

**ECONOMIC
AND
SOCIAL COUNCIL**

**CONSEIL
ECONOMIQUE
ET SOCIAL**

RESTRICTED
E/PC/T/C.6/94
19 February 1947
ORIGINAL: ENGLISH

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

SUMMARY RECORD OF THE TWENTY-SIXTH MEETING

Held at Lake Success on 19 February 1947 at 10:30 a.m.

Chairman: H. E. Erik COLBAN

The CHAIRMAN introduced document E/PC/T/C.6/86 giving the agreed texts of Articles 55, 59 and 60 which called for no comment. The CHAIRMAN ruled that the Delegate for Australia, who wished to raise some points on Articles 59 and 60, should do so in the meeting of the Legal Drafting Sub-Committee. Article 31, Paragraph 3.

The Ad Hoc Sub-Committee (composed of the Delegates for Chile, Czechoslovakia, France, New Zealand, United Kingdom and United States) reported that it had reached agreement that this paragraph should be amended to read as follows:

"This Article shall apply to any enterprise, organ or agency in which there is effective control by a Member government

Alternative A:

or over whose trading operations a Member government exercises effective control by virtue of the special or exclusive privileges granted to the enterprise.

Alternative B:

or over whose trading operations a government is, under the arrangements providing for the special or exclusive privileges granted to the enterprise, legally entitled to exercise effective control."

Mr. BAYER (Czechoslovakia) pointed out that he had no instructions from

/his government

his government but that he preferred the second alternative which included the words "legally entitled". He explained that his government, though not controlling the exports, was selecting efficient and experienced exporters so as to ensure proper conduct of international trade.

Mr. WHITE (New Zealand) also preferred the second alternative and reserved the position of his government.

Mr. ALVAREZ (Chile) preferred the London text and reserved the position of his government on the new draft.

The Drafting Committee agreed to include both alternative texts in the Report for consideration of the Second Session.

The CHAIRMAN introduced the "Plan of Work of the Second Session" (E/PC/T/C.5/88) which was elaborated by the Secretariat in compliance with a previous request of the Drafting Committee. In the discussion of this paper, M. LECUYER (France) referred to the letter of 18 February addressed by the French Delegation to the Assistant Secretary-General for Economic Affairs dealing with the same subject and explained that the governments of France, Belgium, United Kingdom and United States agreed on the text of the communication. M. Lecuyer stressed that this document was not intended to modify the London decision on the procedure for conducting multilateral tariff negotiations, but should amplify and complete it. He requested the delegates to communicate the document to their respective governments.

Referring to page 2 of document C.6/88, Mr. SHACKLE (United Kingdom) felt that the representatives of non-governmental agencies, invited to the Second Session, might not be in the position to participate in any large degree in the work of the Second Session since it can be visualized that most meetings will be in private and documents will be restricted.

It was decided that the Secretariat should, when confirming by letter the cabled invitations, acquaint the non-governmental organizations with the nature of the discussions in Geneva.

/Mr. LACARTE

Mr. LACARTE (Executive Secretary) reminded the delegations of the utmost urgency of handing over to the Secretariat customs tariffs and lists of requested concessions and asked them to approach their governments in that respect. It was very important, he said, that the governments should be able to see these documents well ahead of the Geneva meeting and issue instructions to their delegations. He proposed to hand over to the delegates present in Lake Success customs tariffs etc., available to the Secretariat, so that they might turn them over to their respective governments when reaching their countries.

Mr. LEDDY (United States) informed the Chairman that the United States have completed the list of requests of reductions of customs tariffs.

Mr. BAYER pointed out that Czechoslovakia was now adjusting her specific customs tariffs to the depreciated currency, but that there would be no change in the structure of the tariff itself. He informed the Chairman that during the occupation the Germans had burned all copies of the tariff and that his government encountered great difficulties in compiling a new edition.

Mr. QURESHI (India), in a personal statement, expressed the view that perhaps some countries might have been misled by press reports to believe that the Geneva meeting was to be postponed. He suggested that an authoritative statement be issued about the Second Session.

Several other delegates voiced the same views and Mr. LACARTE suggested that a press release would be issued confirming the date of the Second Session.

Mr. LEDDY informed the Chairman that he was authorized to state that his government was prepared to enter into negotiations on customs tariffs at the Second Session.

In the ensuing discussion of the time table of the Second Session, the Delegates for United Kingdom, Australia, Czechoslovakia and New Zealand wished that the London decision should be adhered to, i.e. that the first four weeks of the Second Session should be devoted to tariff negotiations and

/that the discussions

that the discussions of the Charter should begin on 8 May.

Mr. LEDDY felt that some provisions of the Charter, possibly those incorporated in the General Agreement, should receive some measure of agreement concurrently with the tariff negotiations.

M. JUSSIANT (Belgium) agreed with this and thought that these provisions should be indicated to the governments before the Second Session.

The CHAIRMAN did not share the apprehension of some delegates with regard to the programme for Geneva. He felt sure that each delegation would provide, at the beginning of the Session, officials acquainted with the relevant chapters of the Charter which would form the general background of tariff negotiations. He suggested, and the Drafting Committee approved, that an Ad Hoc Sub-Committee, composed of the Delegates for Australia, Brazil, France, United Kingdom and United States, should consider the Secretariat's paper (E/PC/T/C.6/88) and redraft it for presentation to the governments concerned.

Mr. LEDDY suggested that this document and the communication from the French government should be regarded as confidential documents.

The Committee then discussed Draft General Agreement and Protocol (E/PC/T/C.6/85) as revised by the Sub-Committee on Tariff Negotiations.

Mr. LACARTE informed the Chairman that the Documents Office of the Secretariat could have the Report printed on 10 March if it was handed to them on 26 February. The Documents Office, however, could not print a restricted document. The CHAIRMAN requested the Executive Secretary to ensure that, regardless of the views of the Documents Office, the Report be printed. He also suggested that besides the Report (including the General Agreement) there should be a special reprint made of the General Agreement alone, for the convenience of the governments.

The CHAIRMAN suggested that reference to Articles of the Charter should be included in the headings of Articles of the General Agreement.

/On the suggestion

On the suggestion of Mr. SHACKLE it was agreed that the corrected draft General Agreement (E/PC/T/C.6/85) should not pass through the Legal Drafting Sub-Committee, but that only its legal and formal clauses should be considered by that Sub-Committee.

Mr. LEDDY suggested, and the Committee approved, using throughout the General Agreement the expression "purposes of the Charter" instead of the language "purposes of the Organization".

The draft General Agreement and the Protocol (E/PC/T/C.6/85) were approved, in second reading, as corrected and amended.
