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ORIGINAL: ENGLISH

GENERAL AGREEMENT ON TARIFFS AND TRADE
Contracting Parties
Second Session
Item 15 on the Provisional Agenda

DRAFT AGREEMENT ON MOST-FAVORED-NATION
TREATMENT FOR OCCUPIED AREAS OF WESTERN GERMANY

Proposed by the Government of the United States

Being desirous of facilitating to the fullest extent possible the reconstruction and recovery of the world from the destruction wrought by the recent war, and

Believing that one of the most important steps toward such reconstruction and recovery on a permanent basis is the restoration of international trade in accordance with the principles of the Charter for an International Trade Organization drawn up by the United Nations Conference on Trade and Employment at Havana and dated March 24, 1948,

The signatories agree to the following provisions:

Article I

For such time as any signatory of this Agreement participates in the occupation or control of any area in western Germany, each of the signatories shall accord to the merchandise trade of such area the treatment provided for in the most-favored-nation provisions of the General Agreement on Tariffs and Trade, dated October 30, 1947, as now or hereafter amended.

Article II

The undertaking by a signatory provided for in Article I shall apply to the merchandise trade of any area referred to therein only for such time and to such extent as such area accords reciprocal most-favored-nation treatment to the

merchandise trade of the territory of such signatory.

Article III

The undertaking in Article I is entered into in the light of the absence, on the date of this Agreement, of effective or significant tariff barriers to imports into the areas referred to therein. In the event that effective or significant tariff barriers are thereafter imposed in any such area, such undertaking shall be without prejudice to the application by any signatory of the principles relating to the reduction of tariffs on a mutually advantageous basis which are set forth in the Havana Charter for an International Trade Organization.

Article IV

1. This Agreement shall remain open for signature at the Headquarters of the United Nations. The Agreement shall enter into force for each signatory on the day of signature by such signatory.

2. The undertakings in this Agreement shall remain in force until January 1, 1951 and, except for any signatory which at least six months before January 1, 1951 shall have deposited with the Secretary-General of the United Nations a notice in writing of intention to withdraw from this Agreement on that date, they shall remain in force thereafter subject to the right of any signatory to withdraw upon the expiration of six months from the date on which such a notice shall have been so deposited.

Article V

1. The interpretative note to this Agreement shall constitute an integral part thereof.

2. The original of this Agreement shall be deposited with the Secretary-General of the United Nations, who shall

