

THIRD COMMITTEE: COMMERCIAL POLICY

SUB-COMMITTEE C - GENERAL COMMERCIAL PROVISIONS
(ARTICLES 32 - 39)

NOTES ON EIGHTEENTH MEETING

Held 26 January 1948, 10.30 a.m., in Conference Room B

Chairman: Mr. C. E. MORTON (Australia)

ARTICLE 32 - FREEDOM OF TRANSIT

1. The representative of Australia introduced the Report of Working Party IV dealing with the Afghanistan amendment relating to improvement of transport facilities for traffic in transit (G.C.P/W.P./14). As this report had been fully discussed at a previous meeting, the discussion was confined to a few principal points.

After the discussion the CHAIRMAN advised that the Sub-Committee approved of the Report and of the proposed new paragraph to Article 32. The incorporation in the Report to Committee III of the statement by the Working Party on the proposed new paragraph was also approved.

2. The representative of Chile wished to reserve the position of his government concerning the inclusion of the new paragraph to Article 32 as given in the Report of Working Party IV (G.C.P/W.P./14).

3. The representative of the United States suggested that the report of this Sub-Committee should contain an agreed statement to the effect that the reservation of coastwise trade (cabotage) for national vessels was not inconsistent with the principles of Article 32. In the light of the discussion which followed the suggestion was withdrawn.

4. At the suggestion of the representative of Chile (not a member of the Sub-Committee) the Sub-Committee agreed to mention in the Report that when goods were being transported from one part of a country to another part of the same country through the territory of a second country, such traffic would be considered as "traffic in transit".

ARTICLE 38 - INFORMATION, STATISTICS AND TRADE TERMINOLOGY

5. The representative of Australia who acted as Chairman, presented the Report of Working Party VI (G.C.P/W.P./15). The Report was approved.

/The representative

The representative of Norway withdrew his amendment to this Article.

6. The Sub-Committee then discussed the text of Article 38 as given in the Geneva Draft and approved the whole Article. The Report of the Sub-Committee to Committee III will contain certain parts of the Report of the Working Party.

ARTICLE 36 - MARKS OF ORIGIN

7. At the request of the representative of Chile discussion was reopened on paragraph 7 of Article 36. The Sub-Committee agreed to insert in its Report to Committee III that:

"the text of paragraph 7 should not have the effect of prejudicing the present position as regards certain distinctive names of products, provided always that the names affixed to the products cannot misrepresent their true origin; this is particularly the case when the name of the producing country is clearly indicated. It will rest with the governments concerned to proceed to a joint examination of particular cases which might arise if disputes occur as a result of the use of distinctive names of products which may have lost their original significance through constant use permitted by law in the country where they are used."

The representative of Chile advised that the inclusion of this statement might enable his Government to withdraw its reservation.

ARTICLE 33 - ANTI-DUMPING AND COUNTERVAILING DUTIES

8. The representative of the Netherlands stated that his delegation had withdrawn its reservation to Article 33. He stressed, however, that countries using measures under this Article should not do so to the detriment of other countries whose economies depend on their external trade.

ARTICLE 35 - FORMALITIES CONNECTED WITH IMPORTATION AND EXPORTATION

9. The CHAIRMAN informed the Sub-Committee that, after having communicated the content of the Report of Working Party V (G.C.P/W.P./13) on the Cuban proposal to the Chairmen of Committee III and Sub-Committee A, he had received a letter from the Chairman of Committee III suggesting that Sub-Committee C should not definitely accept or reject the recommendation of Working Party V, but merely refer it to Committee III to be considered by that Committee in the light of the views which will be obtained later from Sub-Committee A on the inclusion of some similar provision in Article 16.

10. The Sub-Committee approved the principle as embodied in the text proposed by Working Party V and referred it to Committee III in order that an appropriate place for this or some similar provision should be found in Chapter IV of the Charter. Should Sub-Committee A not desire to include

/this provision

this provision in Article 16 the Sub-Committee would then wish to insert it in Article 35.

11. The representative of France stated that he had not yet received instructions from his Government on the proposed wording of the new paragraph to Article 35, and that he therefore wished to continue to reserve the position of his Government.

12. The Sub-Committee agreed to the re-arrangement proposed by Working Party V, contained in sub-paragraphs (a) and (b) of paragraph 7 of G.C.P/W.P./13. The situation of the new paragraph would be determined after Committee III had decided on its appropriate place in Chapter IV.
