

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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CONTRACTING PARTIES  
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## EUROPEAN FREE-TRADE AREA PROPOSALS

### Proposal by the Australian Delegation

When this question was discussed in plenary meeting on 18 November (SR.12/16), the Chairman asked the Australian delegation to prepare the draft of the mandate to be given to the Intersessional Committee in following developments and reporting to the CONTRACTING PARTIES on the negotiations for the formation of a European free-trade area. The following draft has been submitted by the Australian delegation:

"The consensus of the contracting parties is that the negotiation of a European free-trade area is of major significance to both European and world trade. Any formal instrument embodying an agreement for a European free-trade area would need to be placed before the CONTRACTING PARTIES for consideration under the relevant provisions of the General Agreement. In view of the important trading relationships and obligations under the General Agreement which European countries have with other contracting parties, it would be desirable that the CONTRACTING PARTIES be kept informed of developments in the negotiations for a free-trade area and for any formal instrument to be made available to the CONTRACTING PARTIES before ratification. This would facilitate subsequent consideration in GATT and permit the views of other contracting parties to be taken into consideration by the countries participating in the free-trade area.

"Accordingly, the Intersessional Committee is requested to maintain contact, by the most appropriate means, with the negotiations providing for the formation of a European free-trade area, to act on behalf of the CONTRACTING PARTIES in any consultations which may be arranged with OEEC during the intersessional period and to report to the next Session of the CONTRACTING PARTIES.

"The OEEC countries are urged to co-operate with the Intersessional Committee by providing information and entering into such discussion with the Intersessional committee from time to time as may be necessary to enable the Committee to report adequately to the CONTRACTING PARTIES."