

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/W/16

1 March 1961

Special Distribution

COUNCIL

22 February - 3 March 1961

CONCLUSIONS REACHED BY COUNCIL

Drafts

The following drafts of conclusions reached by the Council on certain items of its agenda are submitted for approval. (It should be understood that in the minutes of the Council's meeting these conclusions will in each case be preceded by a short statement of the question under discussion and by a note on the trend of the discussion.)

Item 2: Provisional accession of Switzerland

It was agreed that the consultations with Switzerland in accordance with the terms of the Declaration on the Provisional Accession of Switzerland should be continued. For this purpose, a small group of contracting parties, drawn mainly from important agricultural exporters to the Swiss market was appointed, with the following membership:

Australia	Netherlands
Canada	New Zealand
Denmark	United States
France	Uruguay

Other contracting parties which considered that they had an important interest in the products covered by Switzerland's reservation in the Declaration would be free to participate in the work of the group.

The group would meet on 6 and 7 April. It was felt that it should be possible for the group, at that meeting, to suggest a time-table for the completion of the discussions with Switzerland, after which it would submit a report either to a meeting of the Council or to a session of the CONTRACTING PARTIES, whichever was the earlier.

Item 5: Uruguayan import surcharges

It was noted that the delegation of Uruguay had transmitted to the secretariat a list of the bound items affected by the surcharges, as well as the text of the Decree of 29 September 1960 imposing the surcharges, and that these would be circulated to contracting parties as soon as possible. It was agreed that, in view of the limited time available, it would not be possible to deal with this item at the present meeting of the Council and that it should be discussed at the next meeting of the Council. In the meantime, the Executive Secretary was requested to invite the International Monetary Fund to consult with the CONTRACTING PARTIES in connexion with this question.

Item 7: Import restrictions - procedures

1. It was agreed that:

- (a) the import restrictions to be notified by contracting parties in accordance with paragraph 7 of the procedures in L/1394 should be the following:
 - (i) those import restrictions which, in the judgment of the notifying government, are inconsistent with the provisions of the General Agreement and in respect of which no authorization has been obtained from the CONTRACTING PARTIES;
 - (ii) import restrictions which are as described in (i) but the maintenance of which, in the judgment of the notifying government, is permitted under the terms on which that government is applying provisionally the General Agreement;
- (b) any contracting party, when requested to do so by another contracting party, should promptly supply the CONTRACTING PARTIES with information on any restriction which has not been included in the list submitted under paragraph 7 of the procedures.

2. It was agreed that contracting parties should be invited to communicate their lists of restrictions to the Executive Secretary by 1 May 1961. It was further agreed that the effectiveness of the above procedure will be reviewed at a later date.

Item 9: Paris economic meetings

It was agreed that this item should be retained on the agenda for the next session of the CONTRACTING PARTIES, subject to further discussion on the matter by the Council at its meeting prior to that session. In the meantime, the Executive Secretary would consult with the Secretary-General of the OECD on the question of when, and how, the proposed activities of the OECD in the trade field and the relationship between the OECD and the GATT could best be discussed.

Item 10: Completion of renegotiations under Article XXVIII:1

It was agreed that the closing date for the completion of renegotiations under Article XXVIII:1 should be extended beyond 31 March 1961. The new closing date would be decided upon at the meeting of the Council on 28 March.

Item 13: Committee on Market Disruption

The Council welcomed the fact that Mr. Grandy (Canada) was prepared to serve as Chairman for a further meeting of the Committee. It was agreed that, after that meeting, the Council would review the question of the chairmanship of the Committee.

New Zealand was added to the membership of the Committee.

Items 14 and 15: Arrangements for eighteenth and nineteenth sessions of CONTRACTING PARTIES

It was agreed as follows:

- (a) that the Council should meet on 28 March to consider whether to recommend that the session of the CONTRACTING PARTIES scheduled to be held in May 1961 should be cancelled and that instead a meeting of the Council should be held at that time;
- (b) that, if it were decided to hold the session of the CONTRACTING PARTIES in May, the Council would meet just prior to the session to examine the session's agenda with a view to the retention on the agenda of the more important items (such as the Programme for Expansion of Trade), others to be dealt with as appropriate by the Council; the duration of the session would be adjusted accordingly;
- (c) that, at its meeting on 28 March, the Council would give further consideration to the question of a Ministerial meeting in the autumn of 1961. If it were agreed that a Ministerial meeting should be held at that time, the Council would also consider when it should meet again to discuss and put in hand the necessary preparations for such meeting.

It was noted that a special session of the CONTRACTING PARTIES could always be convened at three weeks' notice should urgent circumstances, e.g. developments in connexion with the Tariff Conference, warrant it.

Item 16: Future work of Council

The following conclusions relate to the discussion in the Council on 28 February on some of the Executive Secretary's proposals concerning the future work of the Council contained in document C/4.

Disposal of commodity surpluses

It was agreed that the procedure for dealing with this question proposed by the Executive Secretary in document C/4 should be tried for an experimental period; accordingly contracting parties which had disposed of commodity surpluses since the seventeenth session would be invited to submit reports by 1 September 1961. These reports, which would cover the disposal of commodity surpluses, the liquidation of strategic stocks and disposals from stocks otherwise held by government agencies, should either give details of such disposals or should make precise reference to the documentation of other international organizations where these activities were described. From the information thus provided the secretariat would prepare a document which would be considered by the Council at its meeting in September. Following this consideration the Council would recommend to the CONTRACTING PARTIES what aspects of this question, if any, should be discussed by the CONTRACTING PARTIES at their session in November 1961.

Reports under waivers

It was agreed that:

(a) in 1961, the reports under agricultural waivers should be considered by the CONTRACTING PARTIES at their November session and not by the Council prior to that session. The Council recommended, however, that the CONTRACTING PARTIES should consider authorizing the Council to deal with such reports in future years.

(b) It was agreed that the examination of the Saar and United Kingdom waivers and the review of the Italy/Libya waiver should be carried out by the Council at its meeting in September. The contracting parties concerned were requested to submit the relevant reports to the secretariat before 1 September.

Consultations with Yugoslavia and Poland

It was agreed that, as an experiment, the consultation with Yugoslavia would be carried out by the Council at its meeting in September; it would be open to the Council to decide the most appropriate method of work for this task. Depending on the results of that experiment, the Council would recommend to the CONTRACTING PARTIES, either that the first annual consultation with Poland under

the Declaration of 9 November 1959 should be considered during a session of the CONTRACTING PARTIES, or that future consultations with both Yugoslavia and Poland should be conducted by the Council.

Finance and administration

It was agreed that:

- (a) a Budget Working Party would meet prior to the Council meeting preceding the session of the CONTRACTING PARTIES at which the budget was to be considered in order to examine the budgetary and administrative proposals of the Executive Secretary. The report of the Working Party would be considered by the Council and would then be submitted, together with the Council's recommendations, to the CONTRACTING PARTIES;
- (b) at an appropriate future meeting of the Council the Executive Secretary would put forward proposals for the extension of the use of Spanish as an official language.

September meeting of Council

The following items will be included on the agenda for the Council's meeting in September 1961:

- (a) review of the procedures for new and residual balance-of-payments restrictions,
- (b) procedures for dealing with the item: Impact of Commodity Problems upon International Trade,
- (c) disposal of commodity surpluses,
- (d) the Saar, United Kingdom and Italy/Libya waivers,
- (e) consultation with Yugoslavia under Declaration of 25 May 1959,
- (f) preparations for sessions of the CONTRACTING PARTIES, including a time-table for the first week of the November session, and the probable work programmes for the CONTRACTING PARTIES and the Council in 1962,
- (g) the 1962 budget.