

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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DECISIONS, DECLARATIONS AND RECOMMENDATIONS

Decisions etc., of the CONTRACTING PARTIES
between the end of the Thirteenth Session
and the end of the Fourteenth Session
(November 1958 - May 1959)

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Note: These Decisions etc., will be published in the Eighth Supplement to the BISD in January 1960. This document will be derestricted on 30 July 1959.

DECISIONS

1. ADJUSTMENT OF CERTAIN SPECIFIC DUTIES
IN SCHEDULE XXXVII (TURKEY)
(Decision of 10 April 1959)¹

Considering that the Government of Turkey, consistently with the Articles of Agreement of the International Monetary Fund, on 4 August 1958 introduced a new foreign exchange system which resulted, by the application of an exchange surcharge of 6.20 Turkish liras per United States dollar, in an effective exchange selling rate of 9.0252 Turkish liras per United States dollar or an increase of 219.45 per cent in the number of liras equivalent to one United States dollar as compared with the situation on 21 April 1951, the date of the Torquay Protocol, when the official selling rate was 2.8252 Turkish liras per United States dollar; and

Considering that the Government of Turkey has presented a request to the CONTRACTING PARTIES under Article II:6(a) for the proportionate adjustment to this new rate of certain specific duties on items contained in its Schedule XXXVII, listed in the Annex to this Decision;

The CONTRACTING PARTIES

Decide that the Government of Turkey may give effect to this proportionate adjustment, consisting in the multiplication by not more than 3.1945 of the specific rates of duty listed in the Annex to this Decision, on the condition that if, on or before 20 April 1959 a contracting party shall have declared, together with reasons therefor, that the adjustment of any of these duties would impair the value of a concession provided for in Schedule XXXVII, the Government of Turkey will defer such adjustment pending consultation with the contracting party concerned. If, after such consultation, the claim concerning impairment is maintained, the question shall be decided by the CONTRACTING PARTIES or by the Intersessional Committee.

¹ Adopted by postal ballot.

ANNEX

List of Items Contained in Schedule XXXVII in which the
Turkish Government Proposes to Adjust the Rate of Duty

<u>Turkish Tariff Item No.</u>	<u>Description of Products</u>	<u>Specific Rate of Duty</u>
		<u>LT</u>
27.10-c-3) 34.03)	Machine oils 100 kgs. nett	2.61
27.06	Tars 100 kgs. nett	2.61
27.14	Residucs 100 kgs. nett	2.61
37.04 .06 .07	Cinematograph films, (exposed) 1 kg. gross	9.14
	Timber 100 kgs. gross	
ex 44.05-a	Cedar (sawn or split)	1.50
	Fine, fir and other woods: 100 kgs. gross Pitprops:	
ex 44.03-b	Pine	0.01
44.03-b	Fir, beech	0.01
44.03-b	Other wood	0.01
ex 44.05-b	Pine, fir, labdanum (sawn or split)	0.25

2. RELATIONS WITH THE
FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA
(Decision of 25 May 1959)

Considering that the Government of Yugoslavia has stated that it desires to enjoy the benefits and advantages of the General Agreement on Tariffs and Trade and with this in view to undertake as soon as possible the obligations under the General Agreement and to seek accession pursuant to Article XXXIII;

Considering that the Government of Yugoslavia, however, is not at present in a position to assume all the obligations involved in accession to the General Agreement;

Noting the desire of the Government of Yugoslavia to develop its existing policies so as to enable it increasingly to assume the full obligations of the General Agreement and thus to create a basis for the consideration of an application for accession under Article XXXIII; and

Desiring meanwhile to establish closer trading relations with Yugoslavia on a reciprocal and mutually advantageous basis:

The CONTRACTING PARTIES

Decide

1. To open the following Declaration for acceptance by Yugoslavia and by contracting parties to the General Agreement.¹
2. From the date of entry into force of the said Declaration, to invite the Government of Yugoslavia to participate in sessions of the CONTRACTING PARTIES and of subsidiary bodies established by the CONTRACTING PARTIES.
3. To accept such functions as are necessary for the operation of the said Declaration after it has entered into force.

This Decision shall continue in effect subject to the provisions of Parts IV and V of the Declaration.

¹ See page 19 for the text of the Declaration.

3. APPLICATION OF THE GENERAL AGREEMENT TO TUNISIA

Extension of Period of Validity of
Recommendation of 22 November 1957
(Decision of 25 May 1959)

The CONTRACTING PARTIES agreed that the period of validity of the Recommendation of 22 November 1957¹ concerning the application of the General Agreement to Tunisia should be extended until two weeks after the commencement of the fifteenth session.

¹ BISD Sixth Supplement, page 10.

4. CHILEAN IMPORT CHARGES
(Decision of 27 May 1959)

Considering that the Government of Chile notified the CONTRACTING PARTIES on 15 April 1959 that the economic, monetary and budgetary situation of Chile had progressively deteriorated to such an extent that radical reform was necessary; and that the International Monetary Fund has confirmed that Chile was in a weak balance-of-payments position and that its foreign exchange reserves, particularly when considered in the light of medium and short-term foreign obligations, stood at a very low level;

Considering that in the view of the Government of Chile the first essential step was to halt inflation which had so developed as to nullify the Government's efforts to protect the value of its currency, to finance the budget expenditures, to achieve balance-of-payments equilibrium and to maintain the purchasing power of incomes and the standard of living of the population, and that, in its view, one very important method of checking inflation at the source was to raise the level of fiscal revenue by increasing existing internal charges, introducing new taxes and temporarily applying additional charges on imports;

Noting that it is the firm intention of the Government of Chile to abolish all import restrictions and in the near future to rely on the sole protection of tariffs and, during the transitional period covered by this Decision, to replace import prohibitions by prior deposits and then the latter progressively by import surcharges which will in no case exceed 200 per cent and that it is not the intention of the Government of Chile to impose on any product both a surcharge and a prior deposit;

Noting further the statement of the representative of the Government of Chile that in his view the new system will be less restrictive of imports and less detrimental to the trade interests of the other contracting parties than the system now in force;

Noting that the Government of Chile intends to carry out in 1960 the necessary re-negotiations under Article XXVIII of the General Agreement in order to apply the new Chilean tariff as from 1 January 1961 and that the system of surcharges on imported goods will be discontinued by the time the new tariff enters into force; and

Considering, however, that the imposition of surcharges is inconsistent with the provisions of Article II of the General Agreement insofar as the surcharges are applied to products specified in Schedule VII;

The CONTRACTING PARTIES, acting pursuant to the provisions of paragraph 5 of Article XXV of the General Agreement and in accordance with the procedures adopted by them on 1 November 1956:

Decide to waive, subject to the terms and conditions laid down hereafter and in view of the statements of the Government of Chile referred to above, the provisions of paragraph 1 of Article II to the extent necessary to allow the Government of Chile to maintain, as an emergency measure designed to overcome the existing threat to its monetary reserves and to ensure the success of its stabilization programme, surcharges additional to the import duties provided for in Schedule VII - Chile, which shall be applied in a manner consistent with the provisions of Article I of the General Agreement.

1. The surcharges levied on the importation of products described in Schedule VII shall not exceed the ceiling indicated by the Government of Chile and referred to in the preamble to this Decision.
2. They shall be progressively reduced or suppressed and shall be maintained only to the extent that the circumstances giving rise to their imposition still justify their application. The Government of Chile will endeavour to reduce and eliminate first the surcharges maintained on products described in Schedule VII. All surcharges maintained under this Decision shall be eliminated before 1 January 1961.
3. In the application of the surcharges maintained under this Decision, the Government of Chile shall take appropriate measures to avoid unnecessary damage to the commercial or economic interests of other contracting parties and impairment to regular channels of trade.
4. The Government of Chile shall notify the secretariat of the CONTRACTING PARTIES as well as contracting parties through diplomatic channels of any action taken under this Decision. If any contracting party considers that the imposition of any surcharges under this Decision would be unduly restrictive and that damage to its trade is threatened or caused thereby, it may make representations to the Government of Chile which shall accord sympathetic consideration to such representations and afford that contracting party adequate opportunity for consultation.
5. If such consultation does not lead to satisfactory results, the contracting party concerned may request the CONTRACTING PARTIES to invite Chile to enter into consultations with them. If, as a result of these consultations with the CONTRACTING PARTIES, no agreement is reached and they determine that the effect of the surcharges is unduly restrictive and that serious damage to the trade of the contracting party initiating the procedure is threatened or caused thereby, the contracting party initiating the procedure will be released from its obligation to apply to the trade of Chile concessions initially negotiated with Chile to the extent that the CONTRACTING PARTIES determine to be appropriate in the circumstances.

5. UNITED STATES IMPORT RESTRICTIONS ON LEAD AND ZINC

Further Extension of the Time-limit in Paragraph 3(a)
of Article XIX for Notification by Contracting Parties of
any Suspension of Obligations or Concessions in connexion
with the Imposition under Article XIX by the United States
of Restrictions on Imports of Lead and Zinc
(Decision of 27 May 1959)

Considering that, on 22 September 1958, the Government of the United States invoked Article XIX to impose restrictions on imports of lead and zinc;

Considering that, in order to permit the continuance of consultations between the United States and contracting parties concerned, the CONTRACTING PARTIES, on 22 November 1958, extended until the opening day of the fourteenth session the period within which contracting parties might avail themselves, in the event of the failure of such consultations, of their right to suspend equivalent obligations or concessions pursuant to paragraph 3(a) of Article XIX; and

Considering that the aforementioned consultations have not been completed;

The CONTRACTING PARTIES

Decide that the period prescribed in paragraph 3(a) of Article XIX shall be further extended until the last day of the fifteenth session.

6. ARTICLE XXVIII RE-NEGOTIATIONS NOTIFIED PRIOR TO
31 DECEMBER 1957

Further Extension of Closing Date
(Decision of 27 May 1959)

The CONTRACTING PARTIES agreed that the closing date for the re-negotiations for the modification or withdrawal of concessions, which had been notified, pursuant to the provisions of Article XXVIII, prior to 31 December 1957, should be further extended to the end of the fifteenth session.

7. PARTICIPATION OF ISRAEL IN THE WORK OF THE
CONTRACTING PARTIES
(Decision of 29 May 1959)

Considering that the Government of Israel has made a request to the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade to accede to the General Agreement in accordance with the provisions of Article XXIII and is ready to enter into tariff negotiations with contracting parties to that end;

Considering that a tariff conference is to be convened commencing in 1960 and that it will be more convenient to arrange for tariff negotiations between contracting parties and Israel to be held during that conference;

Noting that the Government of Israel undertakes that the tariff negotiations with contracting parties shall be based upon rates of duty no higher than those of the Israeli customs tariff at present in force, that the import surcharges, no higher than the rates at present in force, shall be treated as a part of the customs tariff for purposes of the negotiations, and that if any lower rates of duty or surcharge are in force at the time of the opening of the negotiations such lower rates shall provide the basis for negotiation on the products concerned;

Desiring that the Government of Israel shall meanwhile be associated with the discussions and deliberations of the CONTRACTING PARTIES;

Noting that a number of contracting parties intend that, pending the accession of Israel pursuant to Article XXIII, commercial relations between them and Israel shall be based upon the provisions of the General Agreement, in accordance with the Declaration of 29 May 1959; and

Considering that the said Declaration requests the CONTRACTING PARTIES to perform certain functions comparable in nature to their functions under the General Agreement;

The CONTRACTING PARTIES

Decide:

1. to invite the Government of Israel to participate in sessions of the CONTRACTING PARTIES and of subsidiary bodies established by the CONTRACTING PARTIES;
2. to accept such functions as are necessary for the operation of the Declaration referred to in the preamble to this Decision; and

3. to make arrangements for tariff negotiations between contracting parties and Israel during the tariff conference commencing in 1960 on the basis of the undertaking of the Government of Israel referred to in the third paragraph of the preamble to this Decision.

This Decision shall continue in effect until the accession of Israel following tariff negotiations with contracting parties or until 31 December 1961, whichever date is earlier, unless the CONTRACTING PARTIES agree to extend it to a later date.

8. CUSTOMS TARIFF OF THE FEDERATION OF RHODESIA AND NYASALAND

Further Extension of Time-limit
in Decision of 3 December 1955
(Decision of 29 May 1959)

Considering that on 20 November 1958¹ the CONTRACTING PARTIES decided that the time-limit, set in sub-paragraphs (ii) and (iii) of paragraph (b) in the Decision of 3 December 1955², for the completion of the process of adjustment of preferences in the trade agreement concluded by the Federation of Rhodesia and Nyasaland, and Australia on 30 June 1955, shall be extended to 1 July 1959; and

Considering that, although the negotiations between Australia and the Federation of Rhodesia and Nyasaland are likely to be concluded by 1 July 1959, it will not be possible for the governments concerned to complete all the required procedures before that date;

The CONTRACTING PARTIES, acting pursuant to paragraph 5 of Article XXV of the General Agreement,

Decide: to extend the date for the completion of the process of adjustment until the end of the fifteenth session.

¹ BISD Seventh Supplement, page 40.

² BISD Fourth Supplement, page 17.

9. WAIVER GRANTED TO BRAZIL IN CONNEXION WITH
THE INTRODUCTION OF A NEW CUSTOMS TARIFF

Further Extension of Time-limit
in Decision of 16 November 1956
(Decision of 29 May 1959)

Considering that in their Decision of 16 November 1956¹, the CONTRACTING PARTIES reserved the possibility to extend, upon application by the negotiating contracting parties concerned, the period granted to Brazil within which the tariff negotiations were to be completed and the results put into effect;

Considering that the Intersessional Committee, pursuant to authority conferred upon it by the CONTRACTING PARTIES at their twelfth session, extended this period until 31 July 1959;

Considering that Brazil and the other negotiating parties have, in their final report submitted to the CONTRACTING PARTIES, recommended a further extension of the afore-mentioned period; and

Noting that the Brazilian Government has agreed with other negotiating contracting parties with which it has completed negotiations to give effect to the results of such negotiations as soon as possible;

The CONTRACTING PARTIES, acting pursuant to paragraph 5 of Article XXV of the General Agreement,

Decide: further to extend until the close of their fifteenth session the time-limit provided in paragraph 1 of the Decision of 16 November 1956.

¹ BISD Fifth Supplement, page 36.

10. PROVISIONAL ACCESSION OF SWITZERLAND

Extension of Closing Date for Signature of Declaration
(Decision of 29 May 1959)

The CONTRACTING PARTIES agreed, notwithstanding the provisions of paragraph 7 of the Declaration on the provisional accession of Switzerland, to authorize the Executive Secretary to receive acceptances of the Declaration up to the end of the fifteenth session.

11. AUSTRALIAN TREATMENT OF PRODUCTS OF PAPUA-NEW GUINEA

Amendment to Decisions of 24 October 1953
and 13 November 1956
(Decision of 30 May 1959)

Considering that the CONTRACTING PARTIES, by their Decision of 24 October 1953¹, as amended by their Decision of 13 November 1956², waived the provisions of paragraphs 1 and 4 (b) of Article I of the General Agreement to the extent necessary to permit the Government of Australia to grant or continue to accord duty-free treatment to primary products of the territory of Papua-New Guinea and to products of that territory substantially derived from such primary products not then specified in Schedule I to the General Agreement, without regard to the rates of duty applicable to like products of any other contracting party;

Noting that the text of paragraph 1 of the Decision of 24 October 1953, as amended by the Decision of 13 November 1956, would debar the Government of Australia from having recourse to that Decision with respect to products which are specified in Schedule I to the General Agreement but for which the rates of customs duty or the margin of preference have not been bound; and

Recognizing that it was not their intention when they took the above Decision that Australia should remove such products from Schedule I before having recourse to the above Decision;

The CONTRACTING PARTIES, acting pursuant to paragraph 5 of Article XXV of the General Agreement,

Decide: that paragraph 1 of the Decision of 24 October 1953, as amended by the Decision of 13 November 1956, shall be amended to read:

"1. Subject to the provisions of paragraphs 2 and 3 of this Decision, the provisions of paragraphs 1 and 4 (b) of Article I of the General Agreement shall be waived to the extent necessary to permit the Government of Australia to grant or continue to accord duty-free treatment to primary products of the territory of Papua-New Guinea and to products of that territory substantially derived from such primary products for which no rate of customs duty or margin of preference is specified in Schedule I to the General Agreement, without regard to the rates of duty applicable to like products of any other contracting party."

¹ BISD Second Supplement, page 18.

² BISD Fifth Supplement, page 34.

12. GERMAN IMPORT RESTRICTIONS
(Decision of 30 May 1959)

Considering that

(1) at their twelfth session the CONTRACTING PARTIES, on the basis of the findings of the International Monetary Fund regarding monetary reserves and balance of payments of the Federal Republic of Germany, decided that the Federal Republic was no longer entitled to maintain import restrictions under Article XII;

(2) the Federal Republic contends that it is entitled to maintain restrictions on imports of products specified in the Agricultural Marketing Laws because (a) the German Marketing Laws impose on the German executive mandatory requirements for the application of restrictions on imports and (b) in any case this legislation does not need to impose a mandatory requirement in order to be covered by paragraph 1(a)(ii) of the Torquay Protocol; but most contracting parties do not accept this contention; and

(3) the Federal Republic believes that the sudden removal of restrictions on certain imports both in the agricultural and industrial fields would cause serious injury to the domestic industries concerned which could be avoided if the removal of the restrictions were spread over a period of time;

Taking note that

(1) the Federal Republic, since the date of the findings and decision referred to above, has consulted with the countries principally concerned and has from time to time proceeded by successive stages to reduce the number of import restrictions still maintained by it;

(2) the Federal Republic intends to take the further measures of liberalization set out in Annex A to this Decision;

(3) restrictions on products listed in Annex C will be progressively relaxed and liberalized in accordance with the terms and conditions set forth in that annex;

(4) the Federal Republic is ready to make all possible efforts to reduce the number of restrictions still maintained and, therefore, to lessen the scope of the problem; and

Note: The Annexes to the Decision are not reproduced. The text of the Decision including the Annexes will be circulated shortly.

(5) in particular, when reviewing the Marketing Laws, the Federal Republic will seek to ensure that any measures applied to products covered by these laws are consistent with the General Agreement;

The CONTRACTING PARTIES, acting pursuant to paragraph 5 of Article XXV of the General Agreement,

Decide:

that, without prejudice to the legal questions referred to in the second paragraph of the preamble to this Decision and subject to the conditions and procedures set out hereunder, the Federal Republic of Germany may, notwithstanding the provisions of Article XI, maintain restrictions on products enumerated in Annexes B, D and E (Marketing Law negative list) to this Decision;

The conditions and procedures referred to above are:

(1) Restrictions maintained on the products listed in Annex D shall be administered as to impose no practical impediment to imports from any contracting party to the General Agreement - that is to say - that these products shall be the subject of unlimited global tender arrangements without restrictions as to quantity or source of supply

(2) Restrictions on the products covered by this Decision shall be subject to the following terms and conditions:

(a) The Government of the Federal Republic, in the application of the Marketing Laws and within the limitations imposed by those laws, will endeavour to establish conditions which will afford increasing opportunities of access to the German market for the products concerned. In this connexion, the Federal Republic will accord sympathetic consideration to representations made by interested contracting parties. The Federal Republic will keep the restrictions on products in Annex E under constant review with the object of liberalizing as many as possible of the products on the de facto basis set out in paragraph (1) of these conditions and procedures.

(b) As regards the products listed in Annex B the Federal Republic will keep the restrictions on these products under constant review and will use its best endeavours to remove such restrictions at the earliest possible date, and, meanwhile, endeavour to improve conditions of access to the German market for all contracting parties, according sympathetic consideration to such representations as interested contracting parties may make to the Federal Republic.

(c) The restrictions covered by this Decision shall be administered in accordance with the relevant provisions of the General Agreement. As envisaged in paragraph 2 (d) of Article XIII, in cases in which a quota is allocated among supplying countries, the Federal Republic shall consult with all other contracting parties having a substantial interest in supplying the product concerned with respect to the allocation of shares in the quota.

(3) The Federal Republic shall consult with the CONTRACTING PARTIES annually regarding the application of this Decision, for the first time at the fifteenth session, and in particular report on the progress achieved in the relaxation or elimination of the restrictions maintained on the products listed in Annexes A to E.

(4) The present Decision shall remain in effect until the close of the first regular session of the CONTRACTING PARTIES after it shall have been in effect for three years.

The CONTRACTING PARTIES

Declare that this Decision shall not preclude the right of affected contracting parties to have recourse to the appropriate provisions of Article XXIII.

DECLARATIONS

13. RELATIONS WITH THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA
(Declaration of 25 May 1959)

A

The Government of Yugoslavia hereby declare:

1. (a) That it will take as a basis for its commercial relations with the other parties to this Declaration the objectives of the General Agreement on Tariffs and Trade (hereinafter referred to as the "General Agreement") and to the extent compatible with its current economic system will apply the provisions of the General Agreement;

(b) that it recognizes that the development of mutually advantageous trading relationships depends upon the achievement of an equitable balance of rights and obligations as envisaged in the provisions of the General Agreement;

2. (a) that it will give sympathetic consideration to any representations, which may be addressed to it by any other party to this Declaration concerning the implementation of the undertaking contained in paragraph 1 above and will be prepared to enter into consultations concerning such representations;

(b) that, if such consultations do not result in a settlement satisfactory to such party, it agrees to the matter being referred to the CONTRACTING PARTIES to the General Agreement (hereinafter referred to as the "CONTRACTING PARTIES") for their opinion and advice;

(c) that it will take part in any discussions which the CONTRACTING PARTIES might initiate when they are called upon by another party to give an opinion or advice on the grounds that bilateral consultations undertaken at the request of the said party had not resulted in a satisfactory settlement being reached;

3. That it will endeavour, in the development of arrangements affecting its commercial policies, to move progressively toward a position in which it can give full effect to the provisions of the General Agreement.

B

The parties to the present declaration, other than Yugoslavia, hereby declare:

1. (a) that they will take as a basis for their commercial relations with Yugoslavia the objectives of the General Agreement;

(b) that, to the extent that Yugoslavia, pursuant to paragraph 1 of Part A above, accords the treatment provided for in the General Agreement, they will accord to Yugoslavia such treatment as will achieve an equitable balance of rights and obligations as envisaged in the General Agreement;

2. (a) that they will give sympathetic consideration to any representations, which may be addressed to them by the Government of Yugoslavia concerning the implementation of the undertaking contained in paragraph 1 above of this Part and will be prepared to enter into consultations concerning such representations;

(b) that, if such consultations do not result in a settlement satisfactory to Yugoslavia, they agree to the matter being referred to the CONTRACTING PARTIES for their opinion and advice;

(c) that they will take part in any discussions which the CONTRACTING PARTIES might initiate when called upon by Yugoslavia to give an opinion or advice on the grounds that bilateral consultations undertaken at the request of Yugoslavia had not resulted in a satisfactory settlement being reached;

3. that they will request the CONTRACTING PARTIES:

(a) to take note of this Declaration;

(b) to invite the Government of Yugoslavia to take part in the work of the CONTRACTING PARTIES; and

(c) to undertake the functions set out in paragraphs 2(b) and (c) of Part A above and in paragraphs 2(b) and (c) above of this Part.

C

The parties to this Declaration agree to request the CONTRACTING PARTIES to review each year 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.

D

1. This Declaration, which has been approved by the CONTRACTING PARTIES by a two-thirds majority, shall be open for acceptance, by signature or otherwise, by Yugoslavia, by contracting parties to the General Agreement, and by any governments which accede provisionally to the General Agreement.

2. This Declaration shall enter into force when it has been accepted by Yugoslavia and by two-thirds of the contracting parties to the General Agreement.

3. In the course of the third annual review, pursuant to Part C above, the CONTRACTING PARTIES shall consider whether the arrangement shall be terminated, modified or continued.

E

The Government of Yugoslavia or any other party to this Declaration shall be free to withdraw from this arrangement upon sixty days' written notice being given to the Executive Secretary of the CONTRACTING PARTIES:

(a) If Yugoslavia should withdraw from this arrangement, the Declaration shall lapse and any arrangements made by the CONTRACTING PARTIES shall cease to be valid.

(b) If a party to this present Declaration other than Yugoslavia should withdraw from this arrangement, the sole effect of such withdrawal shall be to terminate the undertakings entered into by such party in respect of Yugoslavia and to terminate the undertakings entered into by Yugoslavia in respect of such party under this Declaration.

F

1. This Declaration shall be deposited with the Executive Secretary of the CONTRACTING PARTIES.

2. The Executive Secretary of the CONTRACTING PARTIES shall promptly furnish a certified copy of this Declaration, and a notification of each acceptance thereof, to each government to which this Declaration is open for acceptance.

DONE at Geneva, this twenty-fifth day of May, one thousand nine hundred and fifty-nine, in a single copy, in the English and French languages, both texts authentic.

14. PROVISIONAL ACCESSION OF ISRAEL
(Declaration of 29 May 1959)

The Government of Israel and the other governments on behalf of which this Declaration has been accepted (the latter governments hereinafter referred to as the "participating governments");

Considering that the Government of Israel on 26 March 1959 made a formal request to accede to the General Agreement on Tariffs and Trade (hereinafter referred to as the "General Agreement") in accordance with the provisions of Article XXXIII of the General Agreement; and

Having regard to the desire of many contracting parties to the General Agreement to conduct the tariff negotiations with Israel, which it is considered should precede accession under Article XXXIII, during the tariff conference to be held in 1960 and 1961, arrangements for which are being made by the CONTRACTING PARTIES to the General Agreement (hereinafter referred to as the "CONTRACTING PARTIES"):

1. Declare that, pending the accession of Israel under the provisions of Article XXXIII, following the conclusion of tariff negotiations with contracting parties to the General Agreement, the commercial relations between the participating governments and Israel shall be based upon the General Agreement as if the provisions of the model protocol of accession approved by the CONTRACTING PARTIES on 23 October 1951, were embodied in this Declaration, except that Israel shall not have any direct rights with respect to the concessions contained in the schedules annexed to the General Agreement either under the provisions of Article II or under the provisions of any other Article of the General Agreement.
2. Request the CONTRACTING PARTIES to perform such functions as are necessary for the operation of this Declaration.
3. This Declaration, which has been approved by the CONTRACTING PARTIES by a two-thirds majority, shall be opened for acceptance, by signature or otherwise, by Israel, by contracting parties to the General Agreement, and by any governments which accede provisionally to the General Agreement.
4. This Declaration shall be deposited with the Executive Secretary of the CONTRACTING PARTIES to the General Agreement.
5. The Executive Secretary of the CONTRACTING PARTIES to the General Agreement shall promptly furnish a certified copy of this Declaration, and a notification of each acceptance thereof, to each government to which this declaration is open for acceptance.

6. This Declaration shall become effective between Israel and any participating government on the thirtieth day following the day upon which it shall have been accepted on behalf of Israel and of that government; it shall remain in force until the Government of Israel accedes to the General Agreement under the provisions of Article XXXIII thereof or until 31 December 1961, whichever date is earlier, unless it has been agreed by Israel and the participating governments to extend its validity to a later date.

Done at Geneva this twenty-ninth day of May one thousand nine hundred and fifty-nine, in a single copy in the English and French languages, both texts authentic.

RECOMMENDATIONS

15. FREEDOM OF CONTRACT IN TRANSPORT INSURANCE
(Recommendation of 27 May 1959)

Taking note of the Resolution of the United Nations Economic and Social Council at its fifteenth session (Resolution 468 H (XV) of 16 April 1953) and of the studies and reports of the Secretary General of the United Nations and of the Executive Secretary of the CONTRACTING PARTIES on restrictive measures in regard to transport insurance and their effect on international trade;

Considering that measures adopted by certain countries which restrict the freedom of buyers and sellers of goods to place transport insurance on the most economic basis create, in certain circumstances, obstacles to international trade in that they increase costs of goods entering into international trade;

Recognizing that most countries regulate the activities of insurance firms operating on their territory and that national regulation of such activities which addresses itself to the solvency, reliability, prudence and legal accountability of particular firms does not itself constitute an interference to the freedom of traders in the transport insurance field and therefore does not of itself create obstacles to international trade; and

Taking note of the desire of countries that do not have a sufficiently developed and effective national insurance business to take such measures as they consider necessary to foster such a business;

The CONTRACTING PARTIES

Recommend that in the formulation of national policies in the field of transport insurance, governments should endeavour to avoid measures that would have a restrictive effect on international trade,

Recommend that this matter be regarded as a subject of interest to the CONTRACTING PARTIES, and

Request governments to report to the Executive Secretary any information relevant to the subject matter of this Recommendation not previously reported to him.