

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/M/63  
31 July 1970

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COUNCIL  
15 July 1970

## MINUTES OF MEETING

Held in the Palais des Nations, Geneva,  
on 15 July 1970

Chairman: Mr. Erik THRAHE (Denmark)

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### 1. Greek preferential tariff quotas to the USSR (L/3406)

The Chairman recalled that at the last Council meeting the United States delegation had raised the question of preferential tariff reductions granted by Greece to the USSR for specified quantities of certain commodities. The Council had agreed to revert to the matter at its next meeting and had urged the Greek

Government to consider appropriate ways for bringing the arrangement into conformity with the GATT. In the meantime, the Greek delegation had circulated a request for a waiver, contained in document L/3406.

The representative for Greece drew attention to the exceptional circumstances under which this request for a waiver had been made. Greece was a developing country with balance-of-payments problems, which it was trying to solve. With this aim in view, the Government had concluded a number of bilateral trade agreements for the export of certain agricultural products. Its bilateral agreement with the USSR covered such agricultural products which were not readily saleable elsewhere. He also recalled that, as a result of Greece's association with the European Economic Community, imports from the USSR had fallen. In an effort to achieve trade balance the Greek authorities had granted special tariff quotas to the USSR for the total value of US\$4,250,000, which represented only one sixth of Greek imports from the USSR. He also recalled that despite the various difficulties Greece was encountering in its development, the Government applied a liberal import régime; it was clear that should the Greek balance of trade deteriorate his authorities would no longer be in a position to pursue such a liberal policy. He appealed to the Council to examine favourably his Government's request in the light of these special circumstances and suggested that it be considered in a working party.

The Council established a Working Party with the following terms of reference and membership:

Terms of Reference

"To examine the request by the Government of Greece for a waiver from its obligations under Article I of the General Agreement in order to reduce the customs duties on certain products manufactured in, and coming from the USSR, as specified in the Special Protocol of 13 December 1969; and to report to the Council."

Membership

Argentina	Greece
Canada	Japan
Ceylon	Nordic countries
Chile	United Kingdom
European Communities	United States
and their member States	Yugoslavia

Chairman: Mr. B. Meere (Australia)

2. Central African Economic and Customs Union (L/3344/Rev.1)

The Chairman referred to the report on the Central African Economic and Customs Union (document L/3344/Rev.1).

Some delegations noted that the report furnished by the representative of Gabon had not taken into account certain tariff reductions introduced in January 1970. They welcomed these changes which not only brought about a lowering of the tariff rates but also reduced the margin of preferences granted to the EEC. The representative of the United States joined in welcoming these changes, expressed understanding for the relationships existing between the EEC and the members of the Union, but, nevertheless, stated his Government's opinion that the reverse preferences granted by the members of the Union should be eliminated.

The representative of Australia recalled that at the 23rd session of the CONTRACTING PARTIES the Union had agreed to an Australian request for the provision of import trade statistics into its member States of temperate agricultural products subject to discriminatory treatment. This information had been furnished in document L/2623/Add.1 for the year 1965. He now asked whether the Union could provide, for the information of contracting parties, trade statistics covering major commodity imports (not only temperate agricultural products) from individual countries for the three most recent years for which the information was available.

The representative of Gabon, speaking on behalf of the member States of the Central African Economic and Customs Union, informed the Council on the extent of the reductions introduced at the beginning of the year. Furthermore the Union would provide contracting parties with more detailed statistical data to the extent possible.

The Council took note of the report.

### 3. Agriculture Committee

The Director-General, Chairman of the Agriculture Committee, said that the Committee had carried out its work in four working groups dealing, respectively, with measures which affect exports, imports and production and with other relevant measures. The Committee had taken note of the reports which were now being studied by governments. The Committee had agreed that the Steering Group would meet in the second half of September to decide on the best way of proceeding with the work.

The Chairman said that there was still much work to be done to fulfil the mandate of the CONTRACTING PARTIES and urged contracting parties to give close consideration to the various proposals made in the reports before the meeting of the Steering Group.

The Council took note of the statement of the Chairman of the Committee.

### 4. Committee on Trade in Industrial Products

Mr. Stuyck, Chairman of the Committee on Trade in Industrial Products, gave a report on the work of the Committee since the twenty-sixth session. He stated that the five working groups on non-tariff barriers had completed a first round of examination of the Illustrative List with a view to elaborating, without

commitment, possible solutions to the problems identified. At a meeting on 13 July, the Committee had taken note of their reports and had considered progress encouraging although the task was by no means finished. It was also agreed that more time was needed to study the reports. The Committee had discussed, in a preliminary way, how to organize further work so as to fulfil the mandate of the CONTRACTING PARTIES to complete preparatory work by the end of the year. As an aid to taking decisions in the autumn, the secretariat had been asked to prepare and circulate a table summarizing the various solutions suggested in the five reports, arranged so as to facilitate choices of topics suitable for further elaboration at meetings which might be scheduled for the autumn, giving special consideration to topics of particular interest to developing countries. It had been decided to hold a meeting of the Steering Group in the second half of September to examine the autumn work programme on non-tariff barriers.

Turning to the Tariff Study, Mr. Stuyck reported that the basic documentation for this Study had now been received by members of the Committee, and that the Committee had agreed that decisions upon the most desirable ways of using this material constituted the most important task before it. It had been decided that following study of the documentation and of issues during the summer months a meeting of the Committee would be held in the early autumn looking to the establishment of a working party to carry out the next stage of the Tariff Study.

Several members of the Council expressed appreciation for the work of the Industrial Committee and its Chairman, noting that good progress had been made in an area which presented many new problems of substance and procedure. The importance of maintaining the momentum in this work was stressed.

The representative of Israel, supported by several members of the Council, expressed concern that in the months ahead it would be important, both as a matter of avoiding unnecessary meetings and to preserve unity in the approach to certain particular subjects, that work on topics affecting agricultural and industrial products alike, should go forward as a single unity and not be given separate treatment in the two Committees. Subjects not having special agricultural or industrial aspects, but presenting problems affecting trade of all categories which were mentioned in this connexion were some standards problems, some customs administrative problems (notably valuation), prior deposits, and packaging and labelling requirements. It was suggested that this subject was one to which attention might be given in the autumn, possibly at a joint meeting of the Steering Groups of the two Committees, on the basis of a paper which the secretariat might prepare on guidelines for a better division of work. Some delegations noted that up to now duplication had been avoided, in that different aspects of general questions had been considered in the two Groups, but agreed that there might be room for some reassignment of work on a pragmatic basis now that thinking on solutions would be crystallizing to a greater degree. The Director-General noted that all classification necessarily involves an element of arbitrary decision and that the Groups in both Committees had already made a conscious effort to avoid duplication with the work of groups in the other Committee, but he agreed that further improvement might be possible.

The Council took note of the statement by the Chairman of the Committee on Trade in Industrial Products and asked the secretariat to see what could be done towards simplifying the division of work between the Agriculture and Industrial Committees. The Steering Groups would bear this question in mind at their meetings in September.

5. Article XXVIII:1 - Renegotiations 1969 (C/W/165)

The Chairman drew attention to document C/W/165 in which it was proposed to extend the time-limit for renegotiations under paragraph 1 of Article XXVIII until 31 December 1970. He recalled that some contracting parties had notified that they would not be able to conclude their negotiations within the prescribed period, i.e. not later than 30 June 1970. They had therefore requested an extension of the time-limit up to the end of the year. As no meeting of the Council had been foreseen for the period between the submission of these requests and 30 June, it had been proposed in the document that the time-limit should be considered to be extended until the first Council meeting after that date, unless any contracting party wished a special meeting of the Council to be convened before 30 June. He noted that there had been no request for such a meeting.

The Council agreed to the proposed extension of the time-limit.

6. Article XXVIII:4 - Request by Japan (SECRET/201)

The Chairman said that Japan had requested authority under paragraph 4 of Article XXVIII to renegotiate an item in its Schedule. The request had been circulated in document SECRET/201.

The representative of Japan stressed that his Government was making every possible effort for the further liberalization of imports in the hope of contributing to the expansion of world trade. Considerable progress had already been made in that field and it was its firm intention to continue removing import restrictions. Parallel efforts had been made to reduce tariffs; in May 1970 duties on 111 products had thus been unilaterally reduced. The Government of Japan was fully aware that it was undesirable to substitute one kind of barrier for another, and it was only going to resort to duty increases in connexion with the removal of import restriction in very exceptional cases. The industry in question was young and the size of the manufacturing firms was small. The Japanese producers had to use mainly synthetic raw materials which put them in a disadvantageous position in comparison with foreign competitors. He recalled that his country had in the past done its best to uphold its tariff concessions and had very rarely invoked Article XXVIII. Recently quota restrictions had been lifted on some twenty items without any consequent tariff increases. Japan was ready to offer a reasonable amount of compensation to the exporting countries concerned. He pointed out that in the past countries had been granted authorization to renegotiate in similar circumstances and he hoped that the Council would give sympathetic consideration to his Government's request.

The representative of the United States, while welcoming the Japanese liberalization efforts, said that he did not consider that there were in the case under consideration special circumstances in the sense of Article XXVIII:4. His Government could not accept that liberalization measures were a justification for tariff increases. The present case might be of limited trade importance but his Government felt, nevertheless, that for reasons of principle it was essential to stress that the abolition of a quantitative restriction should not be used as the pretext for a duty increase. He could, furthermore, not agree with the arguments that the Japanese industry was weak. On the contrary, his Government had the impression that the Japanese manufactures were quite competitive, not only on their own home market but also on several export markets.

The representative of the United Kingdom said that he shared the view that the removal of quantitative restrictions should not normally lead to the imposition of higher duties. There might, however, be exceptional cases, where a tariff increase could be justified. In the present case, it was not possible to establish, on the basis of the documentation before the Council, whether there were such exceptional circumstances, but in view of the fact that Japan was obviously prepared to offer full compensation, he felt that the requested authority could be granted.

The representative of the European Communities said that the Communities had a certain trade interest in the item under consideration. The arguments used by the representative of Japan might not be very convincing. It should be borne in mind, however, that Japan had used Article XXVIII very sparingly in the past and that the request related only to one out of a number of products that had been liberalized. In this connexion he expressed the view that in the interest of the stability of concessions, it was better that countries resorted to Article XXVIII than that they invoked Article XXVIII:5, as nine countries had done for the present three-year period, thus creating uncertainty regarding the stability of their whole Schedules. The granting of authority to renegotiate under Article XXVIII did not mean that Japan was free to take unilateral action; it would have to offer compensation, taking into account both the effects of the quantitative restriction and the duty element. The European Communities were in favour of granting the authority.

The representative of Canada said that his Government shared the opinion that the removal of quantitative restrictions should not be accompanied by tariff increases. He was therefore pleased to learn that the Japanese Government considered the present case to be an exceptional one.

The Chairman proposed, in view of the divergencies of opinion that had emerged in the discussion, that the Council should revert to the matter at its next meeting. In the meantime the delegations mainly concerned could discuss the question bilaterally. Such a course of action presupposed, however, that Japan renounced its right under the note to paragraph 4 of Article XXVIII to call for a decision within thirty days of its submission of the request.

The representative of Japan said that he was willing to accept a postponement of the decision until the next meeting of the Council.

It was agreed that the Council would revert to the matter at its next meeting.

7. Import Restrictions (L/3391 and Add.1)

The Chairman recalled that, in its meeting on 22 January 1970, the Council had established the Joint Working Group to enter into consultations with contracting parties on the maintenance of quantitative restrictions. He called upon Mr. Pasin (Turkey), Chairman of the Group, to introduce its report.

Mr. Pasin said that the Group had conducted its consultations along the lines of the Director-General's proposal (document L/3260) and in its work had borne in mind the debate in the Council as well as the conclusions of the twenty-sixth session on the subject. The Group had examined systematically the restrictions still maintained by the eighteen countries consulted, with a view to assessing prospects of removal or relaxation in each case. With respect to a relatively small number of restrictions, the Group had heard indications of target time-limits within which the maintaining countries intended to remove restrictions; with respect to a somewhat larger, but still small, number of restrictions, there were more or less explicit references to possibilities of relaxation or removal. On most restrictions, no indications of possibility of removal were given, partly because problems of a long-term structural nature were involved, partly because of linked external problems beyond the Group's terms of references, and partly, no doubt, because of maintaining countries' reluctance to discuss action in advance of a possible general negotiation.

The Group also discussed certain proposals for future action, ranging from elimination of unjustified quantitative restrictions to procedures for bringing restrictions under more effective international scrutiny, with a view to facilitating their relaxation and removal.

One significant contribution of the Group had been to gather, in a systematic way, comprehensive data on quantitative restrictions. The results had been distributed to the relevant working groups of the Committee on Trade in Industrial Products, the Agriculture Committee, and the Committee on Trade and Development.

The representative of Canada said that while the original intention had been that the Group should be a temporary one in order to avoid interference with work under way in the Industrial and Agriculture Committees, his delegation was now in favour of retaining it. Its retention was necessary, particularly in view of the desirability of keeping up and improving the valuable "data bank" on quantitative restrictions which had been assembled. Meetings at regular intervals would also help overcome the anomaly often noted of having elaborate procedures for some countries maintaining quantitative restrictions and none for others.

The representative of New Zealand said that the Group's work had clearly indicated the need for continuing machinery for consultations on the subject of quantitative restrictions. While agreeing that the "data bank" should be kept up to date, he considered that the Council should discuss the detailed suggestions proposed in the report, before any decision was taken on the Group's future. If contracting parties were not ready to hold such a discussion at this stage it would be better to postpone the question and to discuss it later, in the light of progress in the working groups of the main Committees.

The representative of the European Communities pointed out that delegations would wish to make corrections to the Table as well as its notes on individual items. Such amendments could best be made by convening another meeting in the autumn at which time the documentation could be finalized. He proposed that action on the general issues raised by the report be deferred until after that meeting of the Group and then be taken up at a later meeting of the Council.

The representative of the United Kingdom proposed that the Group should be maintained in existence. He was in favour of an early meeting along the lines suggested by the European Communities in order to ensure that all of the information provided to the Group was recorded. Moreover, much remained to be done in the field of quantitative restrictions, bearing in mind that the Group had not had sufficient time to explore in depth the more general suggestions mentioned in the report, and that Group 4 of the Industrial Committee had not been in a position to base its discussions on complete documentation from the Joint Working Group. There was a need for a procedure of periodic consultation, and notification on quantitative restrictions, a function which the Group might appropriately perform.

The representative of India, while satisfied with progress to date in the Group, repeated a concern previously expressed in the Council that any decision on the future of the Group should not prejudice work already in progress in the Committee on Trade and Development and its Group on Residual Restrictions. The representative of Argentina shared this view. He was in favour of the retention of the Group and considered that it could contribute towards dismantling of quantitative restrictions affecting trade of developing countries.

The representative of the United States agreed that the Group had compiled valuable documentation and suggested that the "data bank" could be improved by a system of notifications, both by countries introducing restrictions and by countries affected by the measures. His delegation was not generally in favour of holding further meetings of the Group since it had no mandate to find solutions. Further progress could best be achieved at this stage in the groups of the main Committees. The Joint Working Group might have a rôle to play later, in the light of progress elsewhere. He could support postponing a decision on future meetings of the Group.

The representative of Australia said that the Council should not now attempt to reach firm conclusions on the question under discussion. There had been general agreement on the usefulness of the "data bank". Corrections of this material would in any event constitute a need for a further meeting. He considered that it was still too early to deal with the overall question of action to eliminate or relax quantitative restrictions. The problem of the future of the Group could best be considered after the work programme of the Industrial and Agriculture Committees had been decided in the autumn.

It was agreed that the Group should hold a short meeting in the early autumn, in accordance with the proposal of the European Communities, for the purpose of finalizing the documentation. The date should be settled by the Chairman of the Group in consultation with delegations. The Council would revert to the report when all of its annexes were circulated in final form.

#### 8. Anti-Dumping Practices (C/W/166)

The Chairman recalled that the CONTRACTING PARTIES had, at their twenty-sixth session, directed the Council to make arrangements for a wide and early acceptance of the Agreement on the Implementation of Article VI. The secretariat had distributed, for the convenience of the Council in its deliberations a summary of past discussions regarding the adherence of developing countries to the Agreement (document C/W/166).

The representative of India said that the problems of developing countries in adhering to the Anti-Dumping Code as set out in document C/W/166 had been discussed in various GATT bodies. He felt that in the light of later developments the original position of the parties to the Code with regard to the special problems of the developing countries had changed somewhat. He was fully aware of the difficulties of formally amending the text of the Code, but he thought that a solution to the problems of the developing countries could be found without such a formal amendment. He proposed that a Working Party should be appointed to examine possible arrangements to facilitate the adherence of the developing countries to the Code.

The representatives of the United Arab Republic and Israel supported the views expressed by India and the request for the appointment of a Working Party.

The representative of Argentina said he had no objection to the establishment of a Working Party to try to solve the problems encountered by developing countries in accepting the Code. He pointed out that his delegation had participated in the discussion of the Group on Anti-Dumping Policies in 1967 and had raised at that time the points referred to in paragraph 5 of the document, but unfortunately no agreement on these points had been achieved.

The representative of the European Communities said that the important question was whether real progress could be made towards meeting the requirements of the developing countries without softening the Code to such an extent that

it would not go beyond what was already contained in Article VI itself. He suggested - as various capitals had not yet had time to consider carefully the problems involved on the basis of document C/W/166 - that the Council should revert to the matter at its next meeting.

The representative of India said that he had no objection against postponing a decision on his proposal until the next meeting of the Council.

It was agreed that the Council should revert to the matter at its next meeting.

9. Balance-of-payments import restrictions  
Reports on consultations with Peru (BOP/R/46) and Uruguay (BOP/R/45)

Mr. Petrie (Canada), Chairman of the Committee on Balance-of-Payments Import Restrictions, introduced the reports on the consultations held with two contracting parties in June 1970. In the case of Peru, the Committee had held that, due to the great natural disaster which the country had just faced and the huge loss and damage both in human life and in productive resources which had been caused by the disaster, the time was not suitable for an examination of the import restriction question. The Committee had agreed that there was no point in examining the restrictions as they had been applied prior to the earthquake but that the Council could consider such action as appropriate in terms of the relevant GATT provisions when informed of any new measures in this domain. The Committee had taken due note of the information supplied by the Peruvian authorities which, on their side, had undertaken to furnish prompt reports to the CONTRACTING PARTIES on any changes in commercial policy.

In the case of Uruguay, the Committee had been pleased to note progress in the stabilization of the economy and the redressing of the balance of payments. It had been particularly happy to learn that Uruguay was no longer maintaining any direct quantitative limitation on imports, although it continued to apply certain other measures affecting imports.

With regard to paragraphs 14 and 15 of the report on the consultations with Uruguay (BOP/R/45), the representative of the United Kingdom observed that it had been established by the Committee that the two measures discussed therein, namely, the prepayment for imports ("consignaciones") and the exemption of tied-aid financed imports had a very limited incidence on imports. He therefore urged the Government of Uruguay to give serious consideration to the possibility of eliminating these two measures.

The Council adopted the reports on the consultations with Peru (BOP/R/46) and Uruguay (BOP/R/45).

10. Uruguay - import surcharges (L/3409)

In February 1970 the Council had requested the Committee on Balance-of-Payments Import Restrictions to examine the Uruguayan request for an extension of the waiver on import surcharges in conjunction with its balance-of-payments consultations. Mr. Petrie, Chairman of the Committee said that the Committee had felt that the Government of Uruguay should be urged to begin removing the surcharges; for the time being, however, the CONTRACTING PARTIES might justifiably grant a further extension of the waiver for a short period.

The representative of Norway, speaking on behalf of the four Nordic countries: Denmark, Finland, Sweden and Norway, referred to the Council meeting held in February where they had expressed the hope that the discriminatory element in the import surcharge would be reduced or eliminated. It seemed, however, that, far from being removed, the discriminatory element had possibly even been increased. The exemption from the import surcharge for goods transported to Uruguay in Uruguayan bottoms was contrary to the terms of the waiver. The Nordic countries, therefore, were not in a position to vote in favour of an extension of the waiver.

The representative of the European Communities stated that, in principle, they would not be opposed to an extension of the waiver if they had certain assurances as to the elimination of the discrimination resulting from the flag privilege. In the meantime, the privilege had been extended to ships participating in Lines Conferences to which Uruguay is a party. They could not quite appreciate yet what this extension entailed and could therefore not take any position on the proposed extension of the waiver.

The representative of the United States stated that his authorities would agree to an extension of the waiver. Nevertheless, his Government disapproved of the flag privilege which was of a discriminatory nature and not within the framework of permissible balance-of-payments import restrictions.

The representative of the United Kingdom stated that his authorities were in favour of an extension, especially if it was reasonably short. The draft decision, furthermore, was acceptable to them.

The representative of Chile considered that there was a clear connexion between the measures for building up the merchant marine and the balance-of-payments problem. It was perfectly legitimate to guarantee Uruguay a minimum of security in its provisioning and to favour the development of its own merchant fleet.

The representative of Argentina expressed his full understanding of the need for Uruguay to apply these measures. It was doubtful whether the General Agreement had actually established any rules relative to shipping policy. On the other hand, other international organizations had recognized the right of developing countries to help the development of their merchant fleets through protective measures.

The representative of India objected to the use of the term "flag discrimination". He was of the opinion that the Uruguayan measures were in no way contrary to the provisions of the General Agreement.

The Council approved the text of the draft decision and agreed to recommend its adoption by the CONTRACTING PARTIES. The report as a whole was adopted.

The Chairman requested the secretary to distribute ballot papers. Members of the Council who had authority to vote on behalf of their governments were invited to do so and ballot papers would be sent by post to contracting parties not represented.

The Chairman noting that Mr. Petric was returning to Canada for a new appointment thanked him for the excellent services he had rendered as Chairman of the Committee.

11. EEC emergency action on table apples

The representative of Australia informed members of the Council that since the last Council meeting, multilateral consultations had been held between representatives of the EEC and representatives of Argentina, Australia, Canada, Chile, New Zealand, South Africa and the United States. Neither the discussions at the last Council meeting nor the subsequent consultations had convinced his authorities that the import restrictive measures taken by the EEC were justified. The outcome of these consultations did not constitute a satisfactory adjustment of the matter in terms of Article XXIII of the General Agreement. However, his authorities had taken note of the statement made by the representative of the EEC in the course of the consultations, viz. that it did not intend to recommend an extension of the measures and that they were in no way a precedent for action in future for apples or other products. In view of these statements and in view of the fact that the current Australian apple export season was now virtually ended, his authorities had decided not to pursue action under paragraph 2 of Article XXIII of the GATT in this instance.

The representative of New Zealand emphasized that in his Government's view, the measure was neither justifiable in terms of the safeguard clause for apples provided under the Community regulations nor in terms of the provisions of the General Agreement. The imbalance on the EEC apple market had not been created by imports nor did these imports provide an additional threat to that market. The import certificate system impaired the binding of the import duty on apples negotiated by New Zealand. The EEC's explanation of its measures as set out in document L/3385 could not be accepted.

The representative of Canada expressed his disappointment at the outcome of the multilateral consultations. He stated that he had duly taken note of the EEC's recognition that the measure had been of an exceptional nature.

The representative of Argentina expressed his sympathy with the previous statements, in particular the statement by the representative of Australia. He moreover, expressed hope that contracting parties would in similar situations in the future resort to consultations prior to the introduction of any such measure.

In his reply the representative of the EEC stated that the EEC was of the opinion that the measures taken with regard to table apples had been well justified. However, the measure had - as originally envisaged - been abolished as of 30 June 1970; the secretariat had been informed of this.

12. Financial and administrative questions

(a) Final position of the 1969 budget of the GATT (L/3393)

The Chairman introduced the report on the final position of the 1969 budget of the GATT, submitted by the Director-General (L/3393). The accounts closed with a surplus of US\$100,872, mainly due to the excellent results obtained for miscellaneous income and to the position of contributions in arrears, which stood at US\$244,521 as of 31 December 1969. The Chairman urged contracting parties which had not yet been able to meet their liabilities to do so as early as possible. In paragraph 6 of the report authorization was sought to increase certain appropriations in order to finance excess expenditures in particular sections of the budget. In paragraph 8 certain transfers between sections of the budget were proposed as well as a transfer from the Surplus Account to cover these expenditures.

The Council approved the proposals set out in paragraphs 6 and 8 of document L/3393.

(b) Final position of the 1969 budget of the International Trade Centre (L/3392)

The Chairman introduced the report on the final position of the International Trade Centre budget submitted by the Director-General (L/3392). The report had been made in view of the accepted GATT responsibilities for budgetary and financial supervision of the Centre's funds and was in accordance with GATT practice. The 1969 surplus amounted to US\$949. In paragraph 6 of the report authority was sought to increase certain appropriations by transfer of savings between budgetary sections and by using a supplementary contribution of US\$4,000 from the United Nations.

The Council approved the proposal set out in paragraph 6 of the document L/3392.

(c) Deviation from the United Nations Staff Rules (L/3394)

The Chairman drew attention to document L/3394 in which the Director-General reported a deviation from the United Nations Staff Rules.

The Council took note of the report.

(d) Provision of funds for Conference on Effective Protection (C/85)

The Chairman drew attention to the document C/85 in which the Director-General proposed that the GATT should sponsor, jointly with the Graduate Institute of International Studies in Geneva, a Conference on Effective Protection, to be held in Geneva at the end of the year. The share of GATT in the estimated cost would amount to US\$10,000, which could be absorbed by the 1970 budget. It was proposed that, to the extent possible, the amount be financed from savings within the appropriate sections of the budget or by transfer from other sections. In the event the full amount of this additional expenditure could not be so financed, authority was requested to transfer the necessary funds from Part V - Unforeseen Expenditure.

The Council approved the proposal made by the Director-General.

(e) Committee on Budget, Finance and Administration

The Council appointed the Committee on Budget, Finance and Administration, with the following terms of reference and membership:

Terms of Reference

- "(i) To examine any questions arising in connexion with the audited accounts for 1969, the financing of the 1970 Budgets and proposals for the Budgets for 1971 of the GATT and of the International Trade Centre UNCTAD/GATT.
- "(ii) To study any financial and administrative questions which may be referred to it by the Council or submitted to it by the Director-General, and undertake such other duties as may be assigned to it by the Council."

Membership

Australia	Gabon	Japan
Belgium	Germany, F.R.	Poland
Brazil	Ghana	Sweden
Canada	India	Switzerland
France	Israel	United Kingdom
		United States

Chairman: Mr. M.H.E. Moerel (Netherlands)

13. Working Party on Trade with Poland

The Chairman recalled that at its meeting on 28 April the Council had left open the nomination of the Chairman of the Working Party for the conduct of the Third Annual Review of Trade with Poland. He now proposed that Mr. J. Larsen (Denmark) be nominated Chairman of the Working Party.

The Council agreed on the nomination of Mr. Larsen.

14. Committee on Anti-Dumping Practices

The Chairman recalled that Mr. Langeland (Norway) who had presided over the Committee on Anti-Dumping Practices had left Geneva. The Chairman proposed Mr. A. Buxton (United Kingdom) be nominated Chairman of the Committee.

The Council agreed on the nomination of Mr. Buxton.