the additional burden which would otherwise fall on the delegations attending the Twelfth Session. Although the procedures under the revised Article XXVIII allow contracting parties to notify items for renegotiation up to 30 September, the Committee might express the hope that all contracting parties will co-operate by giving earlier notification as suggested.

5. If the Committee decides to recommend that notifications be requested by 15 July, it might also recommend that all claims of "principle supplying interest" and of "substantial interest" should be notified to the "applicant contracting party" and to the Executive Secretary not later than 1 September. Any disputed claims would be reported without delay to the Executive Secretary so that they could be examined by the Intersessional Committee during September.

6. Further, the Committee might recommend that representatives of all the contracting parties participating in the negotiations should assemble in Geneva on 1 October with a view to completing as many as possible of the negotiations before the opening of the Twelfth Session on 17 October. However, the Executive Secretary might be authorized in the event of the scope of these negotiations being extensive, to invite the participating governments to send their negotiators to Geneva early in September.