

GENERAL AGREEMENT ON TARIFFS AND TRADE

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MINUTES OF MEETING

Held at the Palais des Nations, Geneva,
on 23 January 1965

Chairman: Mr. E. WYNDHAM WHITE (Executive Secretary)¹

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1. Committee on Trade and Development (C/W/86)

The terms of reference for the new Committee on Trade and Development were adopted at the last meeting of the CONTRACTING PARTIES on 26 November and the Council was requested to put forward a recommendation concerning the membership. At the last meeting of the Council it was decided to request governments which wished to be members of the Committee and which were prepared to participate actively in its work and to provide for suitable representation at meetings to notify the secretariat.

¹The Executive Secretary presided in the absence of the Chairman Mr. K.B. Lall (India).

The following governments requested membership:

Argentina	Greece	Portugal
Australia	India	Rhodesia
Austria	Indonesia	Spain
Belgium	Israel	Sweden
Brazil	Italy	Switzerland
Cameroon	Jamaica	Tunisia
Canada	Japan	Turkey
Central African Republic	Kenya	Uganda
Ceylon	Madagascar	United Arab Republic
Chile	Netherlands	United Kingdom
Cuba	New Zealand	United States
Czechoslovakia	Norway	Upper Volta
Denmark	Pakistan	Uruguay
Finland	Peru	Yugoslavia
France		
Germany, Fed.Rep.		

The Council agreed to recommend that the Committee be composed of these forty-four governments.

2. Procedures for Accession (C/49 and Corr.1)

The Chairman referred to document C/49 (a note by the secretariat) reviewing the traditional procedures for examining applications for accession to the GATT, for carrying out negotiations and for the drawing up of protocols of accession. This document had also summarized the discussions with five governments which had acceded provisionally to the GATT pending their full accession and with Ireland which wished to resume its discussions on the terms on which it might accede. Consultations had been held since the last meeting of the Council with a number of interested governments and there was now suggested in C/49/Corr.1, a revision of the final paragraph of document C/49.

The Chairman explained that this revised paragraph contained two proposals for action by the Council:

- (i) Firstly, that the Trade Negotiations Committee be instructed to make provision for the participation in the Kennedy Round of any of the six governments which wished to take part. It would then be understood by all participants in the trade conference that governments which had applied to accede to the GATT were participating with a view to their full accession.

- (ii) Secondly, that the Council should recommend to the CONTRACTING PARTIES that they should establish appropriate machinery for examining any matters concerning the terms of accession which were not directly related to the trade negotiations. Presumably, the CONTRACTING PARTIES would act upon this recommendation at the session in March. If the CONTRACTING PARTIES established a working party on accession, its work in respect of any of the applicant countries could be taken up at such time as interested parties were ready to do so. This working party could also examine any other applications for accession which might be received.

The purpose of the proposals was to establish appropriate machinery designed to expedite the work which must be carried out before accession could be finalized. It was envisaged that the trade negotiations side of this task could proceed within the framework of the current trade conference. At the same time any other outstanding aspects of the terms of accession, which were not directly related to the trade negotiations, including the preparation of draft protocols of accession, could be carried out by the working party set up by the CONTRACTING PARTIES. Full account would be taken of the work already accomplished by the working parties which had recommended the provisional accession of five of the applicant countries.

One representative observed that no rules had yet been finalized regarding the participation of less-developed countries in the current trade negotiations. He asked what would be the position of countries which had applied for accession, vis-à-vis those less-developed countries which were still awaiting the drawing up of the rules under which they would participate in the trade conference. The Chairman replied that these were two separate questions and that it was clear that the working party on accession would take into account whatever decisions might be reached by the Sub-Committee dealing with the participation of the less-developed countries in the Kennedy Round.

The secretariat proposals, as explained by the Chairman, were agreed.

The representative of the United Arab Republic recalled that at the last meeting of the Council he had raised the question of the accession of less-developed countries which were not yet members of the GATT. One of the criticisms made concerning GATT during the United Nations Conference on Trade and Development was that the GATT was not universal in its membership. It was important, therefore, that the accession of less-developed countries be facilitated. In consultation with other delegations, his delegation had decided to raise this issue in the new Committee on Trade and Development.

3. The United States/Canada agreement on automotive parts

Referring to item 15 of the agenda for the twenty-second session of the CONTRACTING PARTIES, the representative of the United States commented on the agreement concerning automotive parts between the United States and Canada. He said that his Government had consulted with those contracting parties which were major exporters of automobiles and parts to the United States and had conveyed to them its intention at the forthcoming session to request a waiver to enable the agreement with Canada to enter into effect. His Government would request a waiver because, although this agreement was within the spirit of the objectives of the General Agreement, it nevertheless departed from the most-favoured-nation provision.

The representative of Canada stated that the duty-free privileges which would be accorded in Canada under the agreement would not be tied to any particular source of imports but would be freely available to imports from all sources. As far as Canada was concerned, therefore, the agreement with the United States would not conflict with Canada's obligations under the General Agreement. Canada would therefore not be requesting a waiver.

These comments were noted.

4. Preparations for the twenty-second session (C/54)

The twenty-second session will begin on 2 March. The provisional agenda, together with annotations on the action to be taken during the session, had been distributed in document C/54. Since this document was issued, Uruguay had requested the inclusion of an item relating to a waiver for the maintenance of import surcharges, and Japan an item regarding the application of Article XXXV to Japan.

The Chairman observed that the only item on which further action was required by the Council before the session, was that relating to residual import restrictions. The annotations to that item recalled that the

CONTRACTING PARTIES had requested the Council to review from time to time the list of restrictions notified in accordance with paragraph 7 of the procedures adopted by the CONTRACTING PARTIES. A document indicating the restrictions still maintained, as notified by contracting parties, was being prepared by the secretariat, but possibly the Council would not wish to meet again if this would be the only item on the agenda.

The Council agreed that the review should be carried out at one of the plenary meetings of the session and that the Council would not meet again before the session unless urgent matters required it. It was agreed that the consultations being conducted by the CONTRACTING PARTIES on the United Kingdom import charges would be resumed during the session beginning on 5 March instead of on 17 February as previously scheduled. With regard to item 10 of the session agenda it was agreed to recommend that the working party which would be examining the Convention of Association of the African and Malagasy States with the EEC, should also examine the arrangements concerning the association of overseas territories with the Community.

The Council took note of a suggestion that at an appropriate time the CONTRACTING PARTIES might give consideration to whether the Council might be given authority to adopt certain reports, for example, those by the Committee on Balance-of-Payments Restrictions.

The Chairman suggested that where reports or other submissions were required from contracting parties it would be helpful if members of the Council would take steps to ensure that these were forwarded by their governments with the least possible delay.

With regard to the duration of the session, the Chairman said that while the session should be envisaged as ending on 26 March, the CONTRACTING PARTIES might do their best to see that the session adjourned earlier.

5. Closing meeting of the Special Session

The Chairman recalled that the closing meeting of the Special Session would be held in the Palais des Nations on 6 February beginning at 3 p.m. The order of business would be as follows:

- (i) Signature of the Final Act authenticating the text of the amendment protocol

The accredited representative of each contracting party and of each government having acceded provisionally to the General Agreement, participating in the meeting, would be expected to sign the Final Act. No special powers would be

required for the signature. The text of the Final Act and of the protocol, annexed to the Final Act, would incorporate the drafting changes proposed in GATT/AIR/445. In addition, as agreed by the Council in December, there would be three authentic texts: English, French and Spanish.

(ii) Signature of the Protocol

Representatives having full powers authorizing them to sign the Protocol would be given an opportunity to do so. Signatures "ad referendum" or "subject to ratification" would be accepted. It would be helpful if representatives who intended to sign the Protocol on 8 February would inform the secretariat as soon as possible, and submit their full powers before the opening of the meeting.

(iii) The Declaration on de facto implementation of the amendments

It was hoped that the Declaration would be adopted unanimously. No signatures would be required. The text of the Declaration would provide for the implementation of the amendments on a de facto basis as from 8 February.

(iv) Committee on Trade and Development

The Committee would be formally established with the membership as agreed at the present meeting. The Committee would hold an organizational meeting on 9-10 February and would discuss substantive matters during the session.