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DRAFTING COMMITTEE OF THE PREPARATORY COMMITTEE OF THE  
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT

TECHNICAL SUB-COMMITTEE

Tenth Meeting, 3 February 1947, 2:45 p.m.

Chairman: Mr. R. J. SHACKLE

The Sub-Committee considered the summary report of its eighth meeting (E/PC/T/C.6/30) concerning Article 20 - Marks of Origin, and the new Paragraph 6 under Article 17 (Anti-dumping and Countervailing Duties) proposed by the delegate for Cuba. The report was approved with the following changes:

- (a) Page 3, paragraph 5 should read: "The Czechoslovak proposal was tentatively retained with a view to further consideration at the Second Session of the Preparatory Committee.";
- (b) Page 4, add comment after (d): "The delegate for the United Kingdom tentatively reserved his position on this paragraph";
- (c) Page 4, line 22, substitute "Port" for "Madeira";
- (d) Page 4, line 23, substitute "Portugal" for "Spain".

When the report for the ninth meeting failed to record that when considering Article 17 as recorded in document E/PC/T/C.6/18, it was decided to delete the first sentence of paragraph 6 [7] and add the last sentence of the same paragraph at the end of paragraph 5.

On the basis of this decision the Secretariat has redrafted paragraph 5 of Article 17 as follows:

"No Member shall impose any anti-dumping or countervailing duties or charges on the importation of any product of other Member countries unless it determines that the effect of the dumping or subsidization,

/as the case

as the case may be, is such as to materially injure or threaten to injure an established domestic industry, or is such as to prevent the establishment of a domestic industry. The Organization shall consider the advisability of including among the criteria under which anti-dumping or countervailing duties may be imposed, the requirement of a determination by an independent administrative authority in the country imposing the duties as to actuality or potentiality of injury to a domestic industry".

The delegate for Canada wished to reserve his position on the last sentence.

The Sub-Committee then considered a second amendment proposed by the delegate for Canada to Paragraph 2 of Article 21, Publication and Administration of Trade Regulations - Advance Notice of Restrictive Regulations. As a result of the discussion of this amendment, the changes in Paragraph 2, as given in E/PC/T/C.6/33, are as follows:

- (a) Page 4, next to last line, substitute "Members" for "they", and "institute" for "establish";
- (b) Page 5, line 1, delete words in square brackets;
- (c) Page 5, line 2, insert the word "prompt" before "review".

Paragraph 3 of Article 21 was discussed (Cf. E/PC/T/C.6/W.18 and E/PC/T/C.6/33). On page 6 of the last-mentioned document, at the suggestion of the delegate for the United States, were added the words "for consumption" after "entered" in line 13. (The words in line 14 "or cleared for export" should have been in square brackets.). All words in square brackets in this paragraph namely, "or export" (twice) and "or cleared for export" were deleted.

The delegates for France, Norway, South Africa, Czechoslovakia and the United Kingdom provisionally retained their reservation on this paragraph. The delegate for the United States noted with disappointment that these reservations were maintained even though provisionally, and expressed the hope that they would be withdrawn at a later date.

A few delegates questioned whether goods were considered en route when being transported by rail, for example, from Chicago to New York before boarding vessel for a European port. Opinions expressed in the Sub-Committee were that customs authorities would pass judgment on individual shipments, but it was supposed that if such a shipment had a through bill of lading from Chicago to a European port, the goods would be considered en route while between Chicago and New York.

The question was again raised whether paragraph 3 covered goods en route in Article 35, paragraph 2. Opinions were divided as follows:

(a) Any supplies of a product which were en route at the time at which public notice was given of the restrictions should not be excluded from entering the importing country, though they might be counted against any present quotas, and, if exceeding the quota, would be applied in the next period.

(b) Any supplies of a product which were en route at the time at which public notice was given of the restrictions should not be excluded if the quota had not been used, shipments coming from the most distant point being given priority. However, if the quota were exceeded, not all of the goods enroute would be admitted; the remainder would have to be entered into a warehouse. The CHAIRMAN indicated that he would prepare drafts covering both opinions to be inserted in Article 25, paragraph 2, in lieu of the present words in square brackets, as the exact intention of the proviso was not clear from the present wording.

#### Article 22 - Information, Statistics and Trade Terminology

The Sub-Committee used as a basis for its discussion of this Article the suggested simplified version supplied by the delegate for the United Kingdom. The United Kingdom draft as modified and provisionally approved by the Sub-Committee is given below:

1. "Members undertake to communicate to the Organization as promptly and in as much detail as is reasonably practicable:

/"(e) Statistics

"(a) Statistics of their external trade in goods (including, for example, imports, exports, re-exports, transit and transshipment or, where applicable, goods in warehouse or in bond);

"(b) Statistics of Governmental revenue from import and export duties and other taxes on goods moving in international trade and, as readily ascertainable, of subsidy payments effecting such trade.

"So far as possible, the statistics referred to in (a) and (b) shall be related to tariff classifications and be in such form as to reveal the operation of any restrictions or importation or exportation which are based on or regulated in any manner by quantity or value, or by amounts of exchange made available.

2. "Members agree to publish regularly and as promptly as possible the statistics referred to in paragraph 1.

3. "Members undertake to give careful consideration to any recommendations which the Organization may make to them with a view to improvement of the statistical information furnished under paragraph 1.

4. "So far as reasonably practicable, Members agree to make available to the Organization on request such other statistical information as may be deemed necessary to enable it to fulfil its functions, provided that the statistics are not being furnished to other international organizations from which the Organization can obtain the required information.

5. "The Organization may, in collaboration with the Economic and Social Council and its Commissions, and with any other interested inter-governmental specialized agencies, engage in studies with a view to bringing about improvements in the methods of collecting, analyzing and publishing economic statistics and may promote the international comparability of such statistics, including the possible

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international adoption of standard tariff and commodity classifications.

6. "The Organization may also, in co-operation with other organizations referred to in paragraph 4, study the question of adopting standards, nomenclature, terms and forms to be used in international trade and in the official documents and statistics of Members relevant thereto, and may promote the general acceptance by Members of such standards, nomenclature, terms and forms as may be recommended."

In the discussion of paragraph 6 above, the delegate for the United States felt that as this paragraph was derived largely from paragraph 7 of the corresponding article in the United States Draft Charter, the Sub-Committee might consider the possibility of retaining the original paragraph 7. He pointed out that this paragraph provided for the adoption of standards, nomenclature, terms and forms to be used by the Organization which was also provided for in a specific cross-reference in paragraph 8 of Article 66. However, the Delegate for the United States received no support for his proposal. Accordingly paragraph 8 of Article 66 should be deleted.

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