
SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT

Summary Record of the 34th Meeting
of Commission A held on Friday,
8 August 1947, at 2.30 p.m. in the
Palais des Nations, Geneva.

Chairman: H.E. Erik COLBAN.

Technical Articles 16 to 23 and 37.

In accordance with the decision taken at the meeting of 24 July, the Commission commenced the final review of the technical Articles. It was decided to take as a basis for the discussion the Report of the Legal Drafting Committee (E/PC/T/154) and the corrigendum of the Report distributed to the Delegates at the meeting.

It was agreed not to mention in the Notes the names of the Delegations making a reservation or comments, and instead to state only the number of Delegations concerned.

Article 16.

The text of this Article was approved without change.

It was decided to delete Notes I and II to paragraph 2. The transfer of the last sentence of paragraph 1 to form a separate paragraph 7 as proposed by the Legal Drafting Committee was agreed to.

Article 17.

In paragraph 1, the suggestion of the United States Delegate was adopted to transfer small letter (a) from its previous position in the English text to precede the words "is less than", and in the French Text to precede the words "la différence".

In paragraph 6, in accordance with the recommendation of the Legal Drafting Committee, the words "in respect of any product of any other Member country" were inserted after the word "Member".

Note I was maintained pending the decision of the Cuban Delegate regarding the possibility of its deletion.

It was agreed to transfer Note II to this Article to apply solely to paragraph 6.

Article 18.

In paragraph 2 the reference to paragraph 6 was deleted.

The Commission did not share the doubts of the Legal Drafting Committee regarding sub-paragraph (b) to paragraph 3 and decided to maintain the text unchanged. It was also decided to adopt the suggestion of the Legal Drafting Committee to transfer the text of paragraph 4 so as to become the last sentence of paragraph 3 (a).

X | It was agreed to replace the text of Note II to paragraph 3 by the text proposed by the United Kingdom Delegation in document E/PC/T/W/262.

In regard to the text of the Note to paragraph 5, the Delegate of CHINA submitted an amendment suggesting that this Note should read "the alteration of a rate of exchange which is recognised by a change in the established par value of a currency or in accordance with the changes in the market value of a currency shall not be considered a change in the method of converting currencies".

Several delegates agreed that the first part of the amendment represented an improvement upon the text but objected to the second part.

The UNITED STATES Delegate pointed out that in his understanding the position was that there was no par value for

the Chinese currency, but that there was a market value rate and a much lower official rate. The amendment had for its purpose to make it clear that an increase in the official rate following a rise in the market rate should not represent an alteration in the method of conversion.

In reply to a question by the Chairman whether the Chinese Delegation would be satisfied with having their views recorded in the verbatim report, the Chinese Delegate explained that in view of progressive currency inflation it was necessary for the Chinese Government to be able to adjust its rate of conversion from time to time. The Chinese Delegate then proposed an alternative amendment to the effect that this Article "would not prevent Member States from readjusting the rate of exchange of their currency from time to time as conditions might require."

It was agreed to maintain the original text of the Note in the Report stating that the Chinese Delegate had reserved his position on it and would have preferred the text as proposed in the Chinese amendment, this text being reproduced in full.

Article 19.

The text of this Article was approved and the Note attached to it maintained with the following alterations: In the last sentence of paragraph 2 the word "may" was substituted for "is authorised". In the first sentence of paragraph 4 "enforce" was replaced by the word "impose"; in the second sentence of this paragraph the word "penalty" was retained and in the French text the words "les amendes" replaced by "les penalites pecuniaires".

Article 20.

In the English text of this Article, the only change made was to retain the words "agreed to" in the first sentence of paragraph 5.

In the French text, apart from the corresponding change in this paragraph, the word "permettront" was replaced by "devraient permettre" and in paragraph 5 the words "marques d'origine" were replaced by "marquage".

Article 21.

Paragraph 1 was approved without change.

In paragraph 2 the word "import" before "duty" was deleted and instead the words "on imports" were inserted after the word "charge".

Sub-paragraph (a) of paragraph 3 was approved. Concerning sub-paragraph (b) the Delegate of BELGIUM pointed out that there was a contradiction between sub-paragraph (a) and (b) and that the last sentence of sub-paragraph (b) did not stipulate clearly what action would be taken under this provision. It was decided to postpone the discussion of this sub-paragraph until the Delegates of France, Belgium, New Zealand and the United States would consider an acceptable re-draft.

Article 22.

The text of this Article was approved, the only changes being the transfer in paragraph 6 of the word "may" at the beginning of the second sentence to a place between the words "deemed appropriate," and the word "engage". A corresponding change was made in paragraph 7 in respect of the words "may also" which were transferred from the beginning of the sentence to appear before the word "study".

Article 23.

The UNITED STATES Delegate stated that he would like this Article to be deleted. He was supported by the Delegate of India. The Delegate of the United Kingdom pointed out that he needed time to consider this proposal.

Accordingly, the discussion of this provision and of Article 37 was postponed until the next meeting.

The meeting rose at 6.55 p.m.