

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

IC/SR.13

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Ad Hoc Committee on Agenda  
and Intersessional Business

## SUMMARY RECORD

of the Meeting held at the Palais des Nations, Geneva,  
on 26 July 1954 at 3 p.m.

Chairman: Mr. L. Dana WILGROSS (Canada)

- Subjects discussed:
1. Co-option of Members
  2. Agenda for the Meeting
  3. Agenda for the Ninth Session.

The CHAIRMAN, declaring the meeting open, expressed his satisfaction with the large attendance which was proof of strength and of the importance of the agenda. The Ninth Session, he said, would open a new chapter in the history of the General Agreement. On the agenda was the review of the Agreement which would require careful preparation. Their deliberations were, however, important also in many other respects. The Agreement had proved to be of the greatest value in determining commercial policy questions and the CONTRACTING PARTIES were the only international body of a world-wide character which could deal with such matters. The changing character of world trade meant additional responsibilities which required a strengthening of the Agreement and the rules under which they operated would have to be strengthened in view of the signs of a disquieting tendency for some contracting parties to ignore their obligations.

The Chairman announced the death on 11 July of Mr. Ernest Lecuyer and said he felt sure he would be voicing the feelings of all present in asking the French Delegation to convey their sympathy to Mr. Lecuyer's family. Mr. Lecuyer had been an ardent supporter of the General Agreement and a most able leader of French Delegations to its meetings.

Mr. DONNE (France) said the French Delegation was very moved by the Chairman's remarks and would convey the Committee's expression of sympathy to Mrs. Lecuyer.

### 1. CO-OPTION OF MEMBERS

In accordance with the rules of procedure, the Committee acceded to the request of five contracting parties that their representatives should be co-opted as full members of the Committee for the present meeting of the Committee, namely Belgium, the Dominican Republic, Greece, New Zealand and Uruguay.

## 2. AGENDA FOR THE MEETING

The Committee approved the agenda, as set out in IC/W/25/Rev.1, with the addition of two items proposed by the representatives of New Zealand and the United States requesting an opportunity to renegotiate certain items in their schedules.

## 3. AGENDA FOR THE NINTH SESSION

The CHAIRMAN explained that the outline of the agenda for the Ninth Session of the CONTRACTING PARTIES (which appeared in the annex to IC/W/25) included only those items which appeared regularly in the Seasonal Agenda and those which it had been agreed at the Eighth Session should be brought forward to the Ninth. In addition, the Provisional Agenda, which the Executive Secretary would issue in September, would include any items which contracting parties might propose.

The Committee agreed to the inclusion of the Provisional Agenda for the Ninth Session of the items listed by the Executive Secretary and approved the indicated documentation. The following items were the subject of special comment.

### (a) Balance-of-Payment Import Restrictions

#### (i) Consultations under Article XIV:1(g)

The CHAIRMAN said that in March, when consultations had been initiated under Article XIV:1(g), the Federal Government of Rhodesia and Nyasaland had asked the CONTRACTING PARTIES not to press for a consultation in 1954 as no unified system of restrictions had yet been established. More recently, however, a comprehensive licensing system and an import programme had been introduced by the Federal Government. In view of the new situation the Federal Government might now wish to take advantage of the facilities offered by Article XIV to consult with the CONTRACTING PARTIES as to the continued application of discriminatory restrictions. The Committee might recommend that the request to initiate a consultation should be accepted even though several months had elapsed since the time fixed in Article XIV for the initiation of such consultations.

The Committee agreed to the Chairman's suggestion.

#### (ii) Annual Report on Discrimination

The CHAIRMAN recalled that statements on the discriminatory application of import restrictions maintained under Article XII were to be sent to the secretariat by 14 July. So far only seven contracting parties had submitted statements.

The EXECUTIVE SECRETARY, drawing attention to the limited number of statements received, felt that the Committee might authorize him to ask the countries which had not replied to do so at an early date so that he could proceed to prepare the draft of the report before the opening of the Session.

It was so agreed.

(b) Nationality of Imported Goods, Consular Formalities, and Documentary Requirements

On the suggestion of Mr. BROWN (United States), the Executive Secretary was authorized to remind contracting parties of the necessity of keeping to the specified dates for the submission of statements on these matters.

(c) Annual Report of the European Coal and Steel Community.

The CHAIRMAN suggested that in order that the Second Annual Report by the Member States might be examined by a working party early in the Session it was essential that the report should be received by 15 September. That would allow time for the contracting parties to study the report in advance of the Session. As instructed by the CONTRACTING PARTIES, the Executive Secretary would prepare a note, similar to that submitted last year, to facilitate the examination of the annual report.

The Executive Secretary was instructed to ask the Member States to submit their report by the date mentioned.

Mr. BROWN (United States) said he was sure a note by the Executive Secretary would be helpful to the CONTRACTING PARTIES in their examination of the annual report.

(d) Southern Africa Customs Union

In reply to Mr. Botha (South Africa) the EXECUTIVE SECRETARY agreed that the two aspects of the question: the Fifth Annual Report of the Southern Africa Customs Union Council and the plan and schedule for the completion of the Customs Union should appear on the Agenda as separate items.

(e) Nicaragua - El Salvador Free-Trade Area

The CHAIRMAN said that the Third Annual Report by the Government of Nicaragua, which was due on 30 June, had not been received and a reminder had been sent to the Government of Nicaragua.

(f) Rectification of Schedules

The CHAIRMAN suggested that the working party on schedules should complete its work early in the Session. In order that the secretariat might be able to prepare a draft protocol of rectifications and modifications for circulation with the Provisional Agenda, it was necessary to fix a closing date for contracting parties to notify the changes which they wished to make in their schedules.

It was agreed that the contracting parties be asked to submit any rectifications they might wish to propose by 1 September.

(g) Status of Schedules after 30 June 1955

The CHAIRMAN said that members of the Committee might have an informal exchange of views on the situation which would arise when the undertaking contained in the Declaration on the Continued Application of Schedules expires on 30 June 1955. The Declaration was in force for all contracting parties except Brazil. Some contracting parties had indicated that they would wish to enter into negotiations to modify or withdraw some of the concessions contained in their schedules and to introduce these changes on 1 July 1955. Since it would not be possible to arrange for a general round of tariff negotiations before July 1955 the CONTRACTING PARTIES, if they thought it desirable that the assured life of the schedules should be further prolonged, might wish to provide an opportunity, as had been done at Torquay, for governments to negotiate limited modifications of their schedules before the expiry of the assured life. In that event it would seem desirable that all such negotiations, in order that they should have their usual multilateral character, should be held at one time and in one place.

Mr. STEYN (South Africa) said he would support a proposal for an opportunity to make limited modifications of schedules and suggested that renegotiations should take place during the Ninth Session or immediately after.

Mr. BROWN (United States) and Mr. REISMAN (Canada) thought it would be difficult to come to any conclusion at this meeting and therefore the question should be left until the Ninth Session.

After a discussion in which Mr. Seidenfaden (Denmark), Mr. Isik (Turkey), Mr. Hadji Vassiliou (Greece), Baron Bentinck (the Netherlands), Mr. Vargas Gomez (Cuba) and Mr. Sanders (United Kingdom) took part, the CHAIRMAN proposed that the members of the Committee should have an informal (unrecorded) exchange of views after the accession of Japan and the French plan for tariff reduction had been discussed, but that the question should be left for formal consideration at the Session.

The Committee agreed to this proposal.

(h) Discrimination in Transport Insurance

The CHAIRMAN recalled that the Executive Secretary had been asked to prepare a report on the issues involved in the question referred to the CONTRACTING PARTIES by the ECOSOC, and to assist him in that task contracting parties had been asked to furnish information. Replies had been received from twelve governments and a more detailed questionnaire had been issued on 23 June (L/204). Those which had already submitted statements had been asked to consider whether they could supplement the information given. The Secretary-General of the United Nations had issued a similar enquiry to Statesmembers of the United Nations which were not contracting parties and statements had been received from Syria and Thailand.

Mr. SANDERS (United Kingdom) said that his Government was interested in the question and would submit its views at a later date.

(1) Restrictive Business Practices

The CHAIRMAN said that the Secretary-General of the United Nations had been asked to submit recommendations to the Economic and Social Council, not later than its Nineteenth Session, on the administration of the proposed convention on restrictive business practices; and he had intimated that he would seek the advice of the contracting parties. It was expected that the Nineteenth Session of the Council would be held early in 1955. If the Secretary-General's enquiry was received in time it could be dealt with by the CONTRACTING PARTIES at their Ninth Session, but if not arrangements should be made for intersessional action.

Mr. SANDERS (United Kingdom) said he expected his Government would have views to express when the item came up for discussion and suggested that the Secretary-General be asked to submit his enquiry in time to enable the item to be discussed at the Ninth Session.

The EXECUTIVE SECRETARY said that he had inserted the item tentatively because he felt it would be useful to give contracting parties ample notice of the possibility that the Secretary-General might make his enquiry, in which case the matter would have to go on the agenda.

Mr. SANDERS (United Kingdom) said that if an enquiry was to be addressed to the CONTRACTING PARTIES, he felt the Secretary-General should be informed that the CONTRACTING PARTIES would need to receive it at their Ninth Session.

Mr. BROWN (United States) did not agree with Mr. Sanders. The draft convention had been submitted to governments for comments; so far only two governments had taken the trouble to reply. Therefore, it seemed premature to place the matter on the agenda of the CONTRACTING PARTIES before the Secretary-General had made his inquiry.

Mr. DONNE (France) supported the views of Mr. Sanders. He did not think discussion was premature; on the contrary, there was a danger that the discussion in the CONTRACTING PARTIES might be too long delayed.

Mr. FINNMARK (Sweden) supported the views of the representatives of the United Kingdom and France.

Mr. BROWN (United States) said he still found it difficult to see how the work of the CONTRACTING PARTIES, which would precede the lengthy discussions on the review of the Agreement, could possibly gain by having such a vague item on the agenda. He suggested that they should return to the matter if the need arose following an enquiry from the Secretary-General.

Mr. REISMAN (Canada) favoured approaching the Secretary-General to find out whether his request would be made. If the reply was in the affirmative it should be suggested to him that the CONTRACTING PARTIES would wish to receive it as early as possible.

Mr. SUIETENS (Belgium) supported the views of the representatives of the United Kingdom, France and Sweden for the reasons already expressed and also for reasons of courtesy towards the Secretary-General who had said he would ask the opinion of the CONTRACTING PARTIES. No difficulty would arise if the inquiry were not forthcoming.

Mr. SANDERS (United Kingdom) added that if the matter were to be taken up in the Economic and Social Council it was important that the opinion of the CONTRACTING PARTIES be heard in those deliberations.

Mr. SEIDENFADEN (Denmark) felt that among the proposals which would be submitted by contracting parties in connection with the review, there would certainly be some which would relate to the administration of this Convention and this would necessarily lead to a discussion of the question.

Mr. AZIZ AHMAD (Pakistan) proposed that the Executive Secretary prepare a paper setting out the implications for the CONTRACTING PARTIES of the administration of the Convention by them.

The CHAIRMAN suggested that the item remain on the draft agenda in square brackets and that the Executive Secretary be authorized to ascertain, when the time came to prepare the Provisional Agenda, whether an enquiry would be received: if the reply was in the affirmative, the square brackets should be deleted; if there was any doubt, the item should be retained in square brackets; if no enquiry from the Secretary-General should be received, the item should be deleted. If the item were included in the Provisional Agenda without the brackets, the Executive Secretary would prepare the necessary documentation.

It was so agreed.

(j) Article XVIII - Notification by Uruguay (GATT/CP.3/40/Add.4)

The CHAIRMAN said that the item in question was placed in square brackets because no supporting statement had yet been received from the Government of Uruguay.

Mr. DOMINGUEZ (Uruguay) said he would request that the necessary documentation be sent as soon as possible.

(k) Complaints

In connection with the complaints examined at the Eighth Session, six of which were being brought forward for further consideration at the Ninth Session, the CHAIRMAN called attention to the complaint regarding the 0.4 per cent French tax on imports and exports which the CONTRACTING PARTIES had considered as

settled following French assurances that the necessary steps were being taken for the abrogation of the measure. In view of the fact that there had been no abrogation and that the rate of tax had been raised to 0.75 per cent, the Committee might wish to consider whether they would wish the matter to reappear on the Provisional Agenda.

Mr. DONNE (France) said that the French Government had tabled a bill for the abolition of the tax but that no action had been taken on it by the French Parliament. On 31 March 1954 a new scheme had been proposed and the question was still under discussion. He hoped that a satisfactory solution would shortly be found, but had no objection to the inclusion of the item on the Provisional Agenda.

The Committee agreed that this complaint should be included in the agenda and that the French Government should be asked to submit a report on the action taken.

(1) New Items proposed by Governments

- (i) French special Import Taxes
- (ii) Swedish Anti-dumping Duties
- (iii) Turkish Import Bonuses

The Committee agreed to the inclusion in the Provisional Agenda of the three items proposed by Mr. Notarangeli (Italy), who submitted a memorandum on each for circulation to the contracting parties.

(m) United States Subsidy on Exports of Oranges

Mr. NOTARANGELI (Italy) recalled that the CONTRACTING PARTIES at the Eighth Session, on a complaint concerning the United States subsidies on oranges, had recommended consultations between interested parties. He hoped that a satisfactory solution would be reached in the bilateral talks, but if this did not occur before the Ninth Session he would wish to have the question on the Agenda.

Mr. BROWN (United States) said he could not predict the outcome of the discussions and would have no objection to the inclusion of this item on the Agenda if no solution were reached.

The Committee agreed to add this item to the Provisional Agenda.

The meeting adjourned at 6 p.m.