

SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE  
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENTSummary Record of the Fifth Meeting of  
the Tariff Agreement Committee held on  
Wednesday, 27 August 1947 at 2.30 p.m.  
in the Palais des Nations, Geneva.

Chairman: Hon. L.D. WILGRESS (Canada)

The discussion was continued on the basis of document E/PC/T/W/301.

2. Significance of Signature of the Agreement at Geneva. (Cont'd)

Mr. MOBARAK (Lebanon) stated that the Governments of the Lebanon and Syria could not sign the Agreement ~~without certain~~ reservations. They could not accept here a text which may be modified in Havana.

Mr. SHACKLE (United Kingdom) thought that whilst it was hoped that the delegations who had taken part at the Geneva meeting would defend the text approved there, they had undertaken no obligation to this effect.

Mr. MOBARAK (Lebanon) pointed out that there was the other question whether the Tariff Agreement would be changed in conformity with corresponding changes made in Havana.

The CHAIRMAN stated that this aspect would be dealt with under item 6 of the agenda and that the next points would be items 3 and 4.

3. Tentative Time Table of Developments; and

4. Provisional Application of the Agreement.

Mr. SHACKLE (United Kingdom) thought his Government

might be able to apply the Agreement provisionally if the target date of 15 September was postponed to 1 January 1948.

Mr. LEDDY (United States) agreed with this suggestion.

Dr. COOMBS (Australia) recalled that after the final act on 30 September, it was intended to have about six weeks before the signature of the Agreement and simultaneous publication. Whilst this procedure was acceptable to Australia, some countries might object to public announcement unless they knew how many and which countries had in fact signed. There might be need of a short period between signature and publication.

Mr. DAO (China) requested clarification on two points. As it was intended to publish both the Tariff Agreement and the Tariff Schedules he wished to know if the schedules of a country which could not apply them provisionally on the date of publication would be withheld from publication, because otherwise the trade of that country might be affected by premature publication and because Tariff Schedules are not usually published before discussion by Parliament. On the second point he remarked that provisionally applied Tariff Schedules would also have to be applied to third countries under the Most-Favoured-Nation clause.

The CHAIRMAN thought that trade agreements are usually published before submission to Parliament and the Tariff Schedules involving mostly reductions, the effect might be to slow up imports.

Mr. DAO (China) declared that he would have to give further thought to this problem.

Dr. AUGENTHALER (Czechoslovakia) thought there was no need for a public announcement before knowing which countries were putting their concessions into force.

Dr. COOMBS (Australia) thought the question relevant whether all Tariff Schedules should be published or only those of countries having signed the Agreement.

Mr. SHACKLE (United Kingdom) stated that the publication presented no problem to his country. He presumed the Secretariat would inform by telegraph all countries taking part in the negotiations immediately of each signature and therefore the interval between signature and publication could be short.

Mr. MELANDER (Norway) thought that although the proposed procedure would not be easy to apply in Norway, it was the only reasonable one and he would make no objection to it.

Mr. MOBARAK (Lebanon) remarked that his Government would do its best to enforce the tariffs provisionally as soon as possible, but the General Agreement must come before Parliament and its publication in his country was impracticable before March or April 1948.

Mr. FORTHOUE (Belgium) suggested to ascertain separately which Governments, in regard to the General Agreement and the Tariff Schedules, could accept the proposed procedure.

Mr. SHACKLE (United Kingdom) stated that there was no difficulty on the part of his country.

Mr. LEDDY (United States) pointed out that publication of commercial and tariff agreements before their entry into force was a common practice.

Dr. HOLLOWAY (South Africa) shared the attitude of the United States.

Mr. JABBARA (Syria) explained that as distinct from an ordinary trade agreement the General Agreement required submission to the Syrian Parliament. This did not apply to the Tariff Schedules.

Mr. FAIVOVICH (Chile) also stated that the General Agreement would have to be approved by the Chilean Parliament and that the tariffs could be put into force without Parliamentary approval.

Mr. FORTHOMBE (Belgium) suggested that the publication of the Trade Agreement alone might be considered.

Mr. NOBARAK (Lebanon) had no objection to this method but thought some Parliaments might refuse to vote on the General Agreement before the conclusion of the Havana Conference.

Mr. FORTHOMBE (Belgium) stated that also in the case of his own Government tariffs could be applied provisionally, but the decision on the Agreement would be reserved until after the World Conference at Havana.

Mr. LEDDY (United States) recalled that the provisional application of the Agreement was required only to the extent compatible with existing legislation.

Mr. NOBARAK (Lebanon) repeated that the Lebanese Parliament could not deal with the Agreement before March or April.

Dr. AUGENTHALER (Czechoslovakia) pointed out that in his country tariff reductions are not published before they enter into force. In view of the general custom that such publication must take account of the attitude of other countries, it would be necessary to know at the time of publication which other countries were putting the schedules into force.

The Tariff agreement would have to be presented to the Czechoslovak Parliament and Parliament would hardly take decisions before knowing the final provisions of the Charter. As regards the point made by Mr. Leddy he wished to know whether compatibility with existing legislation referred only to laws or also to administrative measures or administrative practices.

Mr. LEDDY (United States) thought the authorities were required to give effect to the provisions in so far as possible without either changing or violating existing legislation.

Mr. SHACKLE (United Kingdom) thought the date of April to June for which the General Agreement was envisaged to enter into force would leave time for all concerned to know the results of the Havana Conference. In the United Kingdom there was no difficulty regarding the definitive enforcement of the acceptance of the General Agreement.

Dr. COOMBS (Australia) thought that provided the so-called "key countries" agreed to implement the Agreement provisionally on 1 January 1948, the other countries unable to bring it into force provisionally would not have to do so.

He suggested a time table under which the final act of Geneva would be on 30 September, the final date for signature by key countries of the General Agreement on 10 or 15 November, simultaneous public announcement on 17 or 22 November and provisional entry into force by key countries on 1 January 1948. The remaining countries could apply the agreement provisionally at any time between 15 November and the date when it would definitely come into force.

Australia would have no objection in principle to prior publication of the General Agreement alone except that it was undesirable for the text to include the names of countries. Unless for good reason to the contrary, he would favour the publication of the General Agreement and the Tariff Schedules on the same date.

Mr. ADARKAR (India) was satisfied with 10 November as the date for signature to the Agreement and thought India could give provisional application very soon after simultaneous publication. He had no objection to the publication of the General Agreement and the Tariff Schedules.

Dr. SPEEKENDRINK (Netherlands) stated that the time table as proposed by the Delegate for Australia was acceptable, if the final act of the General Agreement and the Tariff Schedules was not later than 30 September.

Mr. MOBARAK (Lebanon) wondered how the Agreement could be applied provisionally in countries where a law was required to put it into effect.

Mr. LEDDY (United States) declared that the time table suggested by the Delegate for Australia was acceptable to the United States.

In answer to the question put by the Delegate for the Lebanon, he thought the position was that a country signatory to the General Agreement was not committed to give provisional application unless this was provided in the Agreement itself.

Dr. HOLLOWAY (South Africa) suggested that provision should be made for countries other than key countries to sign, up to perhaps a week after the beginning of the World Conference.

Dr. COOMBS (Australia) thought countries wishing to give provisional application could do so up to April or June, but they were not forced to do so and in that case would bring the Agreement into force definitely at the same time as all others.

Mr. LEDDY (United States) suggested that the provision relating to provisional application might be taken from the agreement and embodied in a separate Protocol. This might be open to signature perhaps up to 15 November and enter into force in the key countries on 1 January 1948. The Agreement itself would be open to signature from 30 September for two or three months and would enter into force when certain countries accounting for a certain proportion of trade had ratified it.

The signature of the Protocol might commit the signatory countries on condition that the key countries would sign. The final act of the Agreement would not commit them to anything.

Mr. FORTHOMME (Belgium) stated that in Belgium the Agreement could be put into force provisionally until approved by Parliament.

Dr. COOMBS (Australia) had no objection to the separation of the provisional application from the Agreement itself.

Mr. SHACKLE (United Kingdom) also agreed to the signature of the final act and a separate Protocol for provisional application.

Mr. MOBARAK (Lebanon) asked where and how the final signature would take place.

The CHAIRMAN replied that the place and date of signature would have to be decided on later. There seemed to be agreement on a tentative time table fixing the signature of the final act on or about 30 September. The Agreement would be open for signature for two months from that date. The Protocol on which opinion still differed would be open from 14 November 1947.

Dr. COOMBS (Australia) thought there was no need for fixing a date for the Agreement apart from the Protocol. The final act would be signed as an authentication of the text. The signature of the Protocol would simply express the undertaking, subject to a sufficient number of other countries doing the same, that the General Agreement will be provisionally applied from 1 January 1948. The signature of the General Agreement will be an undertaking, subject to consideration by Parliament, to apply the General Agreement definitively. Australia would not wish to sign until after the World Conference.

Mr. SHACKLE (United Kingdom), associating himself with Dr. Coombs' remarks, added that acceptance of the General Agreement instead of signature might appear sufficient.

Dr. COOMBS (Australia) agreed.

Mr. SHACKLE (United Kingdom) thought the difficulty of specifying the countries for provisional acceptance could be solved in such a way that the representatives of key countries could all meet and sign together.

Dr. COOMBS (Australia) stated that the difficulty arose only if the Agreement were published earlier than the Tariff Schedules. If published together, the names of the countries could be included.

Dr. AUGENTHALER (Czechoslovakia) suggested that Delegations might put tariff reductions into force in the way best suitable to them, such as bilateral agreements or annexes to existing treaties. They could later be incorporated in the Tariff Agreement.

Mr. FORTHOMME (Belgium) thought that provisional application was subject to two conditions: Parliamentary approval, and that the conditions should not be affected by changes in the Charter.

Mr. SHACKLE (United Kingdom) supported this view. He assumed that the clause permitting countries to withdraw from provisional application would be transferred to the Protocol if a Protocol were decided on.

Mr. FORTHOMME (Belgium) thought there should be a signature of the Agreement because this was an engagement by Governments to submit it to Parliament.

Mr. LEDDY (United States) suggested to put the date for signature of the Agreement one month after the World Conference.

The CHAIRMAN thought that agreement had been reached that there would be a final act confirming the text of the Charter; a separate Protocol open to signature up to 14 November on provisional application stating the countries whose adherence was necessary to put it into force; and the final date of signature one month after the World Conference. There was a difference of opinion on the simultaneous public announcement but there seemed to be agreement that there would have to be publication before the provisional application and that this should be shortly after the date of signature of the Protocol.

Mr. JOHNSEN (New Zealand) pointed out that New Zealand could not apply the Agreement provisionally before Parliamentary ratification, possibly three or four months after publication. Then New Zealand could apply the Agreement and could probably sign it finally.

Mr. MELANDER (Norway) stated that the position of Norway was exactly that of New Zealand. The Tariff Schedules and the General Articles were subject to Parliamentary consent; one month after the Havana Conference was too short, two months would be preferable.

5. Inclusion in the Agreement of the Articles of the Charter which are reproduced in Part II; and

6. Effect of the Charter on the Agreement upon the Entry into force of the former

Dr. AUGENTHALER (Czechoslovakia) thought that Part II should be deleted.

Dr. COOMBS (Australia) felt that dealing with the Charter and the Tariffs simultaneously created certain difficulties. It was not necessary to anticipate the results of the Havana Conference in the Agreement. The acceptance of certain clauses in the Agreement would make them appear to be acceptable in the

Charter. Other countries might think that a significant part of the Charter had been decided in advance, but the inclusion of some Articles might be taken to mean that a Charter was not necessary.

Furthermore, some countries which favoured those parts and not others of the Charter might be inclined to be satisfied with the General Agreement and reject the Charter. In regard to the suggestion that tariff concessions must be protected, it should be remembered that the period before the World Conference was short and that the issues remained under discussion. All that was required was a promise to abide by the spirit of the Charter; an undertaking not to nullify or impair those concessions; and an undertaking to listen to complaints and to consult. He did not see the need for incorporating Part II.

Dr. HOLLOWAY (South Africa) thought there were four different lines of approach: that Part II was an essential part of the Agreement; that Part II should be left out entirely until after the World Conference; that portions of Part II should be included but automatically made subject to any changes made in Havana; and that there should be certain rules for the replacement by Havana changes.

He thought that provisional application was an entirely separate matter with separate Members, at present six in number. These could enter into an agreement if they wished and include into that agreement what they thought necessary. As far as the seventeen Members were concerned, the drafting of the General Agreement might be left until after the Havana Conference.

Mr. MELANDER (Norway) held that Part II ought not to be included. He agreed substantially with the statements of the Delegates for Australia and South Africa.

It was agreed to continue the general discussion at the next meeting.

The meeting rose at 6.10 p.m.