

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

CONTRACTING PARTIES
Ninth Session

SUMMARY RECORD OF THE TWENTY-SECOND MEETING

Held at the Palais des Nations, Geneva,
on Monday, 7 December 1954, at 10.30 a.m.

Chairman: H.E. Mr. L. Dana WILGROSS (Canada)

- Subjects discussed:
1. Applications under Article XVIII
 - (c) Application by Ceylon - Third Interim Report of Working Party on Article XVIII Applications,
 - (a) Notification by Uruguay
 2. Federation of Rhodesia and Nyasaland - Report by Working Party on Schedules
 3. United States Duty on Dried Figs - Report by United States Government
 4. Review of the Agreement

1. Applications under Article XVIII

(c) Application by Ceylon - Third Interim Report of Working Party on Article XVIII Applications (L/289)

Mr. Evans, Director of Commercial Policy, introducing the Report in the absence of the Chairman, said that its purpose, like that of its predecessors, was to obtain the assistance necessary to enable the Working Party to continue its work. Ceylon's application had to do with ready-made shirts, an item on which Ceylon had assumed an obligation under Article II. As indicated in paragraph 4 of the Report, the Ceylon delegation had stated that the application for a release was submitted under paragraph 5 of Article XVIII. The relevant procedures set out in paragraph 3(b) required that the CONTRACTING PARTIES should determine in the first instance the contracting party or parties materially affected by the proposed measure. For that purpose, the Working Party proposed that the CONTRACTING PARTIES should request that the Working Party be notified as soon as possible and in any case not later than 10 days from 7 December 1954 by any contracting party which considered itself materially affected by the measures proposed by Ceylon.

The CONTRACTING PARTIES adopted the Working Party's Report, thereby requesting that the Working Party be notified within 10 days by any party considering itself materially affected by the measure proposed by Ceylon.

(a) Notification by Uruguay (L/231)

Mr. CIULOW (Uruguay) informed the CONTRACTING PARTIES that his Government had realized that the notification in question was unnecessary, because all the laws mentioned in the Uruguayan Government's statement of 30 July 1949 (Cf. Annex A to L/231) were of a mandatory character and, therefore, came under the provisions of paragraph 1(a) (ii) of the Annecy Protocol. His Government therefore wished to withdraw the original notification made by them pursuant to the provisions of paragraph 11 of Article XVIII. His Government had notified the secretariat, and the Uruguan delegation was at the disposal of the contracting parties to give them any information they might require.

The CONTRACTING PARTIES took note of the statement by the delegate of Uruguay.

2. Federation of Rhodesia and Nyasaland - Report by Working Party on Schedules (L/293)

Mr. GERIGK (Chairman of the Schedules Working Party), introducing the Report, said that the Working Party had examined, in relation to Schedule XVI of Southern Rhodesia, the question (set out in document L/250) which arose out of the creation of the Federation of Rhodesia and Nyasaland. The Working Party considered (L/293) that no changes need be made in Schedule XVI or in Annexes A and G of the General Agreement, and recommended that the questions be examined again at the Tenth Session on the basis of the new schedule of the Federation to be submitted to the CONTRACTING PARTIES about the middle of 1955.

The CONTRACTING PARTIES approved the Working Party's Report.

3. United States Import Duty on Dried Figs - Report by United States Government (L/284)

The CHAIRMAN referred to the discussion of the United States duty on dried figs at two previous sessions of the CONTRACTING PARTIES. At the Eighth Session the CONTRACTING PARTIES had reaffirmed their conviction that the most satisfactory solution of the matter would be the restoration by the United States of the concession on dried figs negotiated at Torquay, and had requested the United States and the consulting Governments to report to the Ninth Session as to further action taken in the matter. The Report (L/284) of the United States delegation indicated that a restoration of the concession within the immediate future seemed unlikely and that in the United States view the best solution would be for them to offer compensatory concessions. On 13 November 1954, they had given public notice that they would seek to negotiate adequate compensatory concessions with the affected countries.

Mr. BROWN (United States of America) said that, as the report stated, the United States Government had kept the question under constant review, but any change in its attitude for some time to come seemed unlikely. Proposals had been received in response to the

United States offer of compensatory concessions, and were at present under consideration.

Mr. BITSIOS (Greece) said that his delegation had had a meeting with the United States delegation and was prepared to continue negotiations in the hope that they would be completed at the present session. He therefore requested that the matter be retained on the agenda, so that the interested parties could report to the CONTRACTING PARTIES on the results of the negotiations. Mr. Bitsios added that information had reached his Government which compelled him to express the hope that no further measures would be taken in respect either of the duty or of possible action under Section 22 of the Agricultural Adjustment Act. He hoped that the CONTRACTING PARTIES would be willing to express themselves in this sense.

Mr. ANZILOTTI (Italy) said that, as a result of the resolution of 5 October 1953, consultations had taken place during the current year, when Italy had made a number of proposals, but the replies received had been unsatisfactory.

Recently, however, as a result of the public statement made by the United States Government on 13 November 1954, the Italian delegation had submitted a proposal to the United States delegation, which it was informed had been transmitted to Washington for the procedure necessary preliminary to the February negotiations. The Italian delegation hoped that a satisfactory solution would be the outcome.

Mr. HAYTA (Turkey) said that negotiations with the United States had already begun and he hoped that they would be successfully completed soon. Although his Government was withholding certain concessions, they still considered themselves an affected party, and hoped that the United States would not take further restrictive action.

Mr. BROWN (United States) did not object to the question remaining on the agenda. He was not aware of any intention of the United States Government to take new measures, but in the event that any such should be contemplated, he did not doubt that the interested parties would be consulted.

Mr. BITSIOS (Greece) was satisfied for the time being with the United States representative's statement.

The CONTRACTING PARTIES agreed to keep the question of dried figs on the agenda and to revert to it later in the Session.

4. Review of the Agreement

The CHAIRMAN referred to the Progress Report on the Review, issued by the Review Steering Group (document W.9/75). The Group felt that the proposal made in Plenary Session on 6 December by the delegate of South Africa, and supported by the delegates of the Dominican Republic and Turkey, should be adopted and prior to the Christmas recess the CONTRACTING PARTIES should take stock of the progress made in the review of the Agreement. The Group thought it would be best to wait until the four Working Parties had submitted their reports in order to be able to provide delegations with a clear

analysis of the situation immediately prior to the Christmas recess. It would also facilitate the further study of the issues by the respective governments in preparation for the resumption of the discussions on 4 January. The Group hoped that the delegations would utilize the Christmas recess for further study of the issues to enable rapid progress to be made after the recess, and thus to bring the Review to a successful conclusion by 31 January 1955.

Mr. BROWN (United States) explained that the date of 31 January 1955 set by the Steering Group for the conclusion of the Review was very important for his Government, which wished, soon after the conclusion of the Review, to put the organizational provisions before the United States Congress in the hope that action would be taken in the Session ending in June 1955. In order to obtain approval for the strengthening of the United States participation in the Agreement, the sooner they could proceed, the better it would be. It was therefore of the greatest importance to his Government that the organizational provisions be submitted without undue delay. He called the attention of contracting parties to the statement made by the Chairman of the Ways and Means Committee of the House of Representatives to the effect that his Committee was prepared to give the matter early and priority consideration.

Mr. AZIZ AHMAD (Pakistan) hoped that every effort would be made to bring the Review to a satisfactory conclusion by the date proposed by the Group.

The CHAIRMAN emphasized the urgent need to conclude the Review work by 31 January 1955. He urged all delegations to do what they could during the Christmas interval so as to be in a position to complete the remaining work during January and conclude on the date suggested by the Steering Group.

The Report of the Steering Group was adopted.

The Meeting adjourned at 11.30 a.m.

