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SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE  
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.

First Meeting

of the

Tariff Agreement Committee

Held on Tuesday, 5th August 1947, at 10.30 a.m.  
in the Palais des Nations, Geneva.

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Chairman: Mr. W.D. Wilgress (Canada)

The CHAIRMAN stated that at this first meeting of the new Committee, set up by the Chairman's Committee (Heads of Delegations), he would call for a general discussion of the Report of the Tariff Negotiations Working Party containing a revised draft of the proposed General Agreement on Tariffs and Trade as set out in document E/PC/T/135. He suggested that Members of the Committee should devote their attention in the first place to Parts I and III of the draft Agreement, leaving for subsequent meetings Part II which contained numerous articles taken from the draft Charter.

Dr. COOMBS (Australia) said that he recognised the difficulties that must have been encountered by the Working Party in their endeavour to draw up an Agreement which would meet the requirements of all the Members of the Committee; he thought the idea of providing for a provisional entry into force was ingenious, but after examination of the time-table implied in the Agreement he found that it would not be possible for the Australian Delegation to agree as it was now expected that the Tariff Negotiations would not be finished until 10 September and that the Agreement would

not be ready for signature until the end of September. It was the view of his Delegation that signature of the Agreement would involve an undertaking to put the Agreement into force at least provisionally by 1 November and definitively in 1948, if the outcome of the Havana Conference was regarded as satisfactory; this would, of course, be subject to approval by Parliament, but it was doubtful whether in the case of Australia such action on such an important matter could be taken by the Government without prior consultation with Parliament and this would require some weeks, if not months. Dr. Coombs suggested that Delegations should merely arrange for the initialling of the Agreement at the end of September and for signature at a later date, possibly on November 15 or 21, the Agreement and the Schedules to be brought into force provisionally and by simultaneous announcement in December.

The CHAIRMAN asked whether other Members wished to express their views on the proposed time-table as discussed by Dr. Coombs.

Mr. AUGENTHALER (Czechoslovakia) said that signature of the Agreement would involve important obligations on the part of the Governments concerned, and he doubted whether his Government could agree to the proposal that the signatories should observe the principles of the draft Charter to "the fullest extent of their authority"; he had asked for the advice of his Government on this point. He thought his Government could bring into force provisionally the Schedules and the relative Articles, but the remainder of the Agreement would have to be submitted to Parliament.

Mr. RODRIGUES (Brazil) said that the position of his Government was similar to that of the Australian, and the

only satisfactory procedure that he could see was the one proposed by Dr. Coombs. He said that he would like to have an explanation of the inclusion of Articles from the Draft Charter which were likely to be altered, in Parts II and III of the Agreement, so that he could inform his Government.

The CHAIRMAN stated in reply to Mr. Rodrigues that the first paragraph of Article XXVII provided that Part II of the Agreement might be replaced by the Charter as adopted at the Havana Conference and Article XXXII made it clear that Part II of the Agreement was to be applied only in so far as it was not inconsistent with existing legislation.

Mr. MELANDEZ (Norway) said that the position of his Government was similar to that of Australia, in that the work of the Preparatory Committee would have to be submitted to Parliament for review; he doubted whether the Agreement could be signed and brought into force by November 1; moreover, Parliament might object to bringing parts of the Charter into force before its adoption at the World Conference. He suggested that bringing Part II into force should be left until after the Havana Conference.

Mr. HELLIORE (United Kingdom) thought the Working Party had shown great ingenuity in finding a way of bringing the Schedules into force without prejudging the decisions of the Havana Conference; firstly, Article XXXII required only provisional enforcement and allowed any contracting party to withdraw at 60 days' notice; secondly, the Protocol of Signature required observance of the Draft Charter only to the extent of the authority of the contracting parties and, in the third place, Part II of the Agreement could be amended in the light of the results of the Havana Conference. He suggested that

possibly the Australian Delegation could sign the Agreement with a reservation as to its entry into force; at the same time he thought it might be an acceptable plan to leave the Agreement open for signature until November and postpone the provisional entry into force until the end of the year.

Mr. Helmore thought that November 1 was too early for the United Kingdom Government. Further he agreed with the Delegate for Australia that simultaneous announcement by all the signatory Governments must be arranged.

Dr. HOLLOWAY (South Africa) enquired whether the names of all the Members of the Preparatory Committee or only those which could bring the Agreement provisionally into force were to appear in Article XXXII. Also, he enquired whether the last sentence of sub-paragraph (b) was meant to apply only to that sub-paragraph or whether it was meant to be a separate part of paragraph 1.

In reply to Dr. Holloway the CHAIRMAN said that the arrangement of sub-paragraph (b) was a typographical error, as the last sentence did not apply only to (b). He said that only the names of those countries which could bring the Agreement provisionally into force were to appear in Article XXXII; in the draft, only the names of the Members of the Working Party appeared, since they had agreed that their Government could apply the Agreement on November 1, or some other early date to be agreed upon, but the final draft would include the names of other countries which could also apply the Agreement on the date fixed.

M. BARADUC (France) fully agreed with Mr. Helmore; he said that France would be ready to sign the Agreement on 30th September and to apply it provisionally. The definitive

entry into force would of course depend upon the French Parliament, but the Agreement would not be submitted to Parliament for approval until after the Havana Conference. In view of the remarks of other Delegates he wondered whether a provisional entry into force would be practicable, since it would not be satisfactory to apply the Agreement by only five or six countries.

Dr. WUNSZ KING (China) said that his Government would require time to study the terms of the Agreement and he did not know whether it would be possible for his Delegation even to initial it at Geneva; he thought that if it were necessary to provide for some provisional entry into force Part II should be omitted as proposed by the Delegate for Norway.

Mr. BROWN (United States) said that probably all Delegations were agreed that effect should be given to the tariff concessions as soon as possible, so that they would have their greatest possible beneficial effect on world trade; moreover, it would be difficult to preserve the secrecy of the schedules, and if a few details became known the whole Agreement would be criticised by interested parties. Also, Mr. Brown said that it was necessary to retain Part II as this provides protection for the tariff concessions and his Delegation regarded the Articles in the draft Charter which had been incorporated in Part II as the minimum protection required. He said that his Delegation, like many others, would have to obtain instructions from their Government before signing the Agreement, but they thought that three weeks would allow sufficient time for this purpose; if some Delegations, however, could not accept this programme it would be necessary to consider the proposal that the Agreement should only be initialled in Geneva, or alternatively, as many Delegations

as possible should sign and the Agreement should be left open until November for the signature of others. He suggested that the Committee should ascertain how many Delegations would be able to sign the Agreement and how many others, like Australia, would require more time to obtain instructions from their Governments. Mr. Brown agreed with previous speakers that arrangements would have to be made for simultaneous publication in the capitals of all the contracting parties. Also, he expressed the opinion that the date for the provisional entry into force of the schedules should be earlier than 25 December.

Mr. OLDINI (Chili) stated that Parts I and III, as well as Part II, of the draft Agreement contained articles based upon articles in the draft Charter which are liable to be extensively altered. In addition, he drew attention to errors in the French text of the draft Agreement. He expressed doubt whether it would be possible to bring the Agreement into force as early as 1st November.

In reply to Mr. Oldini, the CHAIRMAN said that the articles of Parts I and III which were based on articles in the draft Charter, were essential parts of the Trade Agreement and that the tariff concessions could not be applied without them; the French and Belgian Delegations had already submitted a statement on the errors in the French text and a corrigendum would be issued.

The CHAIRMAN said that the Committee would meet again on Wednesday and Thursday mornings; he hoped to finish the general discussion in these next two meetings and to proceed to an examination of the details of the Agreement during the following week, but a definite decision on this programme would be taken the following day.

The meeting rose at 1.05 p.m.