

THIRD COMMITTEE: COMMERCIAL POLICY

SUMMARY RECORD OF THE FORTY-EIGHTH MEETING

Held at the Capitol, Havana, Cuba, Thursday, 18 March 1948 at 3.00 p.m.

Chairman: Mr. L. D. WILGESS (Canada)

1. ARTICLE 16: REPORT OF CENTRAL DRAFTING COMMITTEE (E/CONF.2/C.3/20 and Add.1).

The CHAIRMAN stated that in view of the decision of Committee III that no list of countries was to be inserted in Annex K, the Central Drafting Committee had recommended a redraft of paragraph 3 to include the words which appeared in the title of the Annex.

Mr. KUNTER (Turkey) said that his government had accepted the previous draft and that he could accept the redraft on the condition that he could bring up the matter again, if necessary, before 20 March. He asked that the word "applicable" be substituted for "relevant",

The provisional reservation was acknowledged and the use of the word "applicable" in place of "relevant" was approved.

Mr. ROYER (France) said that the third line of paragraph 2 of the French text should be amended to read "... de droits, taxes ou autres redavances ...".

The text of Article 16 was approved, as amended.

The Interpretative Notes to Article 16 were approved.

The Annexes to Article 16 were approved. Mr. COOMBS (Australia) called attention to an error in Annex A in its sixth line of page 4: "1 (a) (x)" should read "1 (a) (ix)".

2. ARTICLES 23 AND 24: REPORT OF CENTRAL DRAFTING COMMITTEE (E/CONF.2/C.3/25 and 27)  
Article 23

The text of Article 23 was approved.

The Interpretative Notes to Article 23 were approved.

The Annex to Article 23 was approved, amended by the use of the word "sensiblement" in the French text in paragraph 1 as a translation of the English words "substantially" and "appreciably" in sub-paragraphs (i) and (ii) respectively.

/Mr. BURGESS

Mr. BURGESS (United Kingdom) said he had suggested "de façon appreciable" as a translation of "appreciably", but at the request of Mr. FORTHOMME (Belgium) supported by Mr. ROYER (France) it was agreed that "sensiblement" as used in the Geneva text was preferable.

#### Article 24

The text and Interpretative Note were approved, with the correction of the latter suggested by Mr. FORTHOMME (Belgium) that page 5 of the French text should read "comme exemple".

#### 3. ARTICLES 42, 42A AND 42B: REPORT OF CENTRAL DRAFTING COMMITTEE (E/CONF.2/C.3/23)

#### Article 42

At the suggestion of Mr. ROYER (France), it was agreed that "etat" should be deleted from line 6 of the French text and replaced by the phrase used in Article 99.

Article 42 as amended was approved.

Article 42A was approved with its substitution in the French text of the words "seconde guerre mondiale" for "deuxieme guerre mondiale", as suggested by Mr. POLITIS (Greece).

#### Article 42B

On the proposal of Mr. SHACKLE (United Kingdom) supported by Mr. FORTHOMME (Belgium) and Mr. EVANS (United States) it was agreed that the word "formation" be substituted for the word "attainment" in paragraph 2 (c), (fifth line from bottom on page 3) and in paragraph 3 (b) (eleventh line on page 4).

Mr. ROYER (France) noted that a comma should be inserted in the French text, page 2, line 3; and that "le" should precede "programmes" (Page 3).

Paragraph 3 (c) was inadvertently omitted from the French text, but after examination by the representatives of FRANCE and BELGIUM, the Committee approved the text.

At the suggestion of Mr. NASH (New Zealand) it was agreed to insert the word "not" before "parties" in paragraph 2 (b) (page 3, line 17).

At the suggestion of Mr. COOMBS (Australia) supported by Mr. BURGESS (United Kingdom) and Mr. ROYER (France), it was agreed to revert to the phrase "in the sense" in place of "within the meaning" in paragraph 5 (page 6, line 4).

At the suggestion of Mr. FORTHOMME (Belgium) it was agreed that wherever the phrase "formation of a customs union or a free trade area" occurred, the word "of" should be inserted after the word "or".

/Mr. KUNTZER (Turkey)

Mr. KUNTER (Turkey) suggested adding to the first line of paragraph 5 reference to paragraph 3 of Article 16, but did not press the point because it was felt to be a matter of substance.

The text of Article 42B as amended was approved.

The Interpretative Note to Article 42B was approved.

4. REPORT TO THE CONFERENCE: APPROVAL OF DRAFT REPORT (E/CONF.2/C.3/89/Add.3 and Corr.1).

The CHAIRMAN stated that Committee III had completed examination of the text of Chapter IV which would comprise Part II of the Committee's Report to the Conference.

Part I of the Draft Report was given in document E/CONF.2/C.3/89/Add.3. Typographical errors would be corrected and the information relating to Committee documents, etc., would be brought up to date. Corrigendum 1 to E/CONF.2/C.3/89/Add.3 listed the changes in reservations and made some changes in the comments on the work of Sub-Committees F and G.

The first four paragraphs of the Draft Report, recalling the First Reading of the Chapter and the appointment of the ten Sub-Committees, was approved.

Paragraph 5, concerning the Second Reading of the Chapter with approval of the Sub-Committee Reports, was approved.

Paragraph 6, concerning the adoption of the Reports of the Central Drafting Committee, was approved.

Paragraph 7:

Argentina withdrew its reservation on paragraph 1 and Annex A of Article 16.

Peru withdrew its reservation on paragraphs 2, 4 and 5 and the Interpretative Note to Article 16.

The United Kingdom withdrew its reservations on the Interpretative Note to Article 17 and on paragraph 9 of Article 18.

Chile withdrew its reservation to Article 21.

The withdrawal of reservations at the previous meeting were listed in the Corrigendum.

Mr. ORTIZ-LAMADRID (Cuba) said he would notify the Secretariat before the Plenary Meeting concerning the Cuban reservations to Articles 18 and 25.

Mr. BRIGNOLI (Argentina) maintained his reservation to Article 20 because the final texts of Articles 13 and 21 were not entirely satisfactory to his delegation.

Paragraph 7 with the changes noted above was approved.

Paragraph 8 (Review of the work of the Sub-Committees)

(i) Joint Sub-Committee (with Committee II) on Tariff Preferences;

approved.

//(ii) Sub-Committee A

(ii) Sub-Committee A on Tariff Negotiations and Internal Taxation.

Mr. ROYER (France) noted page 9 of the French text: the phrase referring to the request of Turkey should conform with the English text.

Replying to a question by Mr. BURGESS (United Kingdom) the CHAIRMAN stated that adoption of the Sub-Committee Report was not mentioned in each paragraph since it was covered fully in paragraph 5 of the Report.

At the suggestion of Mr. EVANS (United States) it was agreed the phrase "is to be taken into account" (page 9, line 6) should be changed to "would be a matter for consideration during the tariff negotiations...". Also, the eleventh line of page 9 should be deleted and the second sentence of the second paragraph should read: "During consideration of the Sub-Committee's Report certain delegations suggested that a special exception would be warranted for certain discriminatory internal taxes and a special.....".

Mr. ROYER (France) suggested two drafting changes in the French text on page 12, third line from bottom:

With the above changes the paragraph concerning Sub-Committee A was approved.

(iii) Sub-Committee B on Shipping and Insurance Services.

At the suggestion of Mr. ROYER (France) it was agreed to amend the ninth line from the bottom to read: "...Article 50 to take into account the considerations mentioned above."

With the above change the paragraph was approved.

(iv) Sub-Committee C on General Commercial Provisions was approved.

(v) Sub-Committee D on Special Provisions was approved.

(vi) Sub-Committee E on Quantitative Restrictions was approved.

(vii) Sub-Committee F on Restrictions to Safeguard the Balance of Payments:

At the suggestion of Mr. KAFKA (Brazil) it was agreed to substitute "provisionally accepts" for "has provisionally accepted" (page 15, 7th line from bottom). At the suggestion of Mr. ROYER (France) it was agreed to insert "before July 1, 1948" after the word "signature" in the 6th line from bottom of page 15, and to insert "to the General Agreement on Tariff and Trade" after the word "application" in the same line.

At the suggestion of Mr. KAFKA (Brazil) it was agreed to delete from line 4 and 5 of page 16 the phrase "but no major changes were introduced in the text" and insert the sentence "A drafting change was also made in paragraph 2, while other changes were made in paragraphs 6 and 8 (formerly 9) of the Article."

With the above changes, the paragraph was approved.

(viii) Sub-Committee G-

(viii) Sub-Committee G on the Swiss Proposal:

At the suggestion of Mr. EVANS (United States) it was agreed that reference should be made to the fact that Mr. Philip (France) had also acted as Chairman.

At the suggestion of Mr. COOMBS (Australia) it was agreed to change the last two lines of page 17 to read: "...to the measures for dealing with the Swiss problem which could be taken in accordance with the procedures established in the Charter."

With the above changes, the paragraph was approved.

(ix) Sub-Committee H on Subsidies:

At the suggestion of Mr. COOMBS (Australia) it was agreed that the penultimate paragraph from line 3 should read:

"...for the Organization to make determinations as to what constitutes an equitable share of world trade in the commodity concerned for the subsidizing country. Members will be required to conform to such determinations and factors are specified to which amongst others the Organization shall have particular regard when making such determinations. Under the new text Article 28 applies to all subsidies affecting the export of primary commodities."

With the above changes, the paragraph was approved.

(x) Sub-Committee J on State Trading:

Mr. ROYER (France) said that the French text (page 25) should be made to conform with the English text.

With the above change, the paragraph was approved.

Concerning a change in the French text of Article 16 suggested by Mr. KUNTZER (Turkey), Mr. ROYER (France) said the phrase should read "... provisions of Article 15 which are applicable....". He would consult with the Secretary regarding this.

Mr. POLITIS (Greece) said that the word "diffuse" appeared several times in the French text and should be replaced by the correct word "distribue".

Mr. NASH (New Zealand) stated that the reservation of his delegation to Article 42B was confined to paragraphs 4 and 5.

The CHAIRMAN announced the termination of the work of Committee III and thanked all members for their co-operation, which brought the task to an expeditious and harmonious conclusion.

Mr. KAFKA (Brazil) moved an expression of thanks to the Chairman whose impartiality and competence had won the admiration of all.

Mr. SAENZ (Mexico) thanked the Secretariat and particularly the interpreters for their admirable and competent work.

/Mr. EVANS

Mr. EVANS (United States) expressed appreciation for the excellent reporting of the Press Section.

The CHAIRMAN thanked the Committee for the privilege of presiding and declared the meeting adjourned at 4.40 p.m.