

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/2798

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ACCESSION OF IRELAND

Report of the Working Party

1. At the twenty-second session, the CONTRACTING PARTIES made arrangements for the participation of six governments, which were not contracting parties, in the Kennedy Round of trade negotiations, and for the examination of their applications for full accession on the basis of the results of those negotiations. For the latter purpose a working party was to be set up with respect to each application to examine any matters concerning the terms of accession which were not directly related to the trade negotiations and to prepare a draft protocol of accession.
2. On 11 April 1964 the Government of Ireland informed the CONTRACTING PARTIES that "they would be glad to avail themselves of the opportunity afforded by the forthcoming Trade Negotiations Conference to renew discussions on the terms on which they may accede to the General Agreement" (L/2212).
3. The Working Party on the Accession of Ireland met on 23 and 25 May 1967.
4. The Working Party had before it the following documents to serve as a basis for its examination:
 - (i) the Report of the Working Party which examined Ireland's application in 1960 (BISD, 9th Supplement, page 55);
 - (ii) Information on Ireland's Commercial Policy and Regulations (L/1285 and addenda);
 - (iii) the Report on the United Kingdom/Ireland Free-Trade Area (BISD, 14th Supplement, page 122);
 - (iv) A Statement on Trade Policy, Relations and Structure (L/2792).
5. The Working Party first addressed itself to the two questions which had been left unresolved at the time of the discussions held in the 1960 Working Party:
 - (i) certain problems relating to tariff preferences granted by Ireland;
 - (ii) the imposition or maintenance of quantitative restrictions by Ireland which are not motivated by balance-of-payments reasons.

Preferences

6. The representative of Ireland said that with respect to preferences the greater part of the difficulties which had existed in 1960 had been resolved by the entry into force of the United Kingdom/Ireland Free-Trade Area Agreement. Ireland did, however, maintain some preferences in favour of the United Kingdom on goods which were not covered by the Free-Trade Area Agreement. Ireland also granted preferences to other countries of the Commonwealth Preferential Area. In the case of Canada and South Africa certain preferences were on a contractual basis but those contractual rights were being adjusted, in agreement with Canada and South Africa, in order to make them consistent with the obligations Ireland would assume under the General Agreement. With respect to preferences the representative of Ireland stated that his Government would, upon becoming a contracting party, consider itself bound by the provisions of the General Agreement and, in particular, of paragraph 4 of Article I. This latter undertaking covered, of course, margins of preference representing proportions of the most-favoured-nation rate. He reiterated that in accordance with the provisions of Article I, Ireland would consider all margins of preference as bound in absolute terms on the base date.

7. It was agreed that the base date for the purpose of paragraph 4 of Article I should be the date of the Protocol of Accession of Ireland.

Quantitative restrictions

8. With respect to quantitative restrictions imposed by his Government, the representative of Ireland recognized the importance which the CONTRACTING PARTIES attached to the removal of such measures and assured the Working Party that his Government would comply with the procedures which are followed by contracting parties. It would be his Government's aim to abolish, as circumstances permitted, any quantitative restrictions on imports from contracting parties except where the continued application of the restrictions could be justified under the provisions of the General Agreement. He recalled that in recent years his Government had lifted controls on certain industrial products. In the Anglo-Irish Free-Trade Agreement Ireland undertook to remove the remaining quantitative restrictions on industrial goods of British origin. Some of these were abolished on the coming into operation of the Agreement on 1 July 1966 and it was decided that, with one exception, the abolition would be on a global basis. The remaining restrictions on industrial goods of British origin are to be removed over the transitional period which ends on 1 July 1975. In some cases these quotas are being gradually increased and the enlargements made to date have been done on a global basis. Ireland's aim is to continue this process. Restrictions on agricultural products would also be examined periodically by the Irish authorities with a view to eliminating those restrictions which could not be justified under the provisions of the General Agreement, but bearing in mind the special considerations which in the view of the Government of Ireland required action to support agricultural income.

9. In reply to a member of the Working Party the representative of Ireland re-affirmed that Ireland could subscribe to the provisions of the General Agreement relating to quantitative restrictions. A list of the quantitative restrictions applied by Ireland would be supplied in due course.

10. The hope was expressed that Ireland would do her utmost to relax and remove the quantitative restrictions at present in force which were contrary to the provisions of the General Agreement, and that progress could be made in this direction in a non-discriminatory manner so that favourable export opportunities would be offered to all contracting parties. The representative of Ireland took note and repeated his assurances that all such measures would be kept under review with these objectives in mind.

11. Asked to explain the meaning of the last sentence of paragraph 2 of document L/2792 relating to "duty-free imports under licence" from the United Kingdom, the representative of Ireland said that such licences were for the importation of goods free of duty or at a reduced rate of duty and were distinct from licences for the importation of goods subject to quantitative restrictions. Details of Ireland's preferential obligations in regard to duty-free licences were given in paragraph 9 of Annex I to document L/2792.

Other matters

12. It was pointed out that contracting parties had in the past carried out consultations with Committee II on their agricultural policy. The question was asked whether Ireland would be prepared to do the same and, if so, when. The representative of Ireland replied that if this was an established procedure his Government would comply with it.

13. Since Ireland would upon accession apply the GATT under the terms of the Protocol of Provisional Application, it was suggested that it would be useful for reference purposes if Ireland were to notify any mandatory legislation which was inconsistent with provisions contained in Part II of the General Agreement. The representative of Ireland agreed to submit a notification in this sense.

14. The representative of Ireland informed the Working Party that Ireland had at present no specific anti-dumping legislation. They were however engaged in drafting such legislation which would comply with the provisions of Article VI and would take into account the recently drafted Anti-Dumping Code.

15. Having carried out the examination of the foreign trade régime of Ireland and in the light of the assurances given by Ireland, the Working Party reached the conclusion that, subject to the satisfactory conclusion of the relevant tariff negotiations, Ireland should be invited to accede to the General Agreement under the provisions of Article XXXIII. For this purpose the Working Party has prepared a draft Protocol, annexed to this report. It is proposed that this text be approved by the Council when it approves this report.

When the tariff negotiations between Ireland and contracting parties in connexion with the accession have been concluded, the resulting Schedule of Ireland would be annexed to the Protocol, while concessions granted by contracting parties would be contained in the 1967 Geneva Protocol, and on the instructions of the Council a Decision would then be submitted to a vote by contracting parties in accordance with Article XXXIII. When the Decision is adopted, the Protocol would be open for acceptance and Ireland would become a contracting party thirty days after it accepts the Protocol.

16. The Working Party recommends further that the Council instruct the Trade Negotiations Committee and its subsidiary body, the Legal Drafting Group, to examine the draft Protocol, to make any formal changes which might be required to link the Protocol of Accession to the Protocol embodying the results of the current trade negotiations. In the meantime and taking into account the timetable of meetings the Chairman of this Working Party is asked to present this Report to the Legal Drafting Group for the latter's information.

ANNEX

Draft Protocol for the Accession of Ireland

The governments which are contracting parties to the General Agreement on Tariffs and Trade (hereinafter referred to as "contracting parties" and "the General Agreement", respectively), the European Economic Community and the Government of Ireland (hereinafter referred to as "Ireland").

HAVING regard to the results of the negotiations directed towards the accession of Ireland to the General Agreement,

HAVE through their representatives agreed as follows:

Part I - General

1. Ireland shall, upon entry into force of this Protocol pursuant to paragraph 6, become a contracting party to the General Agreement, as defined in Article XXXII thereof, and shall apply provisionally and subject to this Protocol:

- (a) Parts I, III and IV of the General Agreement, and
- (b) Part II of the General Agreement to the fullest extent not inconsistent with its legislation existing on the date of this Protocol.

The obligations incorporated in paragraph 1 of Article I by reference to Article III and those incorporated in paragraph 2(b) of Article II by reference to Article VI of the General Agreement shall be considered as falling within Part II for the purpose of this paragraph.

- 2. (a) The provisions of the General Agreement to be applied by Ireland shall, except as otherwise provided in this Protocol, be the provisions contained in the text annexed to the Final Act of the second session of the Preparatory Committee of the United Nations Conference on Trade and Employment, as rectified, amended or otherwise modified by such instruments as may have become at least partially effective on the day on which Ireland becomes a contracting party; provided that this does not mean that Ireland undertakes to apply a provision of any such instrument prior to the effectiveness of such provision pursuant to the terms of the instrument.
- (b) The date of 10 April 1947, referred to in paragraph 4 of Article I of the General Agreement in relation to preferences in respect of import duties or charges permitted by paragraph 2(b) of that Article, shall be replaced in respect of Ireland by [the date of this Protocol].

- (c) In each case in which paragraph 6 of Article V, sub-paragraph 4(d) of Article VII, and sub-paragraph 3(c) of Article X of the General Agreement refer to the date of that Agreement, the applicable date in respect of Ireland shall be the date of this Protocol.

Part II - Schedule

3. The schedule in the Annex shall, upon the entry into force of this Protocol, become a Schedule to the General Agreement relating to Ireland.
4. (a) In each case in which paragraph 1 of Article II of the General Agreement refers to the date of that Agreement the applicable date in respect of each product which is the subject of a concession provided for in the schedule annexed to this Protocol shall be the date of this Protocol.
- (b) For the purpose of the reference in paragraph 6(a) of Article II of the General Agreement to the date of that Agreement, the applicable date in respect of the schedule annexed to this Protocol shall be the date of this Protocol.

Part III - Final Provisions

5. This Protocol shall be open for signature by Ireland until 1 July 1968. It shall also be open for signature by contracting parties and by the European Economic Community.
6. This Protocol shall enter into force on the thirtieth day following the day upon which it shall have been signed by Ireland.
7. Signature of this Protocol by Ireland shall constitute final action to become a party to each of the following instruments:
- (i) Protocol Amending Part I and Articles XXIX and XXX, Geneva, 10 March 1955;
 - (ii) Fifth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 3 December 1955;
 - (iii) Sixth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 11 April 1957;
 - (iv) Seventh Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 30 November 1957;
 - (v) Protocol Relating to the Negotiations for the Establishment of New Schedule III - Brazil, Geneva, 31 December 1958;

- (vi) Eighth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 18 February 1959; and
- (vii) Ninth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 17 August 1959.

8. Ireland, having become a contracting party to the General Agreement pursuant to paragraph 1 of this Protocol, may accede to the General Agreement upon the applicable terms of this Protocol by deposit of an instrument of accession, with the Director-General. Such accession shall take effect on the day on which the General Agreement enters into force pursuant to Article XXVI or on the thirtieth day following the day of the deposit of the instrument of accession, whichever is the later. Accession to the General Agreement pursuant to this paragraph shall, for the purposes of paragraph 2 of Article XXXII of that Agreement, be regarded as acceptance of the Agreement pursuant to paragraph 4 of Article XXVI thereof.

9. Ireland may withdraw its provisional application of the General Agreement prior to its accession thereto pursuant to paragraph 8 and such withdrawal shall take effect on the sixtieth day following the day on which written notice thereof is received by the Director-General.

10. This Protocol shall be deposited with the Director-General who shall promptly furnish a certified copy thereof and a notification of each signature thereto, pursuant to paragraph 5, to each contracting party, to the European Economic Community and to Ireland.

11. This Protocol shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

Done at Geneva this [] day of [] one thousand nine hundred and sixty-seven, in a single copy, in the English and French languages, except as otherwise specified with respect to the schedule annexed hereto, both texts being authentic.