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ORIGINAL: ENGLISH

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

SUMMARY RECORD OF THE NINETEENTH MEETING
11 February 1947

Chairman: H.E. Mr. COLBAN (Norway)

1. The CHAIRMAN, in opening the meeting, referred to an inquiry from the Chairman of the Administrative Sub-Committee whether the Sub-Committee should include in the scope of its work provisions regarding a Commission on Industrial Development. The United States suggested that such provisions needed very full and far reaching consideration and should better be left to the Second Session of the Preparatory Committee. Upon the suggestion of the Delegate of Brazil the Committee decided to refer the problem of a Commission on Industrial Development to the Second Session of the Preparatory Committee, and to include a note in its report that the Drafting Committee had considered this matter and had for procedural reasons decided against including this subject within the purview of its work.

2. Discussion of Procedure at the Second Session of the Preparatory Committee.

The CHAIRMAN introduced document C.6/53 outlining the views of the United States Delegation on tariff negotiations to be conducted at the time of the Second Session of the Preparatory Committee. He pointed out that some provisions of the Charter had a direct bearing upon tariff negotiations and that, in his opinion, every delegation should include members who are in a position to discuss or at least elucidate the provisions of the Charter. On the point of the duration of the Geneva Conference the CHAIRMAN thought that nobody could predict how much time would be needed.

/Mr. LECUYER

Mr. LECUIER (France) and other Delegates thought that an outline of the work in Geneva would be very welcome by the participating Governments, even if this matter did not fall within the competence of the Drafting Committee, and suggested that the Executive Secretary prepare a paper for consideration by Delegates.

Mr. BAYER (Czechoslovakia) and M. JUSSIANT (Belgium) stressed that there was a clear decision of the Committee of the Heads of Delegations in London that the first four weeks of the Second Session would be devoted to tariff negotiations and that discussions of the Charter should start on 6 May. It should be clear that this decision must be binding on the Preparatory Committee. M. JUSSIANT added that the emphasis of the Geneva Conference was on the tariff negotiations and that it should not be weakened.

Mr. LEDDY (United States) explained that the paper presented by the United States Delegation was in full agreement with the decision taken by the Committee of the Heads of Delegations. The purpose of the paper was to indicate that it was not possible to exclude rigidly discussions of the Charter during the tariff negotiations because some Articles were relevant to the negotiations and reference would certainly be made to them. The Governments should be aware of it when deciding on the composition of the delegations which are to meet in Geneva on 8 April.

After several Delegates had expressed the wish to forward to their Governments at least a tentative outline of work in Geneva, Mr. LACARTE (Executive Secretary) undertook to lay before the Committee an attempt to evaluate, in terms of procedure and time, the programme of the Geneva Conference.

3. First Reading of Article 66 (continued).

Upon the suggestion of the Delegate of the Netherlands the Committee decided to delete the words "in the trade" in the two last lines of this paragraph and to change the references in this paragraph to "in Article 30 and in Article 52".

/Paragraph 7.

Paragraph 7. The Committee agreed to refer the question to the Legal Drafting Sub-Committee whether the text and the references of this paragraph were consistent with all other parts of the London Charter.

Paragraph 8. The United Kingdom Delegate, in his capacity as Chairman of the Technical Sub-Committee, explained that the Technical Sub-Committee had decided to recommend the deletion of this paragraph and moved to delete it. The CHAIRMAN ruled the provisional acceptance of this paragraph, pending the second reading which will take place after receipt of the report of the Technical Sub-Committee.

Paragraph 9. The Committee accepted the London draft.

The Delegate of Canada referred to document E/PC/T/C.6/W.64 and asked that this should be considered upon the occasion of the second reading of the whole of Article 66. The United Kingdom Delegate requested to correct the last line of E/PC/T/C.6/W.64 to read "concurring votes representing two-thirds of the voting power of the Members". The CHAIRMAN ruled that the present agreement of Article 66 was on a purely tentative basis pending consideration of all other matters entering into it, especially a thorough study of E/PC/T/C.6/W.64.

4. Article 61.

The CHAIRMAN referred to two papers before the Sub-Committee referring to Article 61, namely the United Kingdom paper E/PC/T/C.6/W.62 and the white working paper of the United States containing the United States redraft of this article. After a short debate whether it was preferable to assign the task of reconciling these two drafts to the Administrative Sub-Committee or to appoint an Ad Hoc Drafting Sub-Committee for this paragraph, the Committee appointed an Ad Hoc Drafting Sub-Committee composed of the Delegates of Australia, Chile, India, United Kingdom and the United States, with the mandate to submit to the Drafting Committee a reconciliation of these two drafts of Article 61.

/5. Article 67.

5. Article 67.

The Committee approved paragraph 1 of the London draft text. With regard to paragraph 2, the United States submitted an amendment for the last sentence of paragraph 2, to read as follows:

"Whenever the number of Members of the Organization, which are also Members of the Committee, constitute [four-fifths] of the total number of Members of the Organization, the functions of the Committee shall be exercised by the Conference."

The Delegate of Canada queried whether it was appropriate to use a fractional quantitative determination of the Interim Drafting Committee and moved for a change to four-fifths of the total number of Members, if such a fractional determination should be decided upon. The Committee approved paragraph 2 with the United States amendment and decided to put the percentage into square brackets.

Paragraph 3. The Committee reserved its decision because the issue of weighted voting enters into this paragraph.

Paragraph 4. The Delegate of France remarked that this provision was an apt illustration to his observations at the Eighteenth Meeting on the paradoxical character of voting rules in the Charter. On this most important subject a simple majority of the Members present and voting would be sufficient, while purely procedural matters require a two-thirds majority. He moved, if it were beyond the terms of reference of the Drafting Committee to strike out this clause, to at least note the French observation in the final report of the Drafting Committee.

The Delegate of Canada seconded the French motion, but pointed out that the mere striking out of the voting clause would not remove the anomaly in the procedures envisaged in paragraphs 2, 3 and 4 of this Article. The Delegates of Australia, India and the United Kingdom also seconded the French motion but requested time to consider fully the

/implications

implications of a change, and the Committee agreed to defer any decision on paragraph 4.

Paragraph 5. The London draft text of paragraph 5 was approved.

6. Articles 68, 69 and 70.

The London draft text of these articles was approved and it was clarified that the Chairman of the Executive Board was to be elected from among the Delegates to the Board and that the government whose representative on the Board had been elected Chairman would be in a position to nominate another delegate.

7. Article 71.

The Australian Delegate moved to clarify the subordination of the Executive Board to the Conference in the text, and the Committee decided to insert in the first sentence of paragraph 1 between the words "to it" and "by the Conference," the words "and perform the duties laid upon it". It was decided to include in the report a note to the effect that the last sentence of paragraph 1 would be unnecessary if the Second Session of the Preparatory Committee should decide to include in the Charter provisions for a Commission on Economic Development.

Paragraph 2. The Committee approved the London text, merely changing the word "approve" in the next to last line to the word "prepare".

Paragraph 3. Paragraph 3 was accepted in the form of the London report and the Committee decided to delete paragraph 4 as redundant in view of the provisions of paragraph 1.

In view of an observation of the Observer from the Monetary Fund as to whether provisions would be needed enabling the Board to directly communicate with Member governments whenever a decision of the Conference was needed, the Committee agreed that this should be left to the rules of procedure of the Executive Board and was adequately covered in Article 65, paragraph 1.

The meeting was adjourned until 12 February 1947, at 10:30 a.m.
