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ORIGINAL: ENGLISH

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

SUB-COMMITTEE ON TARIFF NEGOTIATIONS

SUMMARY RECORD OF THE SEVENTH MEETING

Held at Lake Success on 18 February 1947 at 2:45 p.m.

CHAIRMAN: Mr. B. N. ADARKAR

Correction

E/PC/T/C.6/87, page 3, line 4, and page 4, line 24: The name of the
Brazilian Delegate should read correctly: Mr. Roberto de Oliveira CAMPOS.

The CHAIRMAN introduced, in second reading,

Draft General Agreement (E/PC/T/C.6/85) and its two Corrigenda.

Corrigendum 1

The corrections set forth in this document were carried out by the
Sub-Committee.

Corrigendum 2 (White paper)

Point 1: The last words of the second paragraph of the Preamble starting
with "as a Preparatory Committee" were amended to read "to constitute a
Preparatory Committee to make preparations for an International Conference
on Trade and Employment";

Point 20: The words "the Protocol relating to the draft Charter for an
International Trade Organization annexed thereto, which Protocol is an
integral part of this Agreement" in Article XVII, paragraph 2 (a) and in
Article XIX, paragraph 2, were replaced by the phrase "its accompanying
Protocol", and a new Article XXVI with the following text was added to the
General Agreement:

/"The annexed

"The annexed Protocol signed this day is hereby made an integral part of this Agreement."

Point 30: The phrase "hereinafter referred to as the Charter" was inserted at the end of paragraph 3 of the Preamble. As a consequence it was decided to use the words "the Charter" throughout the General Agreement.

All other corrections of Corrigendum 2 were also carried out by the Sub-Committee. Furthermore, the Sub-Committee agreed on the following amendments and corrections:

Page 2, paragraph 5: The words "without commitment to any government" were added at the end of this paragraph;

Page 2, paragraph 1 of the Preamble: The words in round brackets were deleted;

Page 4, line 10: Article "VI" should read "Article VIII";

Page 7, paragraph 6: This paragraph should read:

"Nothing in this Article shall preclude parties to a regulatory compatibility agreement conforming to the principles of Chapter VII of the Charter from incorporating in such agreement provisions prohibiting, as between themselves, the use of anti-dumping duties in cases in which dumping, within the meaning of paragraph 1 of this Article, may be permitted under the terms of such an agreement."

Page 10, paragraph 1, last sentence: The words "publish administrative rulings which would" were deleted and the words "which would" inserted between "information" and "impeds";

Page 30, line 5: The phrase "without prejudicing the legitimate business interests of particular business enterprises" was deleted.

The Sub-Committee decided to draw the attention of the Drafting Committee to both changes on pages 10 and 30.

Page 12, paragraph 3, line 1: The words "on which this Agreement enters into force" were replaced by "of the signature of this Agreement".

/The Sub-Committee

The Sub-Committee expressed the opinion that the General Agreement should be signed after the approval of the Governments;

Page 14, Article IX: The Sub-Committee agreed that paragraph 2 (g) of Article 25 of the London Charter should be added to Article IX as its last paragraph;

Page 21, line 4: The words "or in the next following period or periods" should be added after "in question".

Page 21, paragraph 5: Mr. LEDDY (United States) pointed out that a revision of this paragraph might be needed in the light of the findings of the Legal Drafting Sub-Committee;

Page 28, line 10: The words "to such further limitations" should be inserted between "or" and "as";

Page 31, sub-paragraph (b), line 1 was amended to read: "necessary for the purpose of protecting human, animal or plant life or health if...";

Page 34, paragraph 3: The words "within such period as the Committee may specify" were substituted for "within one month of the date of the meeting at which the decision was taken".

The following reservations were noted for inclusion in the Report:

The Delegate for Czechoslovakia made the following statement: Provisions of the Charter, now enumerated in the Protocol, should have the same degree of obligatoriness as all other provisions incorporated in the General Agreement itself. Should it prove to be impracticable to incorporate the entire Charter (in a simplified form) in the General Agreement, this instrument should contain only provisions relating to Tariffs and Tariff Concessions, Preferences and the Most-Favoured-Nation Treatment; all other provisions should be included in the Protocol.

The Delegate for Cuba reserved the position of his government on the entire draft Agreement. In view of this general reservation, he wished to delete the word "Cuba" in document E/PC/T/C.6/85, page 1, line 2 from the bottom.

/The following

The following statements were noted for inclusion in the minutes of this meeting:

The Delegate for Australia stated that his government may wish, at a later date, that the entire Charter be incorporated in the General Agreement.

The Delegate for Chile accepted in principle the General Agreement, subject to study by the Chilean Government before the Geneva Session.

The Delegate for China wished to state that, having no instruction from his Government as to which provisions should go into the Agreement and which should not be included, all he could do was to refer the General Agreement to his Government for study.

With reference to the paragraph "Avoidance of New Tariff or other Restrictive Measures" on page 49 of the London Report, Mr. TORRES (Brazil) considered that changes in the form or system of tariffs, or changes in tariffs owing to the depreciation or devaluation of the currency of the country maintaining the tariff as well as the enactment of additional taxes or charges on imports or exports, equivalent to the charges resulting from exchange taxes or multiple currency practices, which do not result in an increase of the protective incidence of the tariff, should not be considered as new tariff increases under that paragraph.

The Sub-Committee was of the opinion that it could not consider the question raised by the Delegate for Brazil. It was agreed, however, that his statement should be recorded in the minutes of the meeting.

The CHAIRMAN, considering the work of the Sub-Committee as completed, expressed his thanks to the Sub-Committee and to the Delegations of the United States and the United Kingdom for having facilitated the task of the Sub-Committee by submitting drafts for its consideration. He also extended his thanks to the working group which had drafted the Protocol.

Mr. SHACKLE (United Kingdom), on behalf of the Sub-Committee, expressed in appreciation for the excellent work done by the Chairman.
