

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

SR.11/14/Corr.1
28 November 1956

Limited Distribution

CONTRACTING PARTIES
Eleventh Session

SUMMARY RECORD OF THE FOURTEENTH MEETING

Corrigendum

Pages 136-37

The statement by the representative of Canada should read:

"Mr. ISBISTER (Canada) said he would not attempt to discuss the statements made by the Deputy Executive Secretary of the OEEC and the Belgian representative, but he suggested that the latter should be reproduced and circulated for careful study. Canada was very interested in these proposals for the reduction of barriers to trade in Europe and would discuss certain points at a later stage. For example, the Belgian representative had referred not only to plans for the reduction of tariffs amongst members of the customs union but also for an annual decrease of twenty per cent in quotas, but under the GATT no maximum limit should be set to the rate at which particular countries might be able to remove quantitative restrictions. His Government was confident that each country would bear in mind its obligations under Article XII to proceed with the elimination of quantitative restrictions as quickly as possible. Because of the importance of its connexions with Europe, Canada would be as much affected by these developments as any non-European country. He believed that the strength of these connexions would increase in the future and the mutual advantages implicit in them. As the plans developed his Government would undoubtedly seek a constructive part in formulating arrangements in the best interests of all concerned, in Europe and outside. At a later stage the CONTRACTING PARTIES would have important problems placed before them for consideration and decision. The relevant provisions of the General Agreement were designed to facilitate the successful conclusion and operation of such arrangements, as well as to safeguard the legitimate interests of other contracting parties. It was encouraging that the countries principally concerned and the OEEC had indicated their intention of consulting with the CONTRACTING PARTIES and of observing the GATT provisions, thus making a maximum contribution to general objectives shared in common. He was also glad that arrangements had been made to enable the secretariat to be informed of developments, to study them and to give advice, as it was desirable that the secretariat should be familiar with the issues involved when the plans were submitted to the CONTRACTING PARTIES. He therefore approved of the initiative of the Executive Secretary in establishing close liaison, and proposed that the item be included on the agenda of the Twelfth Session."

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The statement by the representative of the United States should read:

"Mr. CORSE (United States) said that his country had consistently supported genuine economic integration projects in Europe. Both the proposed Customs Union and the Free-trade Area related to it were projects of great interest and immediate concern to the CONTRACTING PARTIES. Though it was apparently too early to discuss the details of these projects at this session, it was desired that there be opportunity in due course to study them in relation to the General Agreement. In preparation for such an opportunity it was the United States' suggestion that the contracting parties work out effective liaison arrangements to become operative at the appropriate time."

The following amendments should be made to the statement by Mr. JOCKEL (Australia):

Page 141

In the ninth line insert "rather more" before "definite proposals".

Add the following sentence to the end of the first paragraph:

"He acknowledged in this connexion the value of the statements that had been made to the CONTRACTING PARTIES by the Deputy Secretary-General of the CEEC and the leader of the Belgian delegation."

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The ninth line should read:

"..... a customs union. It was hardly possible, however, to form a considered view on this point before an actual case was studied in all its detail. A key factor in the case of a customs union was the method...."

The first sentence of the second paragraph should read:

"Clearly, as he had already mentioned, the level of the tariff to be maintained by a customs union against imports from outside countries could not be considered apart from whatever other trade regulation measures might be employed."

The first sentence of the third paragraph should read:

"Mr. Jockel said that the kind of comments which he had made applied, of course, to any proposed customs union or free-trade area; so far as the Australian delegation was concerned they became particularly meaningful in connexion with its consideration of the present very important proposals for closer economic association in Western Europe."

In the ninth line of the third paragraph alter "of" to "or".

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The fifth line should read:

"... to accept a proposal, which whatever its possible benefits to the countries concerned and in terms ..."

Delete the last sentence of the second paragraph and insert thereafter the two following paragraphs:

"The Australian Government was conscious of the important economic and other advantages which could flow from the closer economic integration of Western Europe.

The Australian delegation was confident that GATT could fulfil a very useful role in the whole development of this enterprise. Whilst the Australian Government must naturally have a clearer picture of the shape of the actual plans in respect of both the proposed customs union and the proposed free-trade area before any definite views could be expressed, the preliminary comments which he had put forward on behalf of the Australian delegation would have indicated its keen interest in the evolution of these proposals."

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The latter part of the statement by Mr. GUNDELACH (Denmark) from the eleventh line onward should read:

"... this was unfortunately not so in the field of tariffs. Although the four tariff conferences had yielded valuable results, especially in preventing a further increase in the level of tariffs, the bilateral approach had not proved able to deal effectively with the main problems in the field of tariffs. Denmark favoured the abolition of quota restrictions, but there should be a reasonable balance between elimination of quantitative restrictions and the reduction of tariff barriers. A one-sided elimination of quota restrictions had no sense in itself, if the quota restrictions were replaced by high tariffs or other obstacles which had the effect of hampering imports as much as or more than quantitative restrictions. The fact that low tariff countries were not permitted to compete in markets sheltered by high duties on as favourable terms as high tariff countries enjoyed, their markets limited the former country's ability to eliminate quantitative restrictions.

In the view of the Danish Government its most important result had been to make clear that the bilateral procedure should be replaced by a more effective approach. Since previous discussions have shown that there was substantial support among member countries in favour of the application of multilateral procedures, there seemed good reasons to continue the work in order to finalize the plan on an early date. He finally urged that this matter should be kept under constant review with a view to finding a solution along the lines of the GATT plan. He considered that this question should be kept under review and should appear on the agenda for the Twelfth Session."

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In the first paragraph of the statement by Mr. de BESCHE (Sweden) the last sentence should read:

"Agricultural problems were admittedly the most intractable both inside and outside the OEEC, but special efforts were made to solve these problems. With regard to some statements on liberalization, he wished to say that if some countries felt especially hurt in this respect in their relations with a number of OEEC countries, this was not necessarily the entire responsibility of those OEEC countries."