

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED  
LIMITED B  
GATT/CP.6/SR.1  
18 September 1951  
ORIGINAL: ENGLISH

CONTRACTING PARTIES  
Sixth Session

## SUMMARY RECORD OF THE FIRST MEETING

Held at the Palais des Nations, Geneva  
on Monday 17 September 1951 at 3 p.m.

Chairman: Mr. Johan MEIANDER (Norway)

- Subjects discussed:
1. Opening of Meeting
  2. Adoption of Agenda
  3. Informal Guidance for the Press
  4. Attendance of Observers

### 1. Opening of the Meeting

The Chairman, in opening the meeting, emphasized the growing importance of the Contracting Parties as the only inter-governmental body competent to deal with questions of commercial policy, particularly since the indefinite postponement of the establishment of the ITO. In the past, the Contracting Parties had been chiefly concerned with tariff questions. Other barriers to trade dealt with in the Agreement would now take an equal place in their deliberations.

The Chairman welcomed Germany and Peru who would shortly become contracting parties. He also welcomed the Ministers of Commerce from Canada and France, the President of the Board of Trade of the United Kingdom and the Assistant Secretary of State of the United States, and hoped that it would become a standard practice for Ministers of Trade and Commerce to be present for a few days at the beginning of one session of the Contracting Parties each year.

The full text of the Chairman's speech is reproduced in Press Release GATT/31.

Mr. HOWE (Canada) emphasized the usefulness of the General Agreement and the scope of the work accomplished by the Contracting Parties. In his view the Torquay negotiations had been one of the major accomplishments of the Contracting Parties. Mr. HOWE stressed the importance of the ultimate objectives of the Agreement - to reduce the obstacles to trade - and referred to the danger inherent in the use of import controls which, unless constantly reviewed and removed as soon as possible, tended to become established as permanent means of protection. This was an important session of the Contracting Parties, particularly because of the attention that was to be devoted to arranging for the permanent administration of the Agreement. Canada was prepared to support all measures which would strengthen the Agreement and help to maintain the substance of its accomplishments.

The full text of Mr. Howe's speech is reproduced in Press Release GATT/32.

Mr. THORP (United States of America) agreed with the Chairman that it would be of value for the most senior trade policy officials of governments to use the sessions of the Contracting Parties as a meeting place. The General Agreement had provided a new element in international relations. It had already dealt with tariffs; it was now dealing with other types of trade barrier and it provided a long needed international forum for the settlement of disputes on international trade in accordance with agreed rules and in a spirit of understanding. The fundamental difficulties arose from the complicated nature of international economic relations and particularly from the interlocking of the commercial and financial aspects. Great progress had been made in the United States balance-of-payments situation towards the rest of the world, and if the problem was not yet solved there was general agreement in many different international forums that the ultimate elimination of payment and exchange restrictions was the objective. Mr. Thorp emphasised the importance of keeping these ultimate objectives clearly in mind. His government attached great importance to the consideration at this session of the future administration of the Agreement and of procedures for carrying out new tariff negotiations.

The full text of Mr. THORP's speech is to be found in Press Release GATT/34.

## 2. Adoption of Agenda (GATT/CP.6/1/Rev.2)

The Provisional Agenda (GATT/CP.6/1/Rev.2) was examined item by item. The inclusion of the following items on the Agenda for the Session was accepted without discussion:

- Item 1. Adoption of Agenda
- Item 2. Attendance of Observers
- Item 3. International Chamber of Commerce Resolutions
- Item 4. Balance-of-Payment Restrictions
- Item 5. IMF Membership and Special Exchange Agreements
- Item 6. Continuing Administration
- Item 7. Inclusion of Havana Articles 3, 4 and 6.
- Item 8. Article XX Time-Limit
- Item 9. Tariff Negotiations Arrangements
- Item 10. Unfinished Article XXVIII Negotiations
- Item 11. Status of Protocols and Schedules
- Item 12. Torquay Protocol
- Item 13. United Kingdom Schedules
- Item 14. Rectification of Schedules
- Item 15. Consolidation of Schedules
- Item 16. Report on Withdrawal of Concessions in Schedule XX
- Item 18. United Kingdom Purchase Tax
- Item 19. Brazilian Internal Taxes
- Item 22. South Africa-Southern Rhodesia Customs Union
- Item 23. Nicaragua-El Salvador Free-Trade Area
- Item 24. European Tariff Levels
- Item 25. Budget
- Item 26. Publication of Documents
- Item 27. Publication of Progress Report
- Item 28. Article XXIII Application relating to Schedule XX Withdrawals
- Item 29. South Africa-Germany Tariff Negotiations
- Item 31. Other business

Item 17. French West Africa Duties

Dr. TAUBER (Czechoslovakia) said he had no objection to the inclusion of this item, but drew attention to the fact that no document had been produced in explanation. Nor had a document been produced for Item 20.

The CHAIRMAN recalled that items had sometimes been accepted for the Agenda at previous meetings although explanatory documents were not ready for distribution until after the opening of the meeting.

The inclusion of Item 17 was adopted.

Item 20. Belgian Tax

Mr. SVEINBJØRNSSON (Denmark) proposed the deletion of the words "affecting Norwegian exports" since this item was also of interest to Denmark.

M. SUETENS (Belgium) said he would not oppose the inclusion of the item but requested a paper from the two delegations.

The CHAIRMAN, in reply to a remark of Mr. AHMED (Pakistan), asked that documents for items 17 and 20 be submitted as soon as possible.

The inclusion of Item 20 was adopted

Item 21. United States-Czechoslovakia: Termination of Obligations  
(GATT/CP.6/5)

Dr. TAUBER (Czechoslovakia) said that the argument contained in the document submitted by the United States (GATT/CP.6/5) on this item was based entirely on political grounds; Article 86, paragraph 3 of the Havana Charter ruled out political matters and therefore the item was not a proper one for discussion by the Contracting Parties. He proposed its elimination from the Agenda.

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X Mr. THORP (United States), although not denying that there were political issues between the United States and Czechoslovakia, explained that his Government intended to discuss this item solely on economic grounds, without reference to political issues. The matter had arisen out of extraordinary action with consequences which reached into the area of the Agreement and was therefore properly placed before the Contracting Parties. X

The CHAIRMAN referred to Article XXV:5(a) whose wording, "exceptional circumstances not elsewhere provided for in the Agreement", clearly envisaged possibility of such problems. He would, therefore, rule that the item was a proper one for inclusion in the Agenda. In reply to Dr. Tauber's remark that the United States paper contained no reference to Article XXV, the Chairman pointed out that it was, of course, open to delegations to submit further papers and it was to be expected that the United States intended to submit a further paper on this item.

Dr. TAUBER (Czechoslovakia) repeated his contention that the basic document contained political allegations and was not suitable for discussion by the Contracting Parties. He proposed that before a definite decision were taken, the Secretariat submit a report on the question of principle.

The CHAIRMAN thought this was unnecessary. The United States delegate had said that the case would be argued on economic grounds and this assurance should be accepted. The Czechoslovak Delegate could raise the question during the course of the debate if it were necessary.

There being no support for the Czechoslovak proposal, Item 21 was agreed for inclusion in the Agenda.

Item 30. U.S. Import Restrictions on Dairy Products

Dr. Van BLANKENSTEIN (Netherlands), supported by Mr. SVEINBJØRNSSON (Denmark) and Mr. ISBISTER (Canada), proposed that this item be added to the Agenda. Restrictions had recently been imposed by the U.S. Government and the Netherlands Government had protested under Article XXIII.

Mr. THORP (United States) agreed that the item was suitable for discussion by the Contracting Parties.

The inclusion of Item 30 was adopted

Item 31. Other Business

Dr. TAUBER (Czechoslovakia) wished to reserve the possibility of placing two further items on the Agenda, namely: 1) The cancellation by the United States of licences for the export of goods to Czechoslovakia; and 2) the denial of permission by the United States for the return to Czechoslovakia of merchandise which was not accepted by the customer in the United States, whether or not it had been cleared through customs. His government had approached the United States Government under Article XXIII and was still awaiting a reply. He therefore only asked the Contracting Parties to note the possibility that these questions might be raised at this session.

The CHAIRMAN said there could be no objection to this procedure.

Mr. BØRRESEN (Norway) said that his Government might wish to raise a question concerning a country which was not yet a contracting party.

The CHAIRMAN explained that it was open for any government to propose further items during the meeting.

An Order of Business proposed by the Chairman was considered, and was approved in the amended form as set out in Document Six/4.

3. Informal Guidance for the Press

The CHAIRMAN referred to the draft informal guidance for press and radio correspondents which was before Delegations and asked that corrections be submitted to the Secretariat the following day.

4. The Attendance of Observers (GATT/CP.6/8)

The CHAIRMAN referred to the request by the European Customs Union Study Group to send an observer to the Sixth Session. The request of the Study Group involved three considerations: first, whether the Study Group, which was interested in the International Chamber of Commerce proposal concerning customs treatment of samples and advertising material, could be represented at the meetings which were considering this question; secondly, what arrangements could be made to secure the collaboration of the Study Group in any work that the Contracting Parties might decide to undertake in connection with this proposal; and, finally, whether it would be feasible to study arrangements for working with the Study Group in connection with other points of common interest. The Contracting Parties were at the moment concerned only with the first aspect.

The EXECUTIVE SECRETARY explained, in reply to a question by Dr. Tauber, that the European Customs Union Study Group was an inter-governmental organization composed of a group of European countries which had formed themselves into the group in order to study the problems involved in the possible eventual conclusion of a Customs Union. In the course of their study they had already drawn up proposals for a common tariff nomenclature and were now beginning to consider other questions such as valuation for customs purposes and to draw up conventions concerning them. The relevance of their work to the Agreement was therefore apparent.

Replying to a further question of Dr. Tauber's, the EXECUTIVE SECRETARY considered that the Study Group had certain definite characteristics of an international organisation, for instance a basic document defining the aims and objectives, a secretariat-general, a system of regular international conferences to which governments accredited representatives who made recommendations which formed the basis of the work of the Secretariat.

Dr. TAUBER feared that he would have to abstain on the decision to invite the Group, as he could not be sure from the Executive Secretary's description whether the Group fell under the exact definition of Rule 9 of the Rules of Procedure.

Mr. AHMED (Pakistan) said he did not oppose the attendance of the Study Group, but was somewhat concerned at the sectionalism that might be involved in inviting the Group to attend the meetings. The Contracting Parties comprised many countries that were not European, and he wished to have the assurance that all the work of the Study Group would be available to all contracting parties, whether or not they were European.

The CHAIRMAN agreed that it was of interest to all the contracting parties to know what was being accomplished in various regions. The question raised by the Delegate of Pakistan might be considered when the arrangements for collaboration with the Group were discussed.

It was agreed, except for the abstention of Czechoslovakia, that the European Customs Union Study Group should be invited to send observers to the Sixth Session.

The CHAIRMAN explained that he had received a request from the Government of Yugoslavia to be permitted to send observers to the Sixth Session. Yugoslavia had been invited to be represented by an observer at the Fifth Session, under Rule 9 of the Rules of Procedure and he asked the Contracting Parties whether they wished to extend the same invitation for this Session.

It was agreed that Yugoslavia should be invited to send an observer.

The meeting adjourned at 5:40 p.m.

