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

Summary Record of the 25th Meeting of Commission B,
held on Thursday, 17 July 1947, at 2.30 p.m.,
in the Palais des Nations.

Chairman: The Hon. L.D. WILGRESS (Canada)

The Commission commenced a general discussion on the subject of the composition of the Executive Board.

Mr. COLEBAN (Norway) stated that he thought the Commission should first decide the number of members of the Executive Board. The Norwegian Delegation thought that there should not be more than fifteen members, for otherwise the Board would become a debating society and the work would be handed over to sub-committees of restricted membership which would dominate the Board's activities.

Dr. COOMBS (Australia) said that the Executive Board should be large enough to represent the types of economy of all of the members of the organisation, but it should be small enough to be manageable. The Australian Delegation doubted whether fifteen members would be sufficient, and would suggest that the figure of eighteen be adopted as a working basis. He did not feel the same concern as the delegate of Norway about the possibility of the Board operating through sub-committees, as the members of the Board, being specialists, could be relied upon to act as such and not as representatives of governments,

at least for a great proportion of the time they spent upon the activities of the Board. As regards the question of permanent seats on the Board, the Australian Delegation did not consider that it was necessary to give great commercial States guaranteed seats in order to ensure that they exercise an influence within the organisation to which they were entitled. One important argument against a system of permanent seats was the fact that the main purpose of the Board would be to represent the varied economy of the members of the organisation. With a system of permanent seats, it would be difficult to fulfil this purpose. A system of permanent seat would limit the development of a practice of appointing countries to the Board because they had available to act as their representative persons of special qualifications. Another factor to be considered was that it would be very difficult to work out a formula to be applied, and that formula would inevitably be worked out subjectively. Finally, the Australian Delegation considered that a two-thirds majority or at least some majority greater than a simple majority, should be required to elect any member to the Board.

Mr. PARANAGUA (Brazil) pointed out that there were twelve members of the Executive Board of the International Monetary Fund, and twelve alternates - this number had certainly not proved too great, in fact it had proved insufficient. He thought, therefore, that the membership of the Executive Board of the International Trade Organisation should not be small, and it should be possible to increase the membership at any time. He considered that the more important economic States should be entitled to seats of a permanent character. The difficulty was to find a formula, but this difficulty could be overcome. He agreed with the Australian Delegate that the majority required

in elections to the Board should be greater than simple majority.

Mr. HOLMES (United Kingdom) said that the United Kingdom Delegation had an open mind on the size of the Executive Board, but considered that a fairly large Board was required. The United Kingdom Delegation also had an open mind on the formula to be applied, but in any event thought that the application of this formula should be reviewed periodically. As regards the remarks made by the Delegate of Australia concerning the constant representation of great powers upon the subsidiary bodies of the Preparatory Committee, he pointed out that it had always been open to delegations which were not members of these bodies to participate in their meetings. Also the work to be done by the organisation was very different from that which was being done by the Preparatory Committee. As regards the need of the Board to obtain members who were specialists, he considered that a system of permanent seats would ensure this rather than a system which would continually change the personnel comprising the Board.

Dr. CUTIERREZ (Cuba) suggested that the Sub-Committee should be asked to work out a formula based on the following principles:-

1. The Board should be composed of not less than fifteen and not more than eighteen members.
2. The seats in the Board should be so distributed as to ensure the representation of all economic regions of the world.
3. Not less than one-third of the total seats, and not more than one-half of one-third of the total seats should be permanent and distributed among the nations of greater value to

international trade. All other members of the Board should be freely elected by the Conference. If the Commission decided to establish certain qualifications for membership of the Board, the Cuban Delegation would accept only the requirement of a certain minimum amount of foreign trade.

Mr. MINOVSKY (Czechoslovakia) stated that on the Executive Board a special position should be given to the large economic powers. The Czechoslovak Delegation suggested from fifteen to eighteen members and that five permanent seats be given to the five permanent members of the Security Council. As regards the question of the majority required to elect a member to the Board, the Czechoslovak Delegation agreed with the United Kingdom suggestion contained on page 63 of the Report of the Drafting Committee.

Mr. DE GAIFFIER (Belgium-Luxembourg) thought that the Preparatory Committee should now be able to designate the countries which would sit upon the Board. The Belgian-Luxembourg Delegation considered that Alternate "B" in the Annex to the Drafting Committee Report might be considered as a working basis by the Sub-Committee. However, certain questions in that alternative remained to be clarified. For example, what was meant by "Members of the first category"?

Mr. WUNSZ KING (China) thought that the size of the Board should be roughly one-third of the total membership of the Conference. Therefore, the Chinese Delegation considered the Board should have eighteen members. Of this number, eight or nine members should be permanent members. The Chinese Delegation favoured the United Kingdom formula set out in pages 54 and 56 of the Drafting Committee Report for the

method of election to the Board. A satisfactory formula might be worked out by using this proposal considered in relation to the principle of geographic distribution.

Mr. KOJEVE (France) stated that he thought the Board should be limited to fifteen members, although he agreed with the delegate of Australia that all the major types of economic structure should be represented. The French Delegation considered that a system of permanent seats was advantageous in that it would ensure stability and continuity of work. As regards permanent membership, the French Delegation had an open mind, but thought that the various types of economic structure should be permanently represented. The French Delegation had submitted a proposal to the Drafting Committee, but it neither wished to withdraw that proposal nor insist upon it.