

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Eighth Session

SUMMARY RECORD OF THE TWENTY-FIRST MEETING

Held at the Palais des Nations, Geneva;
on Saturday, 24 October 1953, at 3 p.m.

Chairman: Mr. Johan MELANDER (Norway)

Subjects discussed:

1. Report of Working Party on Article I
2. Renewal of Intersessional Arrangements for the Administration of the Agreement
3. Date and Place of the Ninth Session
4. Election of Chairman and Vice-Chairman
5. Statement by the Chairman Closing the Session

1. Report of Working Party on Article I (G/59 and L/168)

Mr. SUTTEMS (Belgium) pointed out, in submitting the report, that the examination of the United Kingdom request for a waiver of certain obligations under Article I had been a most delicate task. Opinions had been divided; on the one hand, the problem had been to enable the United Kingdom to modify its unbound tariff rates without incurring the obligation to impose duties on goods from the Commonwealth which have traditionally benefitted from preferential free entry, and, on the other, to ensure that no diversion of trade would result from action by the United Kingdom under the waiver. Paragraph 13 of the report summarized their conclusions: it having proved impossible to arrive at an agreed recommendation, the majority felt that, if the CONTRACTING PARTIES should decide in favour of granting a waiver along the lines requested by the United Kingdom, the draft decision annexed to the report would be technically appropriate.

The CHAIRMAN said that, after informal discussions with certain delegations, he had prepared the Note (L/168) which aimed to modify the procedures which form part of the proposed decision in order to find a larger measure of agreement on the situation which would arise in those cases where the CONTRACTING PARTIES found that there was a likelihood of diversion of trade to the preferential area.

Mr. SANDERS (United Kingdom) said that the United Kingdom like other contracting parties had reserved their freedom on certain items of trade, to increase their tariffs should they think fit. They had the same freedom as all other countries to increase those tariffs. But they could not, without extremely difficult domestic legislation, arrange for the charge of corresponding duties on the Commonwealth. Consequently, they were not in practice free to exercise the freedom that they enjoyed in law to increase these duties. The purpose of this waiver was not, and never had been, to give them freedom to increase preferences in contravention of the principles of the purposes of Article I. What they had asked was simply that they should be free to increase presently unbound duties where, by reason of the nature and pattern of the trade, changes of preference margins would be unlikely, as such, to have any material effect.

The form of waiver drafted in the Working Party was in their judgment well designed to meet the problem. The amendment now proposed by the Chairman served the same purpose. It was in certain respects somewhat less flexible and was designed to take account of the difficulties felt by certain of the contracting parties in admitting that a problem of that kind should properly be dealt with in flexible terms. They were prepared for their part to accept the amended waiver, which the Chairman had circulated.

He felt sure he could say that in formulating that amended form of waiver the Chairman had been as much aware as the United Kingdom delegation of the need for all concerned to co-operate whole-heartedly and with a full sense of responsibility, in the application of the procedures in a practical way on particular cases as and when they brought them forward. It was in fact on the assumption that they could count on the goodwill and co-operation of their colleagues that his Government had authorised him to accept that form of waiver. Indeed, their political problem in the United Kingdom would remain largely unsolved if they could not count, as he was sure they were rightly counting, on the unreserved help of other governments in responding quickly and realistically when they had occasion to consult them under the approved procedures, and in facilitating speedy decisions in any cases which might be taken to arbitration. This would be of the first importance to them.

Mr. Sanders referred to a point of drafting in the preamble of the decision. He had been asked what was the significance of the sentence at the end of the fourth paragraph which stated that the grant of the facilities sought by the Government of the United Kingdom would not affect their continued readiness to participate in action by the CONTRACTING PARTIES to secure further reduction of tariffs. It had been suggested to him that, in view of its context, this might be taken to constitute a pledge on the part of the United Kingdom to accept any particular scheme for the multilateral reduction of tariffs that was found acceptable by other contracting parties. He was most anxious that there should be no misunderstanding in this matter and wished to state that all they had in mind, when those words were drafted, was to reassure their colleagues that the limited freedom the United Kingdom would secure from the waiver in the tariff field would not make them less sympathetic than they would otherwise have been in playing

their part in the efforts and activities of the CONTRACTING PARTIES to achieve a reduction of tariffs, as provided for in the preamble to the General Agreement itself.

Mr. SELDENFADEN (Denmark) said his delegation would abstain from voting on the decision. He regretted that a split vote should take place on the request by the United Kingdom, since his delegation felt it should be possible as a general rule to find a unanimous solution to any problem submitted by a contracting party. From the outset, his delegation had stated their willingness to endeavour to find an equitable solution which would make it possible for the British Government to tackle their problems without unreasonable damage to other nations and without compromising the principles of Article I on the common objectives under the Agreement. He would briefly summarise the main factors which had led to the Danish decision. All circles in Denmark disliked preferences, both in principle and in practice, and any action directed against the provisions of Article I gave rise to concern. He trusted that the assurances given by the United Kingdom Government on that point and the safeguards contained in the procedures would be satisfactory and that no diversion of trade would take place. He wished the United Kingdom delegation to be assured that his only preoccupation was to safeguard the legitimate interests of his country, and he hoped that the procedures would be applied in the spirit in which the majority of the contracting parties agreed to them.

However, the Danish delegation was also concerned with the contemplated increase of British tariffs. Despite the United Kingdom's assurances on that point, he felt that all contracting parties would be greatly concerned if any contracting party undertook a widespread upward revision of its unbound rates. Such action would tend seriously to weaken the support which was afforded to the Agreement in all other countries. He felt that such a development would be harmful to mutual co-operation under the General Agreement since such co-operation could not take place in watertight compartments and there was always a danger of repercussion in other fields where efforts are made for further economic co-operation. At present, co-operation between European nations in the Organization for European Economic Co-operation was in a critical stage. Possible steps towards closer collaboration would shortly be discussed there and any threatened increase in tariffs and protectionism, especially in the agricultural field, might be fateful to these efforts. Furthermore, great hopes were entertained that bold steps would be taken by the United States Government after the review of their foreign economic policies. It would be fateful to all if the defenders of the new policies were met, rightly or wrongly, with the argument that it would be unreasonable for the United States to liberalise their policy, for instance through acceptance of the French Plan now under study, if at the same time the most important country on the other side of the Atlantic were moving in the opposite direction. They had recorded carefully the assurances of the United Kingdom Government that there was no intention of undertaking a comprehensive upward revision of the United Kingdom protective tariffs and had welcomed the statements by the President of the Board of Trade as to his liberal views. But if a waiver were accorded to the United Kingdom, it would be important that the

public should not gain the impression that a measure had thereby been initiated which might be harmful to the progress of international co-operation outside of the Agreement and to public support of that Agreement. This was the main reason why they felt that any decision granting the requested waiver should be explicit in stating that the waiver was strictly limited in scope. He, like several other members of the Working Party, thought that a specific waiver relating to named products would be more acceptable. But since the United Kingdom had not felt able to accept that proposal, the Working Party had directed their efforts to introducing the reassuring statements of the United Kingdom delegation into the preamble to the draft decision.

It was his impression that the draft, in its amended form, would obtain support and, while congratulating the United Kingdom representative on the result and thanking him for the spirit in which he had received his interventions, he expressed the hope that, should their fears be confirmed and the decision of the CONTRACTING PARTIES have certain undesirable effects, the actions of the United Kingdom under the waiver in the field of economic co-operation with Continental Europe would more than counteract such effects.

M. PHILIP (France) said the French Government would have wished to agree to the waiver requested by the United Kingdom delegation. However, the proposal had caused concern to the French Government, for a body such as the CONTRACTING PARTIES could be genuinely effective only if fidelity to principles ensured the stability of the commitments undertaken. The commitment to refrain from increasing margins of preference was an essential provision at the time of signature of the Agreement for ensuring accurate tariff equilibrium on fixed bases between the countries under a preferential system and those benefiting by the most-favoured-nation clause. However, despite their misgivings, the French delegation had endeavoured to meet the request of the United Kingdom delegation, and thus to enable their Government to maintain the traditional régime of free-entry which it granted to products from territories mentioned in Annex A of the Agreement. They had hoped for a compromise formula which could be accepted by all contracting parties, but the United Kingdom delegation had been unable to accept certain conditions such as limiting the waiver and inserting a clause that the facilities requested would lead neither to a general revision of the tariff nor to an increase of the rates beyond a reasonable level. Likewise, a proposal guaranteeing that there would be no diversion of trade in favour not only of identical products but also of like or substitutable products from territories benefiting from preferential treatment was not accepted. The French Government, therefore, despite their desire to meet the United Kingdom request, would abstain from voting on the proposal, since French farmers were encountering difficulties as serious as those on which the United Kingdom request was based.

Baron BENTINCK (Netherlands) was also concerned about the tendency in the commercial policy of one of the most important trading countries with respect to discrimination and tariff protection. He recognized that the Working Party had done much to limit the likelihood that the waiver would lead to any real increase

in preferential advantages and the machinery of the General Agreement had once more proved an effective instrument for finding a solution acceptable to the majority. However, despite the assurances given by the United Kingdom delegation, the Netherlands delegation were still apprehensive that, in granting the waiver, the way would be opened to a very undesirable development of policy with respect to trade barriers. He was not greatly interested in the legal implications of the waiver, as the CONTRACTING PARTIES were not solely or primarily a court of jurisdiction. The most important role of the CONTRACTING PARTIES seemed to be their policy-making responsibilities in improving conditions for international trade, in building the General Agreement into a stronghold of anti-restrictionist trade policy, and as a body developing and applying trade rules. He would not go so far as to say that the present waiver would prove so detrimental as to be considered a reversal of the individual and collective policy of the contracting parties, but he particularly regretted that the step was being taken at a moment when, except with regard to quantitative restrictions, no real progress could be accomplished in the field of general commercial policy. It would be most unsatisfactory if at the same time, as quantitative restrictions were reduced, a widespread increase in protective tariffs developed. He would point out that incidental measures of trade policy, such as the waiver under consideration, might attract more attention than its concrete importance warranted. Conclusions might be drawn with respect to the future trade policy of contracting parties throughout the world and particularly in the context of European economic collaboration. For these reasons the Netherlands delegation would abstain from voting.

Mr. NOTARANGELI (Italy) stated that from the legal point of view the draft decision could not be considered satisfactory. The Italian delegation were concerned that the substance of the waiver amounted to an amendment of Article I. The escape clause in the procedures annexed to the draft decision could not prevent the waiver from operating in every case, even when it was clear that an increase of most-favoured-nation rates would probably cause a diversion of trade in favour of Commonwealth countries. Therefore while he considered the draft decision now before them more satisfactory than the original United Kingdom draft, the Italian delegation were unable to approve it. Their abstention was justified not only by their concern at the infringement of the principle that preference systems should not be reinforced, but also by their objection to any new obstacles which might be raised to a substantial reduction to customs barriers.

The British request arose out of the desire to revise certain sectors of the general tariff of the United Kingdom on protectionist lines. It was true that only unbound items could be affected, nevertheless the scope of possible action was vast enough to affect the trade relations between Italy and the United Kingdom. The United Kingdom assurances that quantitative restrictions would soon be abolished did not suffice to remove the anxiety of the Italian Government. The precedent would be a dangerous one if trade liberalization were to be made subject to tariff increases. The Italian delegation would be glad if the United Kingdom were able to re-examine their programme with a view to expanding the scope of their economic co-operation and renouncing any further increase in

tariff restrictions. While appreciating the efforts of the Chairman in submitting the amendments contained in L/168, the Italian delegation would have to abstain from voting.

Mr. VARGAS GOMEZ (Cuba) said that one of the effects of the waiver would be to increase margins of preferences. His Government deeply regretted that it should be necessary to grant a waiver from one of the basic provisions of the Agreement, particularly as his Government had made efforts to reduce their preferential tariff structure. He would, however, vote in favour of the decision, on the understanding that the waiver was granted in very exceptional circumstances and did not constitute a precedent.

Mr. MACHADO (Brazil) said his Government had given sympathetic consideration to the request for a waiver. He felt that any departure from the basic principles of the Agreement might open the way to other requests for waivers, but he recognized the problems confronting the United Kingdom. He was prepared to vote in favour of the waiver.

In reply to a question by Mr. Machado, the CHAIRMAN said that the vote on the decision would require a two-thirds majority under Article XXV:5(a) and would be binding on the CONTRACTING PARTIES.

Mr. PAPATSONIS (Greece) was prepared to vote in favour of the decision as amended in the Chairman's Note. He was fully aware of the disadvantages which a rejection of the waiver would entail for the United Kingdom.

Mr. FINMARK (Sweden), reiterating the statement made by the leader of the Swedish delegation on 21 September, said that the United Kingdom request was closely connected with the whole problem of Imperial preferences. His Government attached the greatest importance to the maintenance of the present rules of Article I and would not like to see them impaired or weakened. Although prepared to seek formulae for overcoming technical difficulties arising in the application of the Agreement, the Swedish delegation considered that the wide scope of the waiver asked for in this case and the vague procedures suggested in the decision drafted by the Working Party went beyond those objectives. However, the proposal contained in the Note by the Chairman was an important improvement since it left in the hands of the CONTRACTING PARTIES any decision in regard to possible impairments of the basic rules of Article I as a result of application of the waiver. He would be able to vote for the decision, as amended by the Chairman, on the explicit understanding that the waiver would not be used in such a way as to cause unreasonable damage to other contracting parties, and that it would not lead to a general increase in the level of tariff protection.

Mr. HAGEMANN (German Federal Republic) said his delegation had followed with interest the discussion in connection with the United Kingdom request and regretted that the draft decision and procedures provided for a general waiver rather than the specific waivers which they would have preferred. He recognized that the United Kingdom, by accepting the Chairman's amendment, had limited the scope of

the waiver. He noted with satisfaction that the waiver would be used in such a way as to avoid diverting trade in favour of preferential territories, and that, in other cases, the bound margins of preference would in no wise be impaired. The fact remained, however, that a further waiver of provisions of the General Agreement was being granted and he trusted that it would not be followed by others further enlarging the area of tariff preferences, especially in consideration of the fact that the Agreement would be under review. He also hoped that the waiver would not lead to any extensive increase in the unbound tariff rates of the United Kingdom. In view of the above considerations, the German Federal Republic would vote in favour of the waiver.

Mr. BROWN (United States) was glad that a solution had been found. The views of his Government on tariff preferences needed no elaboration. He did not believe that the waiver requested was intended to divert trade or was likely to have such effects. He believed that the Chairman's Note made this more clear than any previous draft and was devised to make quite sure that no such result would follow from its use. He felt the amended text was a real improvement and should prove satisfactory to the great majority of the contracting parties, including most of those principally affected. He was sure that the waiver would not be unreasonably invoked and would be administered in a spirit of objectivity and co-operation. His delegation were therefore prepared to vote in favour of the proposal.

The report of the Working Party was approved. The decision contained in the report, as amended in document L/168, was approved by 26 votes in favour and none against.

U. SAW OHN TIN (Burma) said that he had abstained on account of lack of instructions from his Government.

Mr. SANDERS (United Kingdom) wished to thank the CONTRACTING PARTIES for their co-operation in approving the waiver, and to express his appreciation of all that the Chairman had done to make possible the very substantial measure of agreement that the vote had recorded. He would like, particularly, to say how grateful all the members of his delegation were to Mr. Suetens for his un-failing patience and courtesy in presiding over the Working Party without whose work that conclusion could never have been reached. He would not wish to end on a discordant note, but perhaps he should add, if only to complete that short statement of thanks, that it would, he knew, be a matter for regret and disappointment to his Government that, notwithstanding all the efforts of the Chairman of the CONTRACTING PARTIES, of the Chairman of the Working Party and of the United Kingdom delegation to meet all reasonable points, the voting on the part of their neighbours in Western Europe should not have been unanimous in their favour.

2. Renewal of Intersessional Arrangements for the Administration of the Agreement (L/169)

The EXECUTIVE SECRETARY said that in paragraph 1 of L/169 it was suggested that the CONTRACTING PARTIES should reappoint the Ad Hoc Committee on Agenda and Intersessional Business, the composition of which had been carefully established in order to ensure its representative character. In the case of withdrawal of membership by a contracting party the Chairman would designate a new member.

The renewal of existing arrangements would, as explained in paragraph 2 of the document, enable the Intersessional Committee to deal with matters which might arise between the Sessions. In the case of requests for re-negotiation, in exceptional circumstances, of bound rates of duty, the powers to make decisions on such requests would have to be delegated to the Intersessional Committee by the CONTRACTING PARTIES. Paragraphs 3 and 4 referred to the procedures under Article I for dealing with the waiver granted to the United Kingdom. Regarding paragraph 5, he had discussed the matter of procedures in dealing with applications under that waiver, and all the delegations he had consulted had held the view that the waiver depended upon the efficacy of the procedures and on speedy action. If six members were required to constitute an ad hoc panel, as proposed, that would create serious difficulties in its manning and speedy convening. He suggested that a panel consisting of the Chairman and either two or four other members, according to the nature of the case, would be sufficient.

Mr. PRESS (New Zealand) pointed out that the Committee would have considerable responsibility for the organisation of work between sessions. There should be a permanent membership in the Committee of countries of major importance and a system of rotation for other countries corresponding to types and geographical areas. That system had not yet been followed; the Ad Hoc Committee set up at the Sixth Session had been reappointed at the Seventh with the same membership, except for a change in the Benelux countries, and it was now proposed that the same Committee be reappointed to function between the Eighth and Ninth Sessions. The result of this procedure had been that something similar to a permanent élite had been established in the Intersessional Committee, excluding some countries which had been associated with the Agreement from the beginning. He felt that it was important to establish the principle of rotation, mainly because more powers were being delegated to the Committee. The right of a contracting party to be represented on the committee for a certain item did not go far enough to meet the principle he had in mind; nor did the explanations now given that a contracting party might withdraw from membership and be replaced by another. The New Zealand delegation, therefore, did not agree with a continuation of the procedure for appointment and asked that principles be drawn up for the rotation of part of the membership.

Mr. ISIK (Turkey) shared the view of the delegate from New Zealand with regard to membership. He considered it would be a dangerous principle to create two groups within the General Agreement, one group enjoying membership, while the

other had to wait for withdrawals. In all other international organisations the principle of rotation was an established one. He suggested a procedure to designate members in such a way that each year one-third would be elected, which would not prevent re-election of former members if so desired.

Mr. MACHADO (Brazil) shared the view of the delegate from New Zealand. He was in favour of rotation in the membership of the committee since in this next intersessional period it would have to deal with particularly important matters.

The EXECUTIVE SECRETARY, in reply to Mr. Machado, said it was an established practice that any delegation had the right to attend meetings of working parties, and the Chairman of the Intersessional Committee was under the obligation to co-opt contracting parties which were especially interested in the problems to be discussed. With regard to the composition of the Intersessional Committee, it was not his experience that governments pressed for membership but rather that they did not all attend its meetings or had a purely formal representation.

Mr. SEIDENFADEN (Denmark) submitted the request of his Government to be relieved of membership in the Intersessional Committee.

The CHAIRMAN designated Sweden to take the place of Denmark.

Summing up the above discussion, the Chairman said there had been some difference of opinion with regard to the methods of appointment to the committee but that this problem could be considered when the General Agreement was reviewed. It was reasonable that changes should take place from time to time and that those governments which did not wish to be represented or which normally had only formal representation should seek instructions from their governments to be relieved of membership.

The proposals submitted by the Executive Secretary (L/169) were approved.

3. Date and Place of the Ninth Session

The CHAIRMAN proposed that the Ninth Session be convened on Thursday, 14 October 1954, in Geneva.

A discussion followed in which Mr. AZIZ AHMAD (Pakistan), Mr. ENDERL (Austria), Mr. BROWN (United States), the EXECUTIVE SECRETARY and the CHAIRMAN participated. It was made clear that, in principle, and provided the review of the Agreement could be commenced in 1954, no special session would be convened for the review, but that it would take place at the Ninth Session. If the arrangements for the review of the Agreement so required, the Intersessional Committee might recommend to the CONTRACTING PARTIES some slightly later date than 14 October for the opening of the Ninth Session, but it was clearly necessary to hold a regular Session of the CONTRACTING PARTIES before the end of 1954. If the review could not take place before 1955, the date of 14 October 1954 for the Ninth Session would remain unaltered.

4. Election of Chairman and Vice-Chairmen (L/170)

The proposal contained in the Chairman's Note to amend the rules of procedure, in order to provide for the election of a First Vice-Chairman and a Second Vice-Chairman was adopted.

The CHAIRMAN then called for nominations for the Chairmanship of the CONTRACTING PARTIES for the forthcoming year.

Mr. SUIETENS (Belgium) proposed the Honourable L.D. Wilgress of Canada. The proposal was seconded by Dr. HELMI (Indonesia) and was supported by Mr. MACHADO (Brazil), Mr. SEN (India); Mr. AZIZ AHMAD (Pakistan) and Mr. BROWN (United States).

Mr. WILGREGG was unanimously elected Chairman of the CONTRACTING PARTIES.

Mr. WILGREGG thanked the CONTRACTING PARTIES for the honour which they had done his country by nominating him to the Chairmanship and thanked personally the previous speakers for the words they had addressed to him. Important tasks, he said, lay before them, and he was conscious of the work that would have to be done. He wished to take the opportunity to express their debt of gratitude to Mr. Melander who had been Chairman for the last two and a half years and under whose Chairmanship the CONTRACTING PARTIES had reached maturity. He wished to congratulate him on this achievement and on his appointment to an important post in his own country. While deploring his departure he wished him all success. At their periodical meetings representatives of the contracting parties joined in profitable discussions for the betterment of trade and living conditions in the world. These aims they would have to pursue bearing in mind the special needs of the less developed areas. Through the years they had acquired a considerable knowledge of each others needs and problems and it was their duty to see that this knowledge was profitably employed.

The CHAIRMAN then called for nominations for the First Vice-Chairmanship.

Mr. VARGAS GOMEZ (Cuba), speaking on behalf of the Governments of the Dominican Republic, Nicaragua, Peru and Cuba, proposed Mr. Garcia Oldini of Chile. Mr. BROWN (United States) and Mr. PHILIP (France) supported the proposal.

Mr. GARCIA OLDINI was declared unanimously elected as First Vice-Chairman.

Mr. GARCIA OLDINI thanked the contracting parties for the honour done to himself and to his country and to Latin America as a whole. He was grateful for the kind expressions used by those who proposed him and was in particular touched by the fact that Mr. Vargas Gomez spoke on behalf of four Latin American countries. This fact gave him an enlarged sense of responsibility.

The CHAIRMAN then called for nominations for the Second Vice-Chairmanship.

Mr. SANDERS (United Kingdom) proposed Mr. Seidenfaden of Denmark. Mr. RIBU (Norway) seconded the proposal and Mr. Seidenfaden was declared unanimously elected Second Vice-Chairman.

Mr. SEIDENFADEN (Denmark), thanked the contracting parties for the honour done to him and his Government and was personally appreciative of the fact that it was the representative of the United Kingdom, with whom he had had strong divergences at the present session, who had proposed his candidature.

5. Statement by the Chairman closing the Session

The CHAIRMAN* in closing the Session recalled that they had dealt with a more extensive list of items than in any previous session and also with matters of critical importance for the future of the General Agreement. The contracting parties had reason to congratulate themselves for having dealt with such a formidable agenda in a little over five weeks. The agreement to continue the tariff bindings during the next eighteen months while vitally important questions of economic policy were under consideration was reason for great satisfaction. Two major issues had undoubtedly put a strain on the General Agreement: the request of the United Kingdom in relation to Article I and the application by Japan to accede. On the first question, an encouraging sense of the importance of preserving the integrity and principles of the General Agreement had pervaded the discussions. The compromise solution which had been reached naturally did not give entire satisfaction to anyone but he was confident that if the contracting parties concerned brought to the application of the Decision the same understanding and the same sense of the importance of preserving the basic principles of the Agreement which they had always shown in the past, the solution would prove to be workable and acceptable.

It was regrettable that they had again been unable to deal finally with the request of Japan to accede to the General Agreement. This was understandable in view of the particularly fluid moment in the evolution of commercial policies and he hoped that the Government of Japan would feel that they had received a measure of satisfaction in being invited to participate fully in the discussions of the CONTRACTING PARTIES, including the review of the General Agreement, and in the fact that a considerable number of contracting parties had agreed that their commercial relations with Japan should be governed by the General Agreement pending definitive accession. Referring to the discussion of the report by six member countries of the European Coal and Steel Community, he said that a sound basis had been laid for the future. The CONTRACTING PARTIES and the Community had common objectives and could only profit from comprehensive discussion of the type inaugurated at the present session. Important progress had been made in the examination of the French plan for a general reduction of tariffs and the possibilities of further progress in the field of tariff reduction would be considered in the forthcoming months. In this task they would have to consider

* The full text of the Chairman's speech is reproduced in Press Release GATT/147.

what the basis for such further action would be and would have the advantage of the study of the ingenious and imaginative French proposal. He also referred to a number of complaints which had reached the CONTRACTING PARTIES and was pleased that in many cases a satisfactory settlement had been found.

The Chairman said that perhaps the most important decision taken at the Eighth Session was that to undertake a review of the operation and provisions of the General Agreement. He was particularly struck and encouraged during the discussion of this matter by the fact that most representatives emphasized the importance of not losing sight of the value of what had already been achieved. He felt this meant that they were still united in their agreement on the objectives of the contracting parties and in the conviction that the path followed had been the right one. In other words, he felt the aim of the review should be to consider the best ways and means of making the agreement more effective in promoting rapid progress towards the attainment of objectives; conditions were ripe for such an advance and the opportunity should be seized boldly, for if it were let slip it might not recur.

The Chairman said that he was addressing the CONTRACTING PARTIES for the last time as their Chairman and wished to take the opportunity to thank the representatives round the table for the collaboration they had given him during his terms of office. He was leaving government service but did not wish to break the personal contacts with the friends he had made among representatives of the CONTRACTING PARTIES. He thanked all representatives and the Executive Secretary for the close collaboration he had received.

The Session came to a close at 5 p.m.